UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

In the Matter of	
FORMOR, INC., a corporation, also doing business as ForMor International, and	FILE NO. 002 3226
STAN GOSS, individually and as an officer of the corporation.	AGREEMENT CONTAINING CONSENT ORDER

The Federal Trade Commission has conducted an investigation of certain acts and practices of ForMor, Inc., a corporation, also doing business as ("d/b/a") ForMor International, and Stan Goss, individually and as an officer of the corporation ("proposed respondents"). Proposed respondents are willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between ForMor, Inc., by its duly authorized officer, and Stan Goss, individually and as an officer of the corporation, and counsel for the Federal Trade Commission ("Commission") that:

1a. Proposed respondent ForMor, Inc. d/b/a ForMor International ("ForMor") is an Arkansas corporation with its principal office or place of business at P.O. Box 2080, Conway, Arkansas 72033.

1b. Proposed respondent Stan Goss is an officer of the corporate respondent. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of the corporation. His business address is P.O. Box 2080, Conway, Arkansas 72033.

2. Proposed respondents admit all the jurisdictional facts set forth in the draft complaint.

3. Proposed respondents waive:

a. Any further procedural steps;

b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft complaint, or that the facts as alleged in the draft complaint, other than the jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondents by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the draft complaint and consent order. They understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

ORDER

DEFINITIONS

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

A. Unless otherwise specified, **"respondents"** shall mean ForMor, Inc. doing business as ForMor International, a corporation, its successors and assigns and its officers; Stan Goss, individually and as an officer of the corporation; and each of the above's agents, representatives, and employees.

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

C. **"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.

D. **"Product Label"** shall mean any label or other written, printed, or graphic matter upon any product or accompanying any product, including package labels, bottle labels, and package inserts.

E. **"Clear(ly) and prominent(ly)"** shall mean as follows:

1. In an advertisement communicated through an electronic medium (such as television, video, radio, and interactive media such as the Internet, online services and software), the disclosure shall be presented simultaneously in both the audio and visual portions of the advertisement. ***Provided, however,*** that in any advertisement presented solely through visual or audio means, the disclosure may be made through the same means in which the ad is presented. ***Provided, further,*** that in any advertisement communicated through interactive media which is presented predominantly through visual or audio means, the disclosure may be made through the same means in which the ad is predominantly presented. The audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. The visual disclosure shall be of a size and shade, with a degree of contrast to the background against which it appears, and shall appear on the screen for a duration and in a location, sufficiently noticeable for an ordinary consumer to read and comprehend it.

2. In a print advertisement, promotional material, or instructional manual, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against

which it appears. In multi-page documents, the disclosure shall appear on the cover or, alternatively, on the first page.

3. On a product label, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it and in print that contrasts with the background against which it appears. ***Provided, however,*** if a disclosure on a bottle label or package label is made in a location other than the principal display panel, the bottle label or package label shall include the statement, "**See important safety warning(s) on [insert disclosure location],**" as follows: (i) in a type size and location on the principal display panel sufficiently noticeable for an ordinary consumer to read and comprehend it; (ii) in print that contrasts with the background against which it appears; and (iii) within a border that is a color or shade that contrasts with the background against which it appears. ***Provided further***, that in a multi-page insert, the disclosure shall appear on the cover page or first page.

Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall be used in any advertisement or on any label.

F. In the case of advertisements disseminated by means of an interactive electronic medium, such as software, the Internet, or online services, **"in close proximity"** shall mean on the same Web page, online service page, or other electronic page, and proximate to the triggering representation, and shall not include disclosures accessed or displayed through hyperlinks, pop-ups, interstitials or other means.

G. **"Purchaser for resale"** shall mean any purchaser of any of respondents' St. John's Wort, colloidal silver, or shark cartilage products who orders: (a) five (5) or more units of any such product(s) at any one time; or (b) twenty (20) or more units of any such products(s) in any three (3) month period.

H. **"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.

I. **"Covered product or service"** shall mean any service, program, dietary supplement, food, drug, or device.

J. **"St. John's Wort product"** shall mean ForMor, Inc.'s St. John's Kava Kava or any covered product or service for which the term "Hypericum Perforatum" or "St. John's Wort" appears on the covered product or service label or in any advertising or promotion, and any covered product or service containing "Hypericum Perforatum" or "St. John's Wort."

K. **"Colloidal silver product"** shall mean ForMor, Inc.'s colloidal silver or any covered product or service label for which the term "colloidal silver" or "silver salts" appears on the covered product or service label or in any advertising or promotion, and any covered product or service containing "colloidal silver" or "silver salts."

L. **"Shark cartilage product"** shall mean ForMor, Inc.'s Ultimate II Shark Cartilage Concentrate or any covered product or service label for which the term "shark cartilage" appears on the covered product or service label or any advertising or promotion, and any covered product or service containing "shark cartilage."

M. A requirement that respondents **"notify the Commission," "file with the Commission"** or **"deliver to the Commission"** shall mean that the respondents shall send the necessary information via first-class mail, costs prepaid, to the Associate Director for Division of Enforcement, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. Attention: In the Matter of ForMor, Inc.

N. **"Person"** shall mean a natural person, organization or other legal entity, including a partnership, corporation, proprietorship, association, cooperative, or any other group acting together as an entity.

ORDER

I.

IT IS ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any St. John's Wort product, or any covered product or service in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that ingestion of such product is effective in the treatment of HIV/AIDS, colds, syphilis, tuberculosis, dysentery, whooping cough, mania, hypochondria, fatigue, or hysteria 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 corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any St. John's Wort product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that ingestion of such product has no serious drug interactions.

III.

IT IS FURTHER ORDERED that in any advertisement, promotional material, or product label for any St. John's Wort product, that contains any representation about the efficacy, performance, or safety of such product, and in any discussion, communicated via electronic mail or any telephone line, that contains any representation about the efficacy, performance, or safety of any St. John's Wort product, respondents, directly or through any corporation, subsidiary, division, trade name, or other device, shall make clearly and prominently, the following disclosure:

> **WARNING:** St. John's Wort can have potentially dangerous interactions with some prescription drugs. Consult your physician before taking St. John's Wort if you are currently taking anticoagulants, oral contraceptives, anti-depressants, anti-seizure medications, drugs to treat HIV or prevent transplant rejection, or any other prescription drug. This product is not recommended for use if you are or could be pregnant unless a qualified health care provider tells you to use it. The product may not be safe for your developing baby.

unless respondents possess competent and reliable scientific evidence that such product produces no adverse drug interactions or side effects.

Provided, however, that the **product label** requirements of this Part shall not apply to products that are shipped to consumers or purchasers for resale less than thirty (30) days after the date of service of this order; and, ***provided further***, that with regard to products shipped after thirty (30) days of the date of service of this order, respondents may affix the disclosure clearly and prominently by sticker or other device on the labels of products manufactured prior to thirty (30) days after the service of this order.

Provided further, that in the event that the Food and Drug Administration issues a final rule requiring a warning on the labeling of products containing St. John's Wort, respondents may substitute that warning for the disclosure required under this Part.

IV.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any colloidal silver product in or affecting commerce, shall not make any misrepresentation, in any manner, expressly or by implication, that:

A. Ingestion of colloidal silver is proven effective in the treatment of disease or any number of diseases; or

B. Medical studies demonstrate that ingestion of colloidal silver is safe or has no adverse side effects.

V.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any colloidal silver product, or any covered product or service in or affecting commerce, shall not make any representation, expressly or by implication, that ingestion of colloidal silver is effective in the treatment of arthritis, blood poisoning, cancer, cholera, diphtheria, diabetes, dysentery, gonorrheal herpes, influenza, leprosy, lupus, malaria, meningitis, rheumatism, shingles, staph infections, strep infections, syphilis, tuberculosis, whooping cough, or yeast infections unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

VI.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any shark cartilage product, or any covered product or service in or affecting commerce, shall not make any representation, in any manner, that ingestion of such product:

A. Is effective in the treatment of arthritis or other degenerative or inflammatory conditions; or

B. Is effective in the treatment of brain cancer;

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

VII.

IT FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any covered product or service 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.

VIII.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any covered product or service in or affecting commerce, shall not represent, in any manner, expressly or by implication, that the experience represented by any user testimonial or endorsement of the covered product or service represents the typical or ordinary experience of members of the public who use the covered product or service, unless:

A. At the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation; or

B. Respondents disclose, clearly and prominently, and in close proximity to the endorsement or testimonial, either:

1. What the generally expected results would be for users of the covered product or service; or

2. The limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

For purposes of this Part, "endorsement" shall mean as defined in 16 C.F.R.§ 255.0(b).

IX.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any St. John's Wort product, colloidal silver product, shark cartilage product, or any covered product or service in or affecting commerce, shall not make any representation, in any manner, expressly or by implication:

A. That such covered product or service is effective in the mitigation, treatment, prevention, or cure of any disease or illness; or

B. About the health benefits, performance, safety, or efficacy of any such covered product or service;

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

X.

IT IS FURTHER ORDERED that respondents shall:

A. Within seven (7) days after service of this order upon respondents, deliver to the Commission a list, in the form of a sworn affidavit, of all persons who purchased, on or after January 1, 1999, a St. John's Wort product from respondents. Such list shall include each purchaser's name and address, and, if available, telephone number and email address, and shall designate whether each purchaser is a "purchaser for resale" as defined in this order.

B. Within seven (7) days after service of this order upon respondents, deliver to the Commission a list, in the form of a sworn affidavit, of all persons who purchased, on or after January 1, 1999, a colloidal silver and/or shark cartilage product from respondents. Such list shall include each purchaser's name and address, and, if available, telephone number and email address, the full purchase price, including shipping, handling, and taxes, of any colloidal silver and/or shark cartilage product purchased from respondent, and shall designate whether each purchaser is a "purchaser for resale" as defined in this order.

C. Within thirty (30) days after service of this order upon respondents, send by first class mail, with postage prepaid, an exact copy of the notice attached hereto as Attachment A, showing the date of mailing, to each person who purchased from respondent any St. John's Wort product, colloidal silver product, and/or shark cartilage product between January 1, 1999 and the date of service of this order. This mailing shall not include any other document.

XI.

IT IS FURTHER ORDERED that respondents shall refund the full purchase price of colloidal silver and shark cartilage products purchased from respondents between January 1, 1999 and the date of service of this order, including shipping and handling and applicable taxes, to each purchaser whose request for a refund is received by ForMor within ninety (90) days after the date of mailing shown on Attachment A. To receive a refund the purchaser must substantially complete a Refund Request in the form of the Refund Request appended to Attachment A and return it to ForMor, Inc. at the address indicated thereon. The refund shall be paid within fifteen (15) business days of respondents' receipt of the purchaser's substantially completed declaration.

XII.

IT IS FURTHER ORDERED that respondents shall, no later than one hundred and eighty (180) days after the date of service of this order, deliver to the Commission a report, in the form of a sworn affidavit executed on behalf of respondents. This report shall specify the steps

respondents have taken to comply with the terms of Part X and XI of this order and shall state, without limitation:

A. The name and address of each purchaser to whom respondents sent the notice attached hereto as Attachment A as required under Part X;

B. The name and address of each purchaser from whom respondents received a refund request;

C. The date on which each request was received and the amount of the refund requested;

D. The amount of the refund provided by respondents to each such purchaser;

E. The status of any disputed refund request and the identification of each purchaser whose refund request is disputed, by name, address, and amount of the claim; and

F. The total amount of refunds paid by respondents.

XIII.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, shall:

A. Take reasonable steps sufficient to monitor and ensure that all employees and agents engaged in sales, order verification, or other customer service functions comply with Parts I through IX of this order. Such steps shall include adequate monitoring of all advertisements, promotions, sales presentations, and other oral and written communication with customers regarding such products. Respondents, at a minimum, shall:

1. Conduct periodic monitoring of representations concerning St. John's Wort, colloidal silver, and shark cartilage products, and any other covered product or service, made by persons engaged in sales or other customer service functions, including representations made orally or through electronic communications;

2. Conduct periodic monitoring of representations made about St. John's Wort, colloidal silver, and shark cartilage products, and any other covered product or service, on all Internet websites operated and maintained by respondents; and

3. Establish a procedure for receiving, maintaining, and responding to consumer complaints.

B. Terminate any employee or agent who knowingly engages in any conduct prohibited by Parts I through IX of this order once respondents know or should know that such person is or has been engaged in such conduct.

XIV.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, trade name, or other device, shall:

A. For a period of three (3) years following the entry of this order, send a copy of the notice attached hereto as Attachment A to each purchaser for resale of any St. John's Wort product, colloidal silver product, or shark cartilage product who has not previously received the notice. Such notice shall be sent either by first class certified mail, return receipt requested, within one week from the shipment of product triggering the obligation to provide notice or shall be included, in a conspicuous manner, with such shipment.

B. In the event that respondents receive any information that subsequent to receipt of a copy of the notice attached hereto as Attachment A any purchaser for resale is using or disseminating any advertisement or promotional material, or making any oral statement, that contains any representation that is prohibited by Parts I, II, or IV through IX of this order, or that does not contain the disclosure required pursuant to Part III of this order, respondents shall promptly investigate such information and upon verification shall immediately terminate, and shall not resume, sales or shipments to such purchaser for resale.

XV.

Nothing in this order shall prohibit respondents from making any representation for any drug that is permitted in labeling for such drug under any tentative final or final standard promulgated by the Food and Drug Administration, or under any drug application approved by the Food and Drug Administration. Nor shall it prohibit respondent from making any representation for any product that is specifically permitted in labeling for such product by regulations promulgated by the Food and Drug Administration pursuant to the Nutrition Labeling and Education Act of 1990.

XVI.

IT IS FURTHER ORDERED that respondent ForMor, Inc., and its successors and assigns, and respondent Stan Goss 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.

XVII.

IT IS FURTHER ORDERED that respondent ForMor, Inc., and its successors and assigns, and respondent Stan Goss, 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 fifteen (15) days after the person assumes such position or responsibilities.

XVIII.

IT IS FURTHER ORDERED that respondent ForMor, Inc. and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation 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 respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge.

XIX.

IT IS FURTHER ORDERED that respondent Stan Goss, for a period of three (3) 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. 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.

XX.

IT IS FURTHER ORDERED that respondent ForMor, Inc., and its successors and assigns, and respondent Stan Goss shall, 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 they have complied with this order.

XXI.

This order will terminate twenty (20) years from the date of its issuance, 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 of 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 any 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.

Signed this _____ day of _____, 2001.

FORMOR, INC.

By: _____
Stan Goss, President

_____
STAN GOSS, individually
and as an officer of ForMor, Inc.

Michael Joel Bloom
Senior Counsel to the
Northeast Region
Federal Trade Commission

Donald G. D'Amato
Assistant Director
Northeast Region
Federal Trade Commission

Susan M. Luciano
Attorney
Northeast Region
Federal Trade Commission

APPROVED:

Barbara Anthony
Director
Northeast Region
Federal Trade Commission

Jodie Bernstein
Director
Bureau of Consumer Protection
Federal Trade Commission

ATTACHMENT A

[Insert Date]

Dear ForMor Customer,

This letter is to inform you that ForMor, Inc. recently settled a dispute with the Federal Trade Commission regarding our advertising for St. John's Kava Kava, Colloidal Silver, and Ultimate II Shark Cartilage Concentrate products. Under the terms of our settlement, **we agreed to offer refunds to purchasers of Colloidal Silver and Shark Cartilage products**. Refund instructions are contained in the last page of this letter. **We also agreed to notify purchasers of St. John's Wort products of serious drug interactions that may result from use of those products.** The settlement further requires us to instruct resellers to stop using advertising or promotional materials that make any of the representations prohibited by the settlement. Our distributor agreements permit resellers to use only ForMor-approved promotional materials, and we will terminate all sales to resellers that violate that agreement.

The FTC complaint alleges that ForMor engaged in deceptive advertising of its St. John's Kava Kava, Colloidal Silver, and Ultimate II Shark Cartilage Concentrate products, and the FTC order imposes various requirements on ForMor in connection with its past and future advertising of these and other products.

- ***St. John's Kava Kava*.**
  The FTC complaint alleges that our advertising materials claimed, expressly or by implication, that use of St. John's Kava Kava, which contains St. John's Wort, is effective in the treatment of HIV/AIDS, colds, syphilis, tuberculosis, dysentery, whooping cough, mania, hypochondria, fatigue, and hysteria; and that ingestion of St. John's Kava Kava has no serious drug interactions. The complaint challenges these claims. In particular, the FTC notes that ingestion of St. John's Kava Kava has the potential for serious drug interactions with certain prescription medications. Ingestion of St. John's Wort may reduce the effectiveness of drugs used to treat HIV/AIDS, drugs used to prevent organ transplant rejection, anticoagulants, and birth control pills.

  The FTC order prohibits us from making any of the challenged claims unless we have competent and reliable scientific evidence to support them. In addition, it requires us to state clearly and prominently in any advertisement of any St. John's Wort product the following, unless we have competent and reliable scientific evidence that the product produces no adverse drug interactions or side effects:

  > **WARNING:** St. John's Wort can have potentially dangerous interactions with some prescription drugs. Consult your physician before taking St. John's Wort if you are currently taking anticoagulants, oral contraceptives, anti-depressants, anti-seizure medications, drugs to treat HIV or prevent transplant rejection, or any other prescription drug. This product is not recommended

for use if you are or could be pregnant unless a qualified health care provider tells you to use it. The product may not be safe for your developing baby.

- ***Colloidal Silver*.**
  The FTC complaint alleges that our advertising materials claimed, expressly or by implication, that Colloidal Silver is proven effective in the treatment of over 650 infectious diseases; and that medical tests prove that ingestion of Colloidal Silver is safe and has no adverse side effects. The complaint alleges that these claims are false or misleading. According to the FTC complaint, our advertising materials also claimed, expressly or by implication, that ingestion of Colloidal Silver is effective in the treatment of arthritis, blood poisoning, cancer, cholera, diphtheria, diabetes, dysentery, gonorrheal herpes, influenza, leprosy, lupus, malaria, meningitis, rheumatism, shingles, staph infections, strep infections, syphilis, tuberculosis, whooping cough, and yeast infections. The complaint alleges that the information on which we relied in making these claims was not competent and reliable scientific evidence, as required by law. The complaint notes in particular that the United States Food and Drug Administration previously determined that adequate scientific evidence did not support the safety and efficacy of Colloidal Silver. In addition, the complaint alleges that we misrepresented, in our use of testimonials, that the experiences recited reflected the typical experience of persons with cancer who use the product.

  The FTC order prohibits us from making any of the challenged claims unless we have competent and reliable scientific evidence to support them. In addition, it prohibits us from misrepresenting that ingestion of Colloidal Silver is proven effective in the treatment of disease or any number of diseases; and that medical tests prove that ingestion of Colloidal Silver is safe and has no adverse side effects.

- ***Ultimate II Shark Cartilage Concentrate*.**
  The FTC complaint also alleges, among other things, that our advertising expressly or implicitly claimed that Ultimate II Shark Cartilage Concentrate is effective in the treatment of arthritis and other degenerative or inflammatory conditions and cancer, and that we did not have competent and reliable scientific evidence for those claims. In addition, the complaint alleges that we misrepresented, in our use of testimonials, that the experiences recited reflected the typical experience of persons with brain cancer who use the product.

  The FTC order prohibits our making therapeutic efficacy, safety, and certain other claims unless we have competent and reliable scientific evidence to support them

- ***All Foods, Drugs, Dietary Supplements, Devices, Programs, or Services*.**
  In addition, the FTC order provides that we must not claim that any food, drug, dietary supplement, device, program, or service is effective in the mitigation, treatment, prevention, or cure of any disease or illness or make any claim about the health benefits, performance, safety, or efficacy of any such product or service unless we have competent and reliable scientific evidence for such claims.

Again, you may obtain a refund for purchases of Colloidal Silver and Shark Cartilage products by following the instructions on the last page of this letter. If you have any questions, please contact our Customer/Member Service representative, toll free, at 888/270-4793. Thank you for your cooperation and your business.

Sincerely,

Stan Goss, President
ForMor, Inc.

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

COLLOIDAL SILVER AND SHARK CARTILAGE PRODUCT
REFUND CONDITIONS AND PROCEDURES

ForMor, Inc. ("ForMor") will refund the full purchase price of Colloidal Silver and Shark Cartilage products purchased from ForMor between January 1, 1999 and [insert effective date of order], including shipping and handling and applicable taxes, to each purchaser whose request for a refund is received by ForMor within ninety (90) days after the date of this letter. To receive your refund you must complete the attached Refund Request and return it to ForMor at [insert address].

REFUND REQUEST

The undersigned hereby requests a refund for the purchase of *Colloidal Silver* and/or *Shark Cartilage* products.

Full Name (Please Print): _____ ForMor ID # (if available)_____

Address: _____
_____
_____
_____

Product(s) Purchased: _____ _____

Purchase Price, including shipping, handling, and taxes: _____

It is not necessary to include proof of purchase, such as credit card statements, canceled checks, or receipts, but doing so may expedite your refund request in the event of a dispute concerning the amount of your refund.

Signature of Purchaser: _____

Date: _____