

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MEMO ENDORSED

P 22
of 22

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CHK TRADING CORP.,
CHK TRADING CO., INC., and
CHONG KIM,

Defendants.

Civil No. 04-CV-8686
(Hon. R. Berman) (ECF CASE)

~~Proposed~~ STIPULATED FINAL
JUDGMENT AND ORDER FOR
PERMANENT INJUNCTION
AND OTHER EQUITABLE
RELIEF AGAINST
ALL DEFENDANTS

On November 4, 2004, Plaintiff Federal Trade Commission ("FTC" or "Commission"), filed its complaint for a 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), and moved by order to show cause for a temporary restraining order with an accounting, expedited discovery and other equitable relief, and for an order to show cause why a preliminary injunction should not be granted pursuant to Rule 65(b) of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 65, as to Defendants CHK Trading Corp., CHK Trading Co., Inc. and Chong Kim, individually and as president of CHK Trading Corp. and CHK Trading Co., Inc., regarding their advertising of Hanneilin Cellulite Cream. On November 4, 2004, this Court entered an Order to Show Cause for Preliminary Injunction and Temporary Restraining Order. On November 10, 2004, this Court entered a Stipulation and Order of Preliminary Injunction, Granting Plaintiff an Immediate

Page 1 of 22

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 6/8/05

06/07/05 TUE 14:18 [TX/RX NO 9977]

06/08/05 WED 10:08 [TX/RX NO 5491]

Accounting, Expedited Discovery, and Other Equitable Relief as to All Defendants. On November 26, 2004, Defendants filed their Answer to the Complaint. On April 18, 2005, Plaintiff filed its Amended Complaint, which added a third count regarding Defendants' advertising of a second product, Hammeiln Breast Cream.

The Commission, by and through its counsel, and the Defendants, by and through their counsel, have agreed to entry of this Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief Against All Defendants ("Order") by this Court in order to resolve all matters arising out of the facts alleged in the Amended Complaint, the Answer, and otherwise in dispute in this action. The Commission and Defendants have consented to entry of this Order without trial or adjudication of any issue of fact or law and without Defendants admitting liability for any of the matters alleged in the Amended Complaint. The parties having requested the Court to enter this Order, and finding good cause therefore, **IT IS HEREBY ORDERED ADJUDGED, AND DECREED** as follows:

FINDINGS OF FACT

1. This Court has jurisdiction over the subject matter of this case and jurisdiction over all parties.
2. Venue in the Southern District of New York is proper under 15 U.S.C. §53(b) and 28 U.S.C. § 1391(b).
3. The activities and practices of the Defendants were or are in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44;

4. The Amended Complaint states a claim upon which relief may be granted against the Defendants under Sections 5(a), 12 and 13(b) of the FTC Act, 15 U.S.C. §§ 45(a), 52 and 53(b);
5. Defendants have entered into this Order freely and without coercion. Defendants further acknowledge that they have read the provisions of this Order and are prepared to abide by them.
6. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order. Defendants also waive any claims that they may have held under the Equal Access to Justice Act, 28 U.S.C. § 2412, amended by Pub. L. 104-121, 110 Stat 847, 863-64 (1996), concerning the prosecution of this action to the date of this Order.
7. Each party shall bear its own costs and attorneys' fees.
8. Entry of this Order is in the public interest.
9. Pursuant to Federal Rule 65(d) of the Federal Rules of Civil Procedure, the provisions of this Order are binding upon Defendants, and their officers, agents, servant, employees, and all other persons or entities in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise.

DEFINITIONS

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

- A. "FTC" or "Commission" shall mean the Federal Trade Commission.

- B. "Corporate Defendants" shall mean CHK Trading Corp. and CHK Trading Co., Inc., corporations doing business as Hanmeilin Cosmetics and Shangrila, and their successors, assigns, affiliates, or subsidiaries.
- C. "Individual Defendant" shall mean Chong Kim, also known as Chong Hwan Kim, Chong H. Kim and Charles Kim, individually and as president and owner of the Corporate Defendants.
- D. "Defendants" shall mean the Corporate Defendants and the Individual Defendant, and each of them, and any entity through which they do business.
- E. "Assisting others" shall mean knowingly providing any of the following goods or services to another entity: (1) serving as an owner, partner, officer, director, or manager; (2) performing customer service functions, including, but not limited to, receiving or responding to consumer complaints; (3) formulating or providing, or arranging for the formulation of any product; (4) providing names of, or assisting in the generation of, potential customers; (5) performing advertising or marketing services of any kind; or (6) performing financial services of any kind, including, but not limited to, providing merchant accounts, processing credit card charges or chargebacks, and providing or arranging loans or other extensions of credit.
- F. "Breast cancer product" shall mean any product that is advertised, marketed, promoted, offered for sale, distributed, or sold with express or implied representations that the product will or may prevent, treat, or cure breast cancer.

including, but not limited to Hammalin Breast Cream, or any other substantially similar product.

- G. "Cellulite treatment product" shall mean any product that is advertised, marketed, promoted, offered for sale, distributed, or sold with express or implied representations that the product will or may cause reduction or elimination of cellulite, including, but not limited to, Hammalin Cellulite Cream, or any other substantially similar product.
- H. "Commerce" shall mean, as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
- I. "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 have 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.
- J. "Covered product or service" shall mean any health-related service or program, weight loss product, cellulite treatment product, breast cancer product, dietary supplement, food, drug, or device.
- K. "Endorsement" means as defined in 16 C.F.R. § 255.0(b).
- L. "Food," "drug," and "device" shall mean as "food," "drug," and "device," are defined in Section 15 of the Federal Trade Commission Act, 15 U.S.C. § 55.

- M. "Person" shall mean a natural person, organization, or other legal entity, including a partnership, corporation, limited liability company, proprietorship, association, cooperative, or any other group acting together as an entity.
- N. "Weight loss product" shall mean any product, program, or service designed, used, or purported to produce weight loss, reduction or elimination of fat, change in body composition, slimming, reduction or elimination of dress or other clothing size, or caloric deficit, or to prevent weight gain, in a user of the product, program, or service including, but not limited to, Hangeilin Cellulite Cream, or any other substantially similar product.
- O. A requirement that Defendants "notify the Commission" shall mean that the Defendants shall send the necessary information via first class mail (certified and return receipt requested), costs prepaid, to the Director, Northeast Region, Federal Trade Commission, One Bowling Green, Suite 318, New York, NY 10004. Attn: FTC v. CHK Trading Corp., Civil Action No. 04-CV-2626.
- P. The term "including" shall mean "including, without limitation."
- Q. The terms "and" and "or" in this Order shall be construed conjunctively or disjunctively as necessary, to make the applicable sentence or phrase inclusive rather than exclusive.

I

PROHIBITED REPRESENTATIONS

IT IS THEREFORE ORDERED that:

A. Defendants and each of their successors, assigns, officers, directors, agents, servants, employees, subsidiaries, and affiliates, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Hammeilin Cellulite Cream or any other weight loss product, in or affecting commerce, are hereby permanently enjoined from representing, in any manner, expressly or by implication, including through the use of endorsements or trade name, that such product:

1. Causes permanent weight loss, when rubbed into the skin; or
2. Causes substantial weight loss, including as much as 10 to 95 pounds, when rubbed into the skin.

B. Defendants and each of their successors, assigns, officers, directors, agents, servants, employees, subsidiaries, and affiliates, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Hammeilin Cellulite Cream or any substantially similar product, in or

affecting commerce, are hereby permanently enjoined from representing, in any manner, expressly or by implication, including through the use of endorsements or trade names, that such product reduces or eliminates cellulite or fat, when rubbed into the skin.

C. Defendants and each of their successors, assigns, officers, directors, agents, servants, employees, subsidiaries, and affiliates, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Hammeilin Cellulite Cream, Hammeilin Breast Cream, or any other covered product or service, in or affecting commerce, are hereby permanently enjoined from making any representation, expressly or by implication, including through the use of endorsements or trade name:

1. That any such covered product or service:
 - a. Causes permanent weight loss, when rubbed into the skin; or
 - b. Causes substantial weight loss, including as much as 10 to 95 pounds, when rubbed into the skin; or
 - c. Reduces or eliminates cellulite or fat, when rubbed into the skin; or
 - d. Prevents breast cancer, when rubbed into the skin; or
2. About the health benefits, performance, efficacy, safety or side effects of such covered product or service;

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

D. Defendants and each of their successors, assigns, officers, directors, agents, servants, employees, subsidiaries, and affiliates, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any goods or services, in or affecting commerce, are hereby permanently enjoined from misrepresenting, expressly or by implication, including through the use of endorsements or trade names, any fact material to a consumer's decision to purchase such goods or services.

II.

FOOD AND DRUG ADMINISTRATION

IT IS FURTHER ORDERED that nothing in this Order shall prohibit Defendants from making any representation for any drug that is permitted in the labeling for such drug under any tentative final or final standard promulgated by the Food and Drug Administration ("FDA"), or under any new drug application approved by the FDA. Nothing in this Order shall prohibit defendants from making any representation for any product that is specifically permitted in labeling for such product by regulations promulgated by the FDA pursuant to the Nutrition Labeling and Education Act of 1990.

III.

MONETARY RELIEF

IT IS FURTHER ORDERED that

A. Judgment is hereby entered in favor of plaintiff, and against Defendants in the amount of SEVENTY-FIVE THOUSAND NINE HUNDRED AND SEVENTY-EIGHT DOLLARS (\$75,978); *provided, however*, that this judgment shall be subject to the conditions set forth in Paragraph IV of this Order.

B. Defendants shall be jointly and severally liable for payment of equitable monetary relief, including, but not limited to, consumer redress and/or disgorgement, and for paying any attendant expenses of administration of any redress fund, in the amount of SEVENTY-FIVE THOUSAND NINE HUNDRED AND SEVENTY-EIGHT DOLLARS (\$75,978).

C. Within ten (10) days of the entry of this Order, Defendants shall turn over the entire payment of SEVENTY-FIVE THOUSAND NINE HUNDRED AND SEVENTY-EIGHT DOLLARS (\$75,978) to the Commission in the form of a wire transfer or certified or cashier's check made payable to the Commission, or such agent as the Commission may direct, and delivered to the Director, Northeast Region, Federal Trade Commission, 1 Bowling Green, Suite 318, New York, NY 10004, or to a bank account identified by counsel for Plaintiff, immediately.

D. Time is of the essence for the payment specified above. In the event that Defendants do not fulfill, or only partially fulfill, the payment obligations set forth in this Paragraph, Defendants shall be immediately liable for payment of SEVENTY-FIVE THOUSAND NINE HUNDRED AND SEVENTY-EIGHT DOLLARS (\$75,978), which is the

entire amount of the judgment, plus interest, less any payments already made. Notwithstanding any other provision of this Order, Defendants agree that, if they fail to meet the payment obligations set forth in this Paragraph, the facts as alleged in the Amended Complaint filed in this matter shall be taken as true in any subsequent litigation filed by the Commission to enforce its rights pursuant to this Order, including, but not limited to, a nondischargeability complaint in any subsequent bankruptcy proceeding.

E. All funds paid pursuant to this Order shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to, consumer redress, and any attendant expenses for the administration of such equitable relief. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the Defendants' practices alleged in the Amended Complaint. Any funds not used for such equitable relief shall be deposited to the Treasury of the United States as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Paragraph. Defendants shall have no right to contest the manner of distribution chosen by the Commission. No portion of any payments under the judgment herein shall be deemed a payment of any fine, penalty, or punitive assessment.

F. Defendants authorize Plaintiff to verify all information provided on Defendants' corporate and individual financial statements with all appropriate third parties, including, but not limited to, financial institutions and credit reporting bureaus.

G. Defendants expressly waive their rights to litigate the issue of disgorgement. Defendants acknowledge and agree that all money paid pursuant to this Order is irrevocably paid to the Commission for purposes of settlement between Plaintiff and Defendants, and Defendants relinquish all right, title, and interest to assets held by the Commission or its agents in connection with this case.

H. Defendants shall also furnish to the Commission, in accordance with 31 U.S.C. § 7701, their taxpayer identification numbers (Social Security number, employer identification number, or Revenue Canada identification number), which shall be used for purposes of collecting and reporting on any delinquent amount arising out of each Defendant's relationship with the government.

I. The Individual Defendant is further required to provide the Commission with clear, legible and full-size photocopies of all valid driver's licenses he possesses, which will be used for collection, reporting, and compliance purposes, within ten (10) days of the Court's entry of this Order.

IV.

RIGHT TO REOPEN

IT IS FURTHER ORDERED that:

A. The Commission's agreement to and the Court's approval of this Order are expressly premised upon the truthfulness, accuracy, and completeness of the financial statements, financial records, sales records and information provided to the Commission by Defendants, including, but not limited to: the corporate and individual financial statements, dated November

15, 2004; Defendants' accounting, dated November 15, 2004, submitted pursuant to the Stipulation and Order of Preliminary Injunction, Granting Plaintiff an Immediate Accounting, Expedited Discovery, and Other Equitable Relief as to All Defendants, with attachments; Defendants' banking records, sales orders and corporate and individual tax returns, submitted as part of Defendants' Responses and Objections to First Request for Production of Documents by Plaintiff Federal Trade Commission, dated November 22, 2004 ("Defendants' Production"); Defendants' information and documentation supplementing Defendants' Production, as set forth in and accompanying letters from Defendants' counsel to the FTC, dated January 18 and 24, 2005; and Defendants' accounting of sales of Hammeilin Breast Cream, dated March 21, 2005, with related sales orders, all of which contain material information relied upon by the Commission in negotiating and agreeing to the terms of this Order.

B. If the Commission should have evidence that the above-referenced financial statements, financial records, sales records and information failed to disclose any material asset the value of which exceeds \$1,000, materially misrepresented the value of any asset, or made any other material misrepresentation or omission, the Commission may move that the Court reopen this Order for the sole purpose of allowing the Commission to modify the monetary liability of Defendants. *Provided, however*, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by the Court. Any proceedings instituted under this Paragraph shall be in addition to and not in lieu of any other proceedings the Commission may initiate to enforce this Order. Solely for the purposes of reopening or enforcing this Paragraph,

Defendants waive any right to contest any of the allegations set forth in the Amended Complaint filed in this matter.

V.

COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating compliance with any provision of this Order:

A. Within ten (10) days of receipt of written notice from a representative of the Commission, Defendants each shall submit additional written reports, sworn to under penalty of perjury, produce documents for inspection and copying, appear for deposition, and/or provide entry during normal business hours to any business location in such Defendant's possession or direct or indirect control to inspect the business operation;

B. In addition, the Commission is authorized to monitor compliance with this Order by all other lawful means, including, but not limited to, the following:

1. Obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, and 45;
2. Posing as consumers and suppliers to: Defendants, Defendants' employees, or any other entity managed or controlled in whole or in part by Defendants, without the necessity of identification or prior notice; and

C. Defendants shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed

to such an interview, relating in any way to any conduct subject to this Order. The person interviewed may have counsel present.

Provided, however, that nothing in this Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

VI.

COMPLIANCE REPORTING BY DEFENDANTS

IT IS FURTHER ORDERED that, in order that compliance with the provisions of this Order may be monitored:

- A. For a period of five (5) years from the date of entry of this Order,
 1. The Individual Defendant shall notify the Commission of the following:
 - a. Any changes in his residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;
 - b. Any changes in his employment status (including self-employment), and any change in his ownership in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that he is affiliated with, employed by, creates or forms, or performs services for; a statement of the nature of the business; and a

statement of his duties and responsibilities in connection with the business or employment; and

c. Any changes in his name or use of any aliases or fictitious names; and

2. Defendants shall notify the Commission of any changes in corporate structure of the Corporate Defendants or any business entity that the Individual Defendant directly or indirectly control(s), or has an ownership interest in, 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 entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the filing of a bankruptcy petition; or a change in the corporate name or address, at least thirty (30) days prior to such change, *provided that*, with respect to any proposed change in the corporation about which the Defendants learn less than thirty (30) days prior to the date such action is to take place, Defendants shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Order, the Individual and the Corporate Defendants each shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Order. This report shall include, but not be limited to:

1. For the Individual Defendant:
 - a. The then-current residence address, mailing addresses, and telephone numbers of the Individual Defendant;
 - b. The then-current employment and business addresses and telephone numbers of the Individual Defendant, a description of the business activities of each such employer or business, and the title and responsibilities of the Individual Defendant, for each such employer or business; and
 - c. Any other changes required to be reported under Paragraph VI A.

2. For all Defendants:

- a. A copy of each acknowledgment of receipt of this Order, obtained pursuant to Paragraph VIII; and
- b. Any other changes required to be reported under Paragraph VI A.

C. For the purposes of this Order, Defendants shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission (certified and return receipt requested), costs prepaid, to:

Director, Northeast Regional Office
Federal Trade Commission
One Bowling Green, Suite 318
New York, NY 10004
Att: FTC v. CEK Trading, Civil Action No. 04-CV-8686.

D. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate with Defendants by contacting their attorney, Sam Friedman, located at 225 Broadway, Suite 1804, New York, NY 10007 or such other representative that the Defendants may designate. The Defendants shall notify the Commission of such designation in writing in the manner set forth in Paragraph VI C.

VII.

RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, the Corporate Defendants and the Individual Defendant and their agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and any business where: (1) the Individual Defendant is the majority owner, officer, or director of the business, or directly or indirectly manages or controls the business and where (2) the business engages, or assists others engaged in the manufacturing, advertising, promotion, offering for sale, distribution or sale of any covered product, service, or program, are hereby restrained and enjoined from failing to create and retain the following records:

- A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent

contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;

C. Customer files containing: the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;

D. Complaints and refund requests (whether received directly, indirectly or through any third party) and any responses to those complaints or requests;

E. Copies of all advertisements, promotional materials, sales scripts, training materials, or other materials utilized in the advertising, labeling, promotion, offering for sale, distribution or sale of any product, service, or program, including websites;

F. All materials that were relied upon in making any representations contained in the materials identified in Paragraph VII E;

G. All other documents evidencing or referring to the accuracy of any claim therein or to the safety or efficacy of any product, service, or program, including, but not limited to, all tests, reports, studies, demonstrations, or other evidence that confirm, contradict, qualify, or call into question the safety or efficacy of any such product, service, or program;

H. Records accurately reflecting the name, address, and telephone number of each manufacturer or laboratory engaged in the development or creation of any testing obtained for the purpose of advertising, labeling, promoting, offering for sale, distributing, or selling any product, service, or program; and

I. All records and documents necessary to demonstrate full compliance with each provision of this Order, including, but not limited to, copies of acknowledgments of receipt of this Order, required by Paragraph IX, and all reports submitted to the FTC pursuant to Paragraph VI

VIII

DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, Defendants shall deliver copies of the Order as directed below:

A. The Corporate Defendants must deliver a copy of this Order to all of their principals, officers, directors, and managers. The Corporate Defendants also must deliver copies of this Order to all of their employees, agents, and representatives who engage in conduct related to the subject matter of the Order. For current personnel, delivery shall be within (5) days of service of this Order upon the Defendants. For new personnel, delivery shall occur prior to them assuming their responsibilities.

B. The Individual Defendant as Control Person: For any business that the Individual Defendant controls, directly or indirectly, or in which the Individual Defendant has a majority ownership interest, the Individual Defendant must deliver a copy of this Order to all principals, officers, directors, and managers of that business. The Individual Defendant must also deliver copies of this Order to all employees, agents, and representatives of that business who engage in conduct related to the subject matter of the Order. For current personnel, delivery shall be within

(5) days of service of this Order upon the Individual Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities.

C. The Individual Defendant as employee or non-control person: For any business where the Individual Defendant is not a controlling person of a business but otherwise engages in conduct related to the subject matter of this Order, the Individual Defendant must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.

D. The Corporate and Individual Defendants must secure a signed and dated statement acknowledging receipt of the Order, within thirty days of delivery, from all persons receiving a copy of the Order pursuant to this Paragraph.

IX.

ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that each Defendant, within five (5) business days of receipt of this Order as entered by the Court, must submit to the Commission a truthful sworn statement acknowledging receipt of this Order.

X.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED:

On Consent all *RMB*
JUDGMENT IS THEREFORE ENTERED in favor of Plaintiff and against

Defendants _____ and _____, pursuant to all the terms and conditions recited above.

Dated this 8th day of June, 2005.

The Clerk is respectfully requested to close this case.

RMB

RICHARD M. BERMAN
UNITED STATES DISTRICT JUDGE

SO STIPULATED:

FOR THE FEDERAL TRADE COMMISSION:

Barbara Anthony

Barbara Anthony
Director, Northeast Region

FOR THE DEFENDANTS:

Chong H. Kim

Chong H. Kim
Individually, and
As President and Owner of
CHK Trading Corp. and
CHK Trading Co., Inc.

ATTORNEY FOR DEFENDANTS:

Michele Stolls

Michele Stolls (MS 3618)
Donald D'Amato (DD 3008)
Attorneys
Federal Trade Commission
Northeast Region
One Bowling Green, Suite 318
New York, NY 10004

Samuel Friedman

Samuel Friedman (SF 4619)
Attorney At Law
225 Broadway, Suite 1804
New York, NY 10007