

IN THE MATTER OF
PAIN STOPS HERE! INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3898. Complaint, Sept. 7, 1999--Decision, Sept. 7, 1999

This consent order, among other things, prohibits Pain Stops Here! Inc. and its officer, the promoters and distributors of magnetic therapy products, from representing that such products are effective in treating various medical conditions and illnesses unless the respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation. The consent order also prohibits the respondents from representing that the experience presented in user testimonial or endorsement represents the typical or ordinary experience of the user of the product or program unless: it is substantiated; or certain disclosures are made. In addition, the consent order prohibits any unsubstantiated claims regarding the health benefits, performance, safety, or efficacy of any such product or program.

Participants

For the Commission: *Christa Vecchi, Richard Cleland and Dean Graybill.*

For the respondents: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Pain Stops Here! Inc. and Sande R. Caplin, individually and as an officer of the corporation, have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1.a. Respondent Pain Stops Here!, Inc. ("PSH") is a New York corporation with its principal office or place of business at 100 Fox Hill Drive, Baiting Hollow, NY.

1.b. Respondent Sande R. Caplin, is the President and majority shareholder of the corporate respondent. He formulates, directs, and controls the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of the corporate respondent.

2. Respondents have promoted, offered for sale, sold, and distributed to the public magnetic therapy products. Therapeutic magnets are "devices" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

3. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

4. Respondents have disseminated or have caused to be disseminated advertisements or promotional materials for magnetic therapy products, including but not necessarily limited to the attached Exhibits A through D. These advertisements and promotional materials contain the following statements:

A. *Magnetized Water*

Magnet Therapy is being more researched each day. Soon it will be a therapy of choice [.] Dr. Kenneth McLean, M.D., after spending many years helping people with magnet therapy, especially his cancer patients, confessed: "I can't say anything officially but let us face it; this treatment is a Godsend. It's good for almost anything." Magnets and Magnetized Water are the two hands of magnet therapy; they compliment each other.

* * *

NORTH POLE MAGNETIZED WATER

This water is recommended in cases of infectious diseases, urinary infection and gastric ulcers. Also for dysentery and diarrhea as it slows down peristaltic movements. Dr. N. Bengali recommends it in cancerous conditions.

North pole magnetized water has a healing effect on skin ulcers such as bed sores. Bed sores washed daily with the water heal faster. When applied once daily over two weeks, the condition has been found not to reoccur.

SOUTH POLE MAGNETIZED WATER

* * *

South pole water encourages growth activity in plants. Plants have been found to grow 20 to 40 percent faster when irrigated with this water. The water should be applied at the roots. Enthusiastic farmers have reported giant-size produce.

* * *

BI-POLAR (NORTH AND SOUTH) MAGNETIZED WATER

* * *

This simple treatment was very effective in breaking up kidney and gallbladder stones into small enough particles to be passed through urine without any pain or danger to the patient. [T]he water also prevented further formation of stones [in] the kidneys and gallbladder.

* * *

Similarly to the way magnetized water dissolves the settled salts on the walls of boilers and radiators, so it has been reported to help unclog the arteries and veins of deposits of cholesterol and salts and normalize the circulatory system.

* * *

[Exhibit A, PHS000032-33][Consumer Brochure]

B. EXPERT OPINIONS

* * *

Dr. Philpott states that negative magnetic energy is capable of filling indented skin where a tumor has been. He also reports that no scar tissue will form where a

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cancerous tumor is neutralized by North pole magnetic energy. The same magnetic energy field eliminates scar tissue formation when a cut heals.

* * *

Dr. Philpott postulates that when a negative magnetic field is applied to a diseased internal organ, such as the liver, a three month application of negative energy may be required to cure the disease. An additional three month application may be required to repair the organ. His advice is to ensure that the magnet being used is larger than the lesion being treated and that sustained treatment with negative energy from a permanent magnet be applied.

* * *

In Dr. Nakagawa's classic study, Magnetic Deficiency Syndrome, he outlined that lack of magnetism may cause stress, mental disorders, headaches, arthritis, muscle pain, osteoporosis, chronic fatigue, allergies, insomnia, inflammation, circulatory problems, bowel disorders and other degenerative problems afflicting people today. Universal cure-all? In the search for a universal cure-all, none fit [sic] the description nearly as well as magnetic energy therapy.

* * *

Because it potentates the body's free radical scavenger and antioxidant system, magnetotherapy is reported to be valuable in counteracting degenerative processes causing heart and circulatory disease, arthritis and auto-immune illness, as well as neuro-degenerative and allergic afflictions. Drinking magnetic water is said to impart many similar benefits.

* * *

Nighttime magnetic field therapy has a calming and sleep inducing effect on the brain and body due to stimulating production of melatonin, an anti-stressful, anti-aging and anti-infections hormone.

* * *

[Exhibit B, PSH000035-38][Consumer Brochure]

C. The Pain Stops Here

If You Suffer From...

Knee Pain

Arthritis

Shoulder Pain

Neck Pain

Bursitis

Gout

Back Pain

Sciatica

Tennis Elbow

Sports Injuries

* * *

Biomagnetic Therapy has proven to be one [of] the most Economical and Effective means in the Treatment of the many Aches and Pains of the competitive Horse. The "MAGNETIC FORCE" Products has [sic] been designed to fit most animals for the Treatment of ARTHRITIS, BURSITIS, TENDONITIS [sic], SPRAINS, STRAINS, SCIATICA, LAMENESS, NAVICULAR and Foot Growth Problems.

* * *

With over 25 years of diligent research and testing, magnets have been used on both humans and animals, and thousands have had remarkable results as to the effectiveness in alleviating pain and initiating the healing process.

* * *

A Brief Explanation of How Magnetic Therapy Works:

Magnetic therapy products enable you to safely and economically treat the human and animal bodies' many aches and painful conditions without the use of injections, salves and drugs. Clinical tests have proven that when magnets are applied to the painful areas of the body a favorable reaction takes place. Neodymium rare earth magnets deeply penetrate the flesh and create a magnetic field that *energizes and oxygenates* the blood, especially the white corpuscles which are the body's natural healing agent. The charged ion particles in the blood are moved about, creating heat. This constant heat helps increase blood flow, which helps to ease body pain and enables the body to perform its natural healing process. Magnetic therapy is *safe, non invasive, non addictive* and the Neodymium rare earth magnets are permanent and can be used over and over.

Do Magnets Really Work?:

Throughout Eastern cultures, magnetism has been used for centuries, as many have been aware of the beneficial effects of magnets on the body. Magnetic therapy has now finally come to America. The cost of staying healthy and pain free has become so expensive that the American public clamored for an alternative therapy that would release them from the addiction of PAIN KILLER PILLS, needles, salves and restore their body's health.

* * *

If you suffer from back pain (from injury, chronic pain, etc.), our Magnetic Force therapeutic Back Band is a must.

* * *

- Great for easing chronic back pain

* * *

If you suffer from back pain (from injury, chronic pain, etc.), our *Magnetic Force* therapeutic Seat Pad is a must.

* * *

- Great for easing chronic back pain
- ...
- Increases blood flow and oxygen flow to the back area

* * *

[Exhibit C, at PSH000051, PSH000052, PSH000057, PSH000062 & PSH000081][Internet Ad]

D. "MAGNETIC SLEEP PAD"

* * *

The high energy magnets within the Sleep Pads oxygenate the blood cells, stimulate production of the hormone Melatonin which is a natural relaxant and sleep aid.

* * *

[Exhibit D, PSH000010] [Consumer Brochure]

5. Through the means described in paragraph four, respondents have represented, expressly or by implication, that:

A. Water magnetized by respondents' product is effective in the treatment of cancer.

B. Respondents' magnetic products cure liver disease and other diseased internal organs.

C. Water magnetized by respondents' product is effective in the reduction of cholesterol deposits in the arteries and veins and normalizing the circulatory system.

D. Water magnetized by respondents' product is effective in breaking up kidney and gallbladder stones and in the prevention of further formation of stones.

E. Water magnetized by respondents' product is effective in the mitigation and treatment of infectious diseases, urinary infection, gastric ulcers, dysentery, diarrhea, skin ulcers, and bed sores.

F. Respondents' magnetic products prevent or reverse heart disease, circulatory disease, arthritis, auto-immune illness, neuro-degenerative disease, and allergies.

G. Respondents' magnetic products are effective in the mitigation and treatment of arthritis, bursitis, tendinitis, sprains, strains, sciatica, lameness, navicular, and foot growth problems in animals.

H. Respondents' magnetic sleep pads significantly stimulate the body's production of the hormone Melatonin.

I. Respondents' magnetic products are effective in the mitigation and treatment of pain caused by conditions such as arthritis, bursitis, and sciatica.

J. Water magnetized by respondents' product is effective in stimulating significant growth in plants causing them to grow 20 to 40 percent faster than those watered by water not magnetized by respondents' product.

6. Through the means described in paragraph four, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in paragraph five, at the time the representations were made.

7. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in paragraph five, at the time the representations were made. Therefore, the representation set forth in paragraph six was, and is, false or misleading.

8. Through the means described in paragraph four, respondents have represented, expressly or by implication, that studies prove that respondents' magnetic products are effective in the mitigation and

treatment of pain caused by conditions such as arthritis, bursitis, and sciatica.

9. In truth and in fact, studies do not prove that respondents' magnetic products are effective in the mitigation and treatment of pain caused by conditions such as arthritis, bursitis, and sciatica. Therefore, the representation set forth in paragraph eight was, and is, false or misleading.

10. The acts and practices of respondents, as alleged in this complaint, constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

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EXHIBIT A

Magnetized water has been reported helpful for tiredness in daily activities. Biophysicist Albert R. Davis, a pioneer in magnet therapy research, wrote in his book "The Magnetic Effect" that he and his coworkers found they could overcome the early afternoon lull by drinking a glass of magnetized water while relaxing for a few minutes.

NORTH POLE MAGNETIZED WATER

Water treated solely with the North pole develops an alkaline condition as shown on a pH detector. There is a diminution in the acid content in the system. North pole energy slows down or inhibits organ activity; it has a soothing effect, reduces congestion, sodates, relieves pain.

North pole treated water has been observed to be calming and has been suggested for those who are restless, tense, overactive or sleepless.

This water is recommended in cases of infectious diseases, urinary infection and gastric ulcers. Also for dysentery and diarrhea as it slows down peristaltic movements. Dr. N. Bengali recommends it in cancerous conditions.

North pole magnetized water has a healing effect on skin ulcers such as bed sores. Bed sores washed daily with the water heal faster. When applied once daily over two weeks, the condition has been found not to recur.

SOUTH POLE MAGNETIZED WATER

South pole energy increases the hydrogen ion concentration. It makes the water slightly acid, it energizes and stimulates. It promotes or increases the acid levels present in the cells and organs.

South pole water is recommended for poor digestion and constipation. It has been proven that all forms of digestion can be improved by increasing acid levels which break down the food for better absorption.

This water should never be used when bacterial infections are present because it stimulates indistinctly all forms of life, your own as well as that of the unwanted bacteria.

South pole water encourages growth activity in plants. Plants have been found to grow 20 to 40 percent faster when irrigated with this water. The water should be applied at the roots. Enthusiastic farmers have reported giant-size produce.

WRITER OF THIS ARTICLE: Albert J. Muller, Prof. Dipl., N.D. 1983

Magnetized Water

Magnet Therapy is being more researched each day. Soon it will be a therapy of choice. Dr. Kenneth McLean, M.D., after spending many years helping people with magnet therapy, especially his cancer patients, confessed: "I can't say anything officially but let us face it, this treatment is a Godsend. It's good for almost anything." Magnets and Magnetized Water are the two hands of magnet therapy; they complement each other.

Water can be magnetized and thereby acquire new properties in both the physical and biological realms. Magnetized water is used in industry to dissolve and to prevent the formation of sediments in pipes and radiators. It is used in the drilling of oil wells. The strength of concrete made with magnetized water is increased by 25 to 35 percent. Light concrete becomes almost twice stronger. The effects of magnetized water on living organisms are even more surprising.

THERE IS BETTER FOOD ABSORPTION. This is because magnetized water has a lower surface tension and is therefore "wetter" and more penetrating than ordinary water. A lower surface tension allows the water to attach itself more actively to foods and to become a more effective transporter of nutrients into the cells and of toxins out of the system. There results an increased biological activity. Vitamins and foods are better absorbed.

Years ago, Dr. Henri Coanda discovered that the water in Hunza Land in Northern Tibet contained a secret that enabled those who drank it to live long lives in good health: the water there has a lower surface tension and is wetter.

BETTER BLOOD CIRCULATION. Biomagnetic researchers have found that magnetism accelerates the blood ionization process. The increased quantity of ions in the blood facilitates blood circulation. The blood loses its stagnant condition, the improved circulation is helpful in easing accumulated stiffness and dull pain in shoulders or scruff of the neck and other areas of the body and in reducing the danger of blood clotting.

Above taken from *MAGNETIC THERAPY* by Dr. H. L. Banus

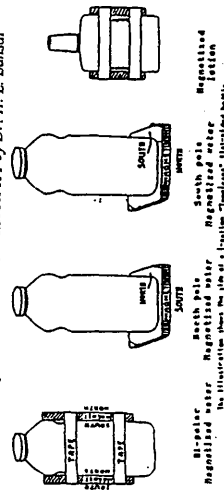


Illustration shows the effect of a typical "Magnetized Water" bottle. The illustration shows the effect of a typical "Magnetized Water" bottle.

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EXHIBIT A

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EXHIBIT A

Primarily to the way magnetized water dissolves the settled salts on the walls of boilers and radiators, so it has been reported to help unclog the arteries and veins of deposits of cholesterol and salts and normalize the circulatory system.

Similarly to the way magnetized water dissolves the settled salts on the walls of boilers and radiators, so it has been reported to help unclog the arteries and veins of deposits of cholesterol and salts and normalize the circulatory system.

Magnetized water has been found effective in alleviating colds, coughs, bronchitis, all types of fever, and more. Dr. H.P. Bansal found it helpful in the regularization of women's menses.

TO PREPARE BI-POLAR WATER: Take a glass 1-gallon or 1/2-gallon container and fill it with water. Fasten the North side of a large biomagnetic (6 x 2 x 1/2") to a flat side of the container and the South side of another similar magnet to the opposite side. Use scotch tape lined with nylon threads for extra strength. Leave the magnets fastened permanently to the bottle. Add water as needed. You have magnetized bi-polar water ready at all times.

TO PREPARE NORTH POLE OR SOUTH POLE WATER: Place a large, powerful biomagnetic (6 x 4 x 1/2") under your water container; North side against its bottom for North pole water, the South side against the bottom surface for South pole water.

DOSAGE. Up to three to four glasses a day. Not over a glass at a time. Do not take in excessive quantities like plain water. The following pages tell you which type of magnetized water to use for specific problems. For general purposes, bi-polar magnetized water is used.

MAGNETIZING OTHER FLUIDS, FOODS AND LOTIONS. Fluids like juice, milk, tea, coffee, beer, wine and liquid type foods can be magnetized the way water is magnetized. This makes them more refreshing and invigorating and they may use less energy for metabolic processes. Magnetize the food or drinks only when not too warm as considerable heat tends to weaken the magnets.

Similarly oils, ointments, lotions used in ailments like rheumatism or for beauty can be magnetized. Magnetized facial cream is already available commercially. The magnets used should march or be proportional to the size and amount of material being magnetized: use small magnets for small bottles.

**THE MAGNETIC
FORCE**

Pain Stops Here! Inc. 100 Fox Hill Dr., Baiting Hollow, NY
516 369-6400 11933

that, when water is magnetized, its hydrogen ion activity is increased. The hydrogen ion controls the acidity and alkalinity of our organs and tissues. In childhood the human body is more acid and, as a consequence, more disease-resistant and healthier. The adult body becomes more alkaline, therefore more disease-prone. The greater hydrogen ion activity promotes the acid levels in the cells and organs; this means: greater energy and vitality.

Water can be magnetized by magnets placed on the outer surface of its container because magnetism passes through glass, plastics and porcelain. There are three types of magnetized water: bi-polar (with North & South poles), North pole water and South pole water.

BI-POLAR (NORTH AND SOUTH) MAGNETIZED WATER

Bi-polar magnetized water (treated with both North and South poles) is the most often used form of magnetized water for alleviating most common ailments. The Russians are the pioneers in the use of magnetized water. They call it "Wonder Water".

Magnetized water was first used in Russia by three specialists: Drs. G. Gerbenshchikow, I. Slietsov and K. Tsvetkov. All three specialists are urologists at the Kirov Military Medical Academy in Leningrad. They had their patients drink bi-polar magnetized water. This simple treatment was very effective in breaking up kidney and gallbladder stones into small enough particles to be passed through urine without any pain or danger to the patient. The water also prevented further formation of stones in the kidneys and gallbladder.

Soviet physicians have been giving internally magnetized water to patients for over 30 years for digestive, urinary and nervous problems, ailments like mastitis, pain and swellings, painful urination and many other disorders.

Because magnetized water is a wetter water and therefore more penetrating, it furthers better assimilation of the various nutrients and vitamins in the cells. The Soviet biologist Kumarov had experimentally doubled the life span of flies by feeding them magnetized sugar.

In his book "Magnets For Your Health" Dr. Louis Dornet, M.D. wrote magnetized water can be helpful in weight control, as an adjuvant to a correct diet. He states (page 82) he has seen over 100 successful cases.

Because this water improves metabolic activity, it may be helpful in burning up excessive fatty tissue. This writer does not give any guarantee in this matter, however, because he considers weight control such a baffling problem that no one can offer a satisfactory solution to it.

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EXHIBIT B



EXPERT OPINIONS

In his book, The Body Electric, Dr. Robert Becker observed that an injury site registers South-positive immediately. It changes to North-negative during the healing process, indicating that a North-negative field promotes healing.

Dr. William Philpott explains the pH factor and the calcium factor in his book, Cancer The Magnetic/Oxygen Answer.

- Reduced ionized calcium plays a major role as a common denominator in degenerative disease, in addition to acidosis. Reduced ionized calcium is not necessarily related to a lack of calcium in the diet. It is more likely related to reactions to environmental pollutants that cause an acid response in the body. He states that calcium and other minerals can only remain in a soluble state in the presence of an alkaline medium. In acid mediums they become soluble.
- Negative magnetic fields oxygenate and alkalize by aiding the body's defense against bacteria, fungi, and parasites, all of which thrive in an acid medium. In degenerative diseases, calcium is found deposited around inflamed joints, bruised areas on the heel, and in bones and kidney stones. Infections occur because they function well in an acidic, oxygen deficient state.
- A negative magnetic field combats inflammation and infection and enables the body to resolve troublesome calcium and mineral deposits.
- A negative magnetic field is effective in relieving pain due to its oxygenation and alkalinizing action.
- A negative magnetic field enhances deep restorative sleep. The pineal gland produces melatonin in the presence of a negative magnetic field.
- Oxygen and water are paramagnetic and can carry a magnetic field to all parts of the body through blood circulation.

Dr. Philpott states that negative magnetic energy is capable of filling indented skin where a tumor has been. He also reports that no scar tissue will form where a cancerous tumor is neutralized by North pole magnetic energy. The same magnetic energy field eliminates scar tissue formation when a cut heals.

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EXHIBIT B

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EXHIBIT B

Dr. Philpott's findings support Dr. J. Bischo's studies at the Ludwig Boltzmann Clinic in Vienna, Austria. Dr. Bischo used bipolar magnetic pads.

Dr. Philpott postulates that when a negative magnetic field is applied to a diseased internal organ, such as the liver, a three month application of negative energy may be required to cure the disease. An additional three month application may be required to repair the organ. His advice is to ensure that the magnet being used is larger than the lesion being treated and that sustained treatment with negative energy from a permanent magnet be applied.

Dr. K. Nakagawa's study, Magnetic Field Deficiency Syndrome, states the human body is under the influence of the earth's magnetic field and is keeping some sort of a balanced relationship with it. However, under modern day living conditions, the effect of this magnetic field has decreased. Consequently, in some situations we can assume that this lack of magnetism has caused some abnormalities. By applying a magnetic field on the human body to supplement this deficiency, such abnormal conditions can be improved. In other words, there is a direct relationship between the decrease in the earth's magnetic field on the human body and the improvement of abnormal conditions by the application of magnetic fields.

NASA reported the early astronauts suffered from a magnetic field deficiency while orbiting in space away from the earth's magnetic field. This caused some serious medical problems including a rapid loss in bone density. This deficiency was corrected by providing an artificial magnetic field in the spacecraft.

Research by Dr. J. Bischo and Dr. Peter Kokoshinegg at the Ludwig Boltzmann Acupuncture Institute, and the Institute of Biophysics and Ray-Research in Vienna, Austria, indicated the following: Scar tissue breaks down and new skin forms when an alternating field magnetic pad is applied.

TDK Industries of Japan carried out three important studies where magnetic necklaces were tested to find their effectiveness in treating stiff shoulders. The conclusion was that magnetic necklaces effectively reduced discomfort in 81.1% to 96.3% of subjects. No noticeable side effects were found in respect to the clinical examination results. (Magnetic necklaces produce alternating pole energy.)

Dr. Ken Wiancko MD, wrote an article (Health Naturally, April 1996) that stated: "Though they seem magical in their ability to heal, magnets are not magic. Their function is very simple. Magnetotherapy helps the body to regain its self-healing electromagnetic balance naturally because each organ and each cell of every organ in the body is influenced by electromagnetism. Cell regulation, tissue function and life are controlled by electromagnetic currents."

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EXHIBIT B

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EXHIBIT B

In Dr. Nakagawa's classic study, Magnetic Deficiency Syndrome, he outlined that lack of magnetism may cause stress, mental disorders, headaches, arthritis, muscle pain, osteoporosis, chronic fatigue, allergies, insomnia, inflammation, circulatory problems, bowel disorders and other degenerative problems afflicting people today. Universal cure-all? In the search for a universal cure-all, none fit the description nearly as well as magnetic energy therapy. The application of magnets has given proven pain relief in seven out of ten users, as good as or better than "orthodox" medicine. Magnetotherapy is far less expensive and lacks the dangerous side effects often associated with prescription drugs. Treatment with magnets is not addictive and does not interfere with other therapies, but should not be used if a pacemaker or defibrillator is worn.

Researchers have stated that magnetic field therapy rebalances altered metabolic functions that cause pain, edema (tissue swelling), excess acid in the tissues, and lack of oxygen in the cells, thereby initiating tissue healing and pain relief. Skin calcification, the cause of skin aging and wrinkles, disappears. Joint mobility increases and muscles become more flexible. Digestion improves, prostates shrink and kidneys eliminate body wastes more effectively. Mental function increases, energy levels go up and sleep is better. Test have even shown that organisms placed under a magnetic field live longer.

Because it potentates the body's free radical scavenger and antioxidant system, magnetotherapy is reported to be valuable in counteracting degenerative processes causing heart and circulatory disease, arthritis and auto-immune illness, as well as neuro-degenerative and allergic afflictions. Drinking magnetic water is said to impart many similar benefits. Wearing back, neck or joint supports with permanent magnets imbedded in the material often relieves painful conditions.

Treatment of discomfort from strains and arthritis with low frequency, pulsating magnetic fields created by tiny portable devices may be as effective as larger ultrasound units.

Stress causes hundreds of diseases but can be tempered by using magnets day or night. Nighttime magnetic field therapy has a calming and sleep inducing effect on the brain and body due to stimulating production of melatonin, an anti-stressful, anti-aging and anti-infections hormone. Sleeping on magnetic mattress pads can improve of quality of sleep and eliminate morning stiffness.

Magnetotherapy may often be used as a first line treatment for pain and to promote healing, not to suggest that there is no place for standard prescription drugs. Many distressing conditions yield to magnetics, but if magnets don't help, it's important that you visit your doctor.

Dr. Ulrich Warnke: Magnetic energy has a beneficial effect on blood circulation, lymph flow, hormone production, nerves and muscles.

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EXHIBIT B

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Dr. Evelyne Holzapfel: The application of a magnetic field has the virtues of simplicity, freedom from danger and low cost.

Dr. Madeleine F. Barnothy: The magnetic field will develop into a powerful new analytic and therapeutic tool of medicine.

Dr. Kenneth S. McLean: This treatment (magnetic therapy) is a godsend. It's good for almost everything.

Dr. Ralph U. Sierra: We now stand on the verge of a great new age in magnetic science and its applications – a tool that has been provided by Mother Nature herself.

Neville S. Bengali MD: The astounding results obtained through magnet therapy give it a place of considerable importance in the field of therapeutics.

Dr. J.B. Baron MD: This is a revolution in the therapy of muscle injuries, joint pain, and posture problems. We have treated 4,000 patients with whiplash injuries by means of the magnet and cured 80 percent of them.

The First Congress in Magnetotherapy organized by the Coghill Research Laboratories was held at the Royal Society of Medicine in London, England, in May 1996. The proceedings introduced over 50 studies and research reports on magnetic therapies, the majority of which were very positive. For example, three doctors from Croatia published an outstanding report outlining the treatment of 1261 patients in a rehabilitation hospital using PMF therapy.

Eastern Bloc countries have traditionally researched magnetic therapy much more vigorously than the West. Many of the studies presented at the First Congress in Magnetotherapy originated in countries where magnetic therapy was seen as an economical option to drug therapy.

This article was reprinted from **THE INVISIBLE FORCE**, Fred Rinker C.M.T.A.



Pain Stops Here! Inc., 100 Fox Hill Drive, Baiting Hollow, NY 11933 Tel# 1-888-933-6400

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EXHIBIT C

The Pain Stops Here

If You Suffer From...

- Knee Pain**
- Arthritis**
- Shoulder Pain**
- Neck Pain**
- Bursitis**
- Gout**
- Back Pain**
- Sciatica**
- Tennis Elbow**
- Sports Injuries**

Individual Neodymium Magnets with water proof tape MF2

Golf-Tennis Elbow Band GT-2181 2"X 18"

Back Band BB483 2"X 48"

Wrist Band WB-191 1"X 9"

Knee Band KB-1182 1"X 18"

Ankle Band AB-1121 1"X 12"

Wafer Thin Neodymium Magnets with water proof tape MF-6

THE MAGNETIC FORCE™

PSH 000051

Biomagnetic Therapy
The Amazing Therapeutic Power of Magnets

EXHIBIT C

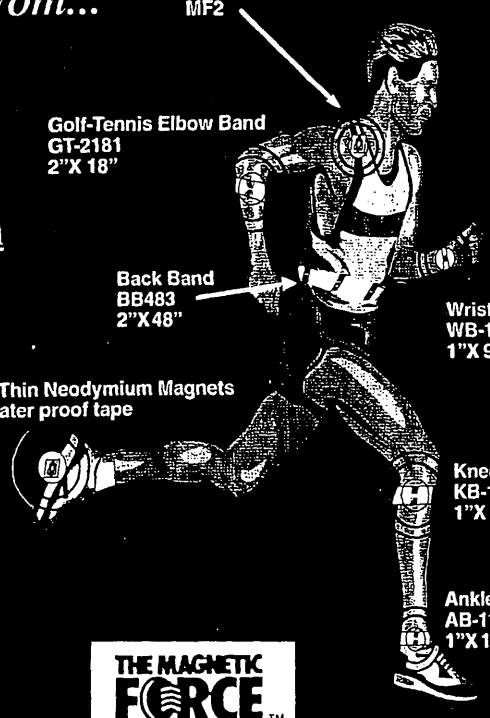
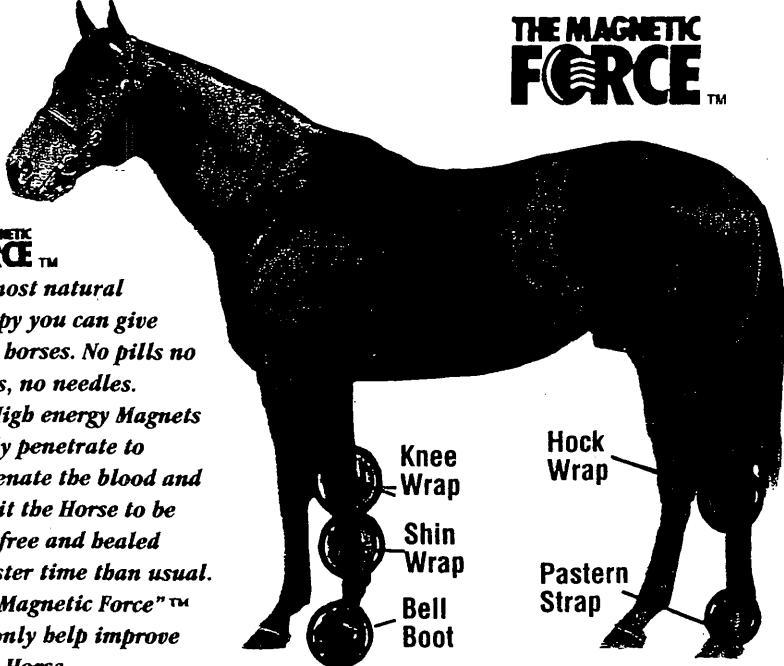


EXHIBIT C

The Pain Stops Here



THE MAGNETIC FORCE™

The most natural therapy you can give your horses. No pills no salves, no needles. The High energy Magnets deeply penetrate to Oxygenate the blood and permit the Horse to be pain free and healed in faster time than usual. The "Magnetic Force"™ Can only help improve your Horse.

Knee Wrap
Shin Wrap
Bell Boot
Hock Wrap
Pastern Strap

Biomagnetic Therapy has proven to be one the most Economical and Effective means in the Treatment of the many Aches and Pains of the competitive Horse. The "MAGNETIC FORCE"™ Products has been designed to fit most animals for the Treatment of ARTHRITIS, BURSITIS, TENDONITIS, SPRAINS, STRAINS, SCIATICA, LAMENESS, NAVICULAR and Foot Growth Problems.

PSH 000052

THE MAGNETIC FORCE™

EXHIBIT C

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EXHIBIT C

WELCOME TO THE WONDERFUL WORLD OF MAGNETIC THERAPY

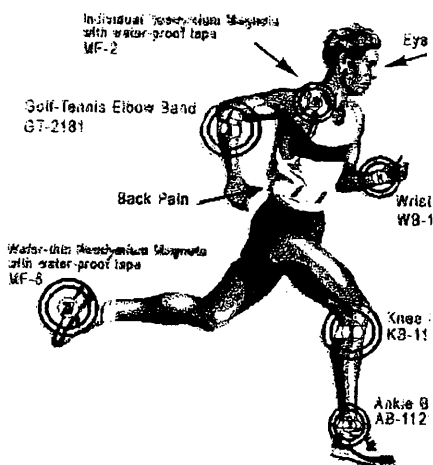
Pain

Magnets have been used for centuries to relieve pains of Arthritis, Sciatica, Tendonitis, Headaches, Back & Neck Pain, and many other ailments.

Pain Stops Here! with
The Magnetic Force[™]

With over 25 years of diligent research and testing, magnets have been used on both humans and animals, and thousands have had remarkable results as to the effectiveness in alleviating pain and initiating the healing processes.

Click on the Area that Ails you
for Complete Product Descriptions and
Secure On-Line Ordering



Click Here If You Have Questions or For A
Additional Information



PSH 000057

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100 Fox Hill Dr.

EXHIBIT C

10/3/97 8:35 AM

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*Baiting Hollow, NY 11933
1-(888)-933-6400
FAX: 1-516-369-4107*

Use Netscape 2.0 or higher for best results !

Designed and Hosted by Nexwave Communications



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10/3/97 8:35 AM

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EXHIBIT C

Rare Earth Magnets For the Relief of Pain:

Rare earth magnets such as Neodymium-Iron-Boron have permanent magnetic capabilities and are far more advanced than rubber and plastic magnets. Their characteristics and properties are stronger and very distinctive. Neodymium introduced a whole new era to the magnetic therapy field in the treatment and management of body pain. With its permeance, high energy and depth of penetration, Neodymium leads the field of magnetism in pain therapy. Due to its power, Neodymium permits a much smaller and more manageable magnet to be applied to the parts of the body requiring magnetic energy. Research has proven that Neodymium magnets get faster therapeutic results than plastic and rubber magnets *ten times larger* in size.

A Brief Explanation of How Magnetic Therapy Works:

Magnetic therapy products enable you to safely and economically treat the human and animal bodies' many aches and painful conditions without the use of injections, salves and drugs. Clinical tests have proven that when magnets are applied to the painful areas of the body a favorable reaction takes place. Neodymium rare earth magnets deeply penetrate the flesh and create a magnetic field that *energizes and oxygenates* the blood, especially the white corpuscles which are the body's natural healing agent. The charged ion particles in the blood are moved about, creating heat. This constant heat helps increase blood flow, which helps to ease body pain and enables the body to perform its natural healing process. Magnetic therapy is *safe, non invasive, non addictive* and the Neodymium rare earth magnets are permanent and can be used over and over.

Do Magnets Really Work?:

Throughout Eastern cultures, magnetism has been used for centuries, as many have been aware of the beneficial effects of magnets on the body. Magnetic therapy has now finally come to America. The cost of staying healthy and pain free has become so expensive that the American public clamored for an alternative therapy that would release them from the addiction of PAIN KILLER PILLS, needles, salves and restore their body's health.

About the Users of Magnets:

PSH 000062

People from all walks of life use magnets for "Pain Therapy." In the May 1997 issue of a worldwide sports magazine several Senior Pro Tour Golfers said "They're great. Without them, you'd have 20 guys who couldn't play." Seniors, who want long drives and longevity, tape magnets to their bodies. Several golfers wear magnets in their shoes to soothe aching feet. Many sleep on magnetic mattress pads. Other golfers who have been off the tour for months at a time due to aches

EXHIBIT C

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EXHIBIT C

and pains are now playing on a weekly basis and wear magnets all over their bodies! Many athletes in health clubs are seen wearing magnetic therapy products.

Athletes aren't the only people to wear magnets. Our company, Pain Stops Here! Inc. has hundreds of written testimonials from people from all walks of life thanking us for the wonderful results that they have gotten from the use of magnets!

Click Below for our Complete line of
Biomagnetic Therapy Products.



©Pain Stops Here! Inc. 1997
100 Fox Hill Dr.
Baiting Hollow, NY 11933
1-(888)-933-6400
1-516-369-4107

Use Netscape 2.0 or higher for best results !
Designed and Hosted by Nexwave Communications



PSH 000063

EXHIBIT C

10/5/97 8:26 AM

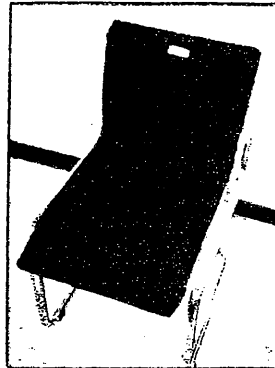
417

Complaint

EXHIBIT C



Welcome to the wonderful world of Magnetic Therapy Products to order **SECURELY ONLINE**. If you suffer from back pain (from injury, chronic pain, etc.), our *Magnetic Force[™]* therapeutic Seat Pad is a must. It is as comfortable and affordable as it is useful and practical. Bring it to the office, or use it at home or in the car.



Magnetic Force[™] Seat Pad Model:
SP-333

- Great for easing chronic back pain
- 50 Ceramic Magnets are used, and will last for years
- Magnets are encased in a soft, cloth material
- Convenient Stretch Strap for securing to car seat or chair
- Helps alleviate back pain caused by driving
- Increases blood flow and oxygen flow to the back area
- Dimensions:
 - SP-333 16" X 32"

Magnetic Seat Pad - SP-333 - Only \$73.00(US)

Press the "Magnetize Me" Button Below to begin placing your **SECURE ONLINE** order.

SP-333 for \$73.00

Click Below for our Complete line of
Biomagnetic Therapy Products.



PSH 000081

EXHIBIT C

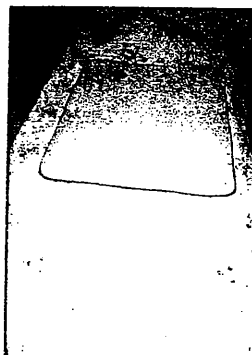
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Complaint

128 F.T.C.

EXHIBIT C

Welcome to the wonderful world of Magnetic Therapy Products to order **SECURELY** ONLINE. If you suffer from depression or sluggishness, our *Magnetic Force^{dm}* therapeutic Sleep Pad is a must. It is as comfortable and affordable as it is useful and practical.



Magnetic Force^{dm} Sleep Pad Model:
SP-101

- Rejuvenates and energizes
- Quality Ceramic magnets are used, and will last for years
- 66 quality ceramic magnets are used throughout the pad
- Get a great night's sleep and wake up energized!
- Dimensions: 24" X 36"

Magnetic Sleep Pad - SP-101 - Only \$84.00(US)

Press the "Magnetize Me" Button Below to begin placing your **SECURE** ONLINE order.

Magnetize Me

Click Below for our Complete line of
Biomagnetic Therapy Products.



FSH 000082

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Complaint

EXHIBIT C



You have selected KN401 for \$165.00 /pair, Magnetic Knee Pads.
Quantity: 1 pair

This site is now SECURE! You may place your Credit Card order SECURELY ON-LINE, or print out the Order Verification Page which will follow, to fax directly to us.

Please note that there is a \$5.00 (US) Shipping and Handling Fee added to each order.

Ship To:

Please fill out the following information for the person you are sending this item to.

First Name:
Middle Name:
Last Name:
Company Name:
Street Address:
Apt Number:
City:
State or Province:
Zip:
Country:
Phone:

Customer Information:

As per your credit card company's information.

First Name:

--

PSH 000083

EXHIBIT C

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EXHIBIT C

Middle Name:
Last Name:
Your Address:
Apt. Number:
City:
State or Province:
Zip:
Country:
Home Phone:
Work Phone:
E-Mail Address:

Credit Card:

CARD HOLDER NAME:
CREDIT CARD NUMBER:
CREDIT CARD EXPIRATION:

When you have completely filled out the above form, please click here to process/verify your order:

Disclaimer

Pain Stops Here! Inc. makes no claims or guarantees as to the effectiveness of magnets for healing or pain easing, except as to the experience we have had in researching, and the results of the magnetic effects on many persons using magnets in this country and around the world. Magnets are not intended to replace any therapy, instructions or prescriptions prescribed by your doctor or other medical professional.

Please note that magnets should not be used if you are wearing a pacemaker or electrical implants of any kind. Keep magnets away from computers, computer disks, video tapes and other magnetic media (including but not limited to credit card and ATM/Debit cards). For serious injuries or illness, it is always best to consult your physician!

PSH 000084

EXHIBIT C

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Complaint

EXHIBIT C



Quickly fill out the Following fields, and we will contact you with more information on our Exciting Magnetic Therapy Distributor Program. It's as easy as that!

First Name:
Last Name:
Company Name:
Street Address:
Apt Number:
City:
State or Province:
Zip:
Country:
Phone:
E-Mail Address:

Submit Information

PSH 000085

EXHIBIT C

10/5/97 9:42 AM

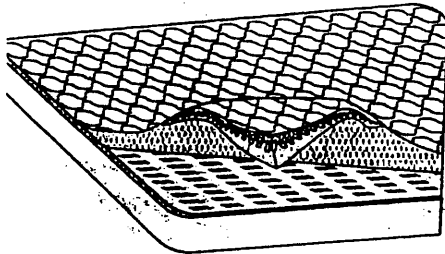
Complaint

128 F.T.C.

EXHIBIT D

**THE MAGNETIC
FORCE**

"MAGNETIC SLEEP PAD"



\$84.00 (SP101)

- ** Get A Relaxed Nights Sleep
- ** Wake Up Energized
- ** Helps To Ease Muscle Pain
- ** Helps Promote Sleep
- ** Helps To Reduce Stress
- ** Enhances Body Healing
- ** 24" X 36"
- ** Contains 66 Ceramic Magnets

 The Magnetic Sleep Pads are manufactured to help **PROMOTE SLEEP, REDUCE STRESS, EASE PAINS, ENHANCE BODY HEALING, AND PUT WELLNESS BACK INTO YOUR BODY.** The high energy magnets within the Sleep Pads oxygenate the blood cells, stimulate production of the hormone Melatonin which is a natural relaxant and sleep aid. Magnetic Therapy as used all over the world for centuries is a known therapy for the many aches and pains within humans and animals. You have the assurance that there are no side effects with the use of Permanent Magnets as applied to the Human and Animal body.

Ask about our other **MAGNETIC THERAPY PRODUCTS!**

"MAGNETIC THERAPY HAS COME OF AGE"

**PAIN STOPS HERE! INC.
 100 FOX HILL DRIVE
 BAITING HOLLOW, NY 11933**

1 (888) 933-6400

Distributed By:

PSH 000010

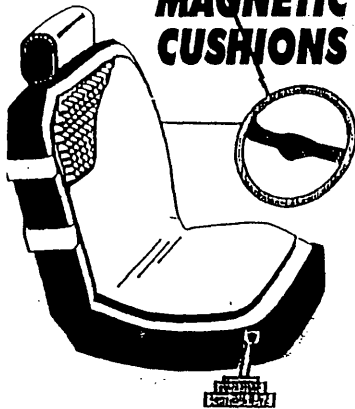
EXHIBIT D

417

Complaint

EXHIBIT D

MAGNETIC SEAT & BACK CUSHIONS



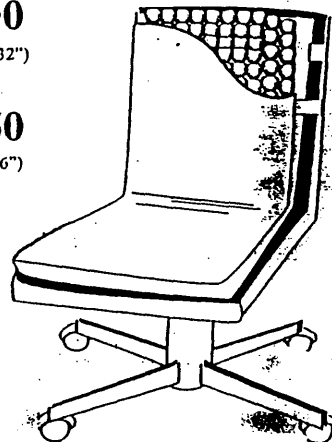
- ** Sit in Relaxed Comfort for Extended Periods
- ** Feel More Energized...Helps to Relieve Pain

\$73.00

(Full 16" x 32")
SP-333

\$36.50

(Seat 16" x 16")
SP-475



- ** Contains Ceramic Magnets
- ** 2 Sizes Available
- ** Soft Terry Cloth Cushion
- ** Convenient Strap Included
- ** Lightweight & Portable
- ** Helps You Relax

Our Magnetic Seat & Back Cushion is great for anyone who sits for long periods of time. You will feel more relaxed & comfortable. The seat cushion can be used anywhere. Soft terry cloth fabric is hand washable with mild soap and water & then air dry. Full cushion contains 50 magnets and the seat cushion contains 25 magnets. Our Seat Cushion can be used in automobiles, boats, office and home....anywhere!! You can't go wrong....feel more relaxed.

PAIN STOPS HERE! INC.
100 FOX HILL DRIVE
BAITING HOLLOW, NY 11933

**THE MAGNETIC
FORCE**

1 (888) 933-6400

Distributed By:

PSH 000011

EXHIBIT D

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1.a. Respondent Pain Stops Here! Inc. ("PSH") is a New York corporation with its principal office or place of business at 100 Fox Hill Drive, Baiting Hollow, N.Y.

1.b. Respondent Sande R. Caplin is the President and majority shareholder of the corporate respondent. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of the corporation. His principal office or place of business is the same as that of PSH.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

DEFINITIONS

For the purposes of this order, the following definitions shall apply:

1. "*Competent and reliable scientific evidence*" shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

2. "*Magnetic therapy products*" shall mean any product that contains a magnet of any kind purporting to relieve the symptoms of, treat, mitigate, cure, relieve, heal or alleviate any disease or health condition, including but not limited to Magnetized Water Ceramic Magnetic Ring, Sleep Pad, Seat Pad, Pillow Insert, Thigh Band, TMJ Band, Wrist Band, Back Band, Ankle Band, Calf Band, Eyemask, Arm Band, Knee Band, Neodymium Magnets, Soft Magnetic Pad, and Neck Band.

3. Unless otherwise specified, "*respondents*" shall mean PSH, its successors and assigns; Sande R. Caplin, individually and as an officer of the corporation; and each of the above's agents, representatives and employees.

4. "*Distributor*" shall mean any purchaser or other transferee of any product covered by this order who acquires product from respondents, with or without valuable consideration, and who sells, or who has sold, such product to other sellers or to consumers, including but not limited to individuals, retail stores, or catalogs.

5. "*Commerce*" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

I.

It is ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees, licensees or distributors, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of magnetic therapy products in or affecting commerce, shall not represent, in any manner, expressly or by implication, that such products:

- A. Are effective in the treatment of cancer;
- B. Cure liver disease or other diseased internal organs;
- C. Are effective in the reduction of cholesterol deposits in the arteries and veins or normalizing the circulatory system;
- D. Are effective in breaking up kidney or gallbladder stones or in the prevention of further formation of stones;
- E. Are effective in the mitigation or treatment of infectious diseases, urinary infection, gastric ulcers, dysentery, diarrhea, skin ulcers, or bed sores;
- F. Prevent or reverse heart disease, circulatory disease, arthritis, auto-immune illness, neuro-degenerative disease, or allergies;
- G. Are effective in the mitigation or treatment of arthritis, bursitis, tendinitis, sprains, strains, sciatica, lameness, navicular, and foot growth problems in animals;
- H. Stimulate the body's production of the hormone Melatonin;
- I. Are effective in the mitigation or treatment of pain caused by conditions such as arthritis, bursitis, and sciatica; or
- J. Are effective in stimulating significant growth in plants,

unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

II.

It is further ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees, licensees or distributors, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program in or affecting commerce, shall not misrepresent, in any manner, expressly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

III.

It is further ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees, licensees or distributors, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program, in or affecting commerce, shall not make any representation, in any manner,

expressly or by implication, about the performance, safety, efficacy, or health benefits of any such product or program, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

IV.

It is further ordered, That:

A. Respondents shall not disseminate to any distributor any material containing any representations prohibited by this order.

B. Respondents shall not, directly or indirectly, authorize any distributor to make any representations prohibited by this order.

C. Within thirty (60) days after service of this order, respondents shall send by first class mail an exact copy of the notice attached hereto as Attachment A to each distributor with whom respondents have done business since January 1, 1998, to the extent that such distributor is known to respondents through a diligent search of their records, including but not limited to computer files, sales records, and inventory lists. The mailing shall not include any other documents. Respondents shall require each distributor to execute and return the original of the letter as a condition of remaining or once again becoming a distributor of Pain Stops Here! Inc.

D. For a period of three (3) years following service of this order, respondents shall send by first class mail an exact copy of the notice attached hereto as Attachment A to each distributor with whom respondents do business after the date of service of this order who has not previously received the notice. Such notice shall be sent within one (1) week from the first shipment of respondents' product or program to said distributor. The mailing shall not include any other documents. Respondents shall require each distributor to execute and return the original of the letter as a condition of remaining or becoming a distributor of Pain Stops Here! Inc.

E. Respondents shall use reasonable efforts to monitor distributors' advertising and promotional activities. In the event that respondents receive any information that, subsequent to receipt of Attachment A pursuant to subparts C and D of this Part, any distributor is using or disseminating any advertisement or promotional material or making any oral statement that contains any representation prohibited by this order, respondents shall immediately

terminate said distributor's right to market respondents' product or program and immediately provide, by certified mail, all relevant information, including name, address, and telephone number of the company at issue, the nature of the violation, and any relevant materials used or disseminated, to the Associate Director, Division of Enforcement, Federal Trade Commission, Washington, D.C. 20580.

F. Respondents shall require distributors to submit to respondents all advertising and promotional materials and claims for any product or program covered by this order for review prior to their dissemination and publication. Respondents shall not authorize distributors to disseminate these materials and claims unless they are in compliance with this order.

Respondents may also comply with the obligations set forth above in this subpart by:

(1) Disseminating marketing material(s) that contain representations not prohibited by this order to distributors; and

(2) Requiring these distributors to submit for review all advertising and promotional materials for a particular product or program covered by this order that contain representations that are not substantially similar to the representations for the same product or program contained in the advertising and promotional material(s) most recently forwarded to the distributors by respondents.

V.

It is further ordered, That respondent Pain Stops Here! Inc. and its successors and assigns, and respondent Sande R. Caplin shall, for five (5) years after the last correspondence to which they pertain, maintain and upon request make available to the Federal Trade Commission for inspection and copying all notification letters sent to distributors, communications between respondents and distributors referring or relating to the requirements of Part IV, and any other materials created pursuant to Part IV of this order.

VI.

It is further ordered, That respondent Pain Stops Here! Inc. and its successors and assigns, and respondent Sande R. Caplin shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

VII.

It is further ordered, That respondent Pain Stops Here! Inc. and its successors and assigns, and respondent Sande R. Caplin shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

VIII.

It is further ordered, That respondent Pain Stops Here! Inc. and its successors and assigns, and respondent Sande R. Caplin shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondents learn less than thirty (30) days prior to the date such action is to take place, respondents shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate

Director, Division of Enforcement, Bureau of Consumer Protection,
Federal Trade Commission, Washington, D.C. 20580.

IX.

It is further ordered, That respondent Sande R. Caplin, for a period of ten (10) years after the date of issuance of this order, shall notify the Commission of the discontinuance of his current business or employment, or of his affiliation with any new business or employment involved in the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any health-related products or program. The notice shall include respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

X.

It is further ordered, That respondent Pain Stops Here! Inc. and its successors and assigns, and respondent Sande R. Caplin, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order.

XI.

This order will terminate on September 7, 2019, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any Part in this order that terminates in less than twenty (20) years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Decision and Order

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ATTACHMENT A

FIRST CLASS MAIL

[To Be Printed on Pain Stops Here! Inc. letterhead]

[date]

Dear [distributor's name]:

Pain Stops Here! Inc. settled a civil dispute with the Federal Trade Commission (FTC) on ___ involving advertising claims for our magnetic therapy products. As a part of the settlement, we must make sure that you comply with the FTC order.

Our settlement with the FTC prohibits us from making false or unsubstantiated claims for health related products or programs, including, but not limited to, claims that these products or programs are effective in the treatment, cure, or mitigation of any medical condition or disease, such as cancer, liver disease, heart disease, arthritis, bursitis, tendinitis, sciatica, gastric ulcers, pain, diarrhea, among others.

We request your assistance by asking you NOT to use, rely on or distribute any advertising or promotional materials containing unsubstantiated claims and NOT to make unsubstantiated oral representations. Please also notify any of your retail or wholesale customers to do the same. If you or your retail or wholesale customers continue to use such materials or make such representations, we are required by the FTC settlement to stop doing business with you and to inform the FTC of your activities.

In addition, the FTC requires us to ensure that advertising and promotional materials and claims for any product or program covered by this order is in compliance with the FTC settlement requirements. Please see Part IV of the enclosed Agreement Containing Consent Order for detailed information.

Although we do not admit that the FTC's allegations are true, we have agreed to send this letter as a part of our settlement with the FTC.

Please sign, date, and return this letter to Pain Stops Here! Inc. at the above address acknowledging your agreement to the terms set forth herein.

Thank you very much for your assistance,

Sande R. Caplin
President
Pain Stops Here! Inc.

ACKNOWLEDGMENT AND AGREEMENT

The undersigned acknowledges receipt of this letter and hereby agrees to its terms and conditions.

Date _____

Signature _____

IN THE MATTER OF

CONTINENTAL GOWN CLEANING SERVICE, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket 9287. Complaint, May 20, 1998--Decision, Sept. 8, 1999

This consent order, among other things, prohibits the New York-based advertisers and distributors of the Zurcion Method of cleaning and other cleaning or preservation methods from providing any labels or tags that misrepresent the Zurcion Method as the only safe and effective cleaning method or providing any means that violate the Care Labeling Rule. In addition, the consent order prohibits the respondents from making any representations regarding the safety or efficacy of any cleaning or preservation method, service, company, or product, unless the respondents possess and rely upon competent and reliable scientific evidence to substantiate the representation.

Participants

For the Commission: *Constance Vecellio, Edwin Rodriguez, Mary Engle, Elaine Kolish and Genevieve Fu.*

For the respondents: *Jeff Morgenstern and Ira Furman, Freeport, N.Y.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Continental Gown Cleaning Service, Inc., Nationwide Gown Cleaning Service, Inc., Prestige Gown Cleaning Service, Inc. (also doing business as Prestige Gown Service, Inc.), Gown Cleaning Service, Inc., and Jonathan Ashley, Ltd., corporations, and Lewis Weissman and Gary Marcus, individually and as officers of the corporations ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondents Continental Gown Cleaning Service, Inc., Nationwide Gown Cleaning Service, Inc., Prestige Gown Cleaning Service, Inc. (also doing business as Prestige Gown Service, Inc.), Gown Cleaning Service, Inc., and Jonathan Ashley, Ltd., are New York corporations with their principal offices or places of business at 189-07 Union Turnpike, Flushing, New York.