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General Counsel

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Federal Trade Commission  
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Regional Director

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9 CA Bar No. 134154  
Federal Trade Commission  
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Los Angeles, CA 90024  
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12 ATTORNEYS FOR PLAINTIFF

13  
14 **UNITED STATES DISTRICT COURT**  
15 **CENTRAL DISTRICT OF CALIFORNIA**

16 FEDERAL TRADE COMMISSION,

17 Plaintiff,

18 v.

19 WINDOW ROCK ENTERPRISES, INC.,  
20 also d/b/a WINDOW ROCK HEALTH  
LABORATORIES, also d/b/a  
21 CORTISLIM, INFINITY  
ADVERTISING, INC., STEPHEN F.  
22 CHENG, SHAWN M. TALBOTT, and  
GREGORY S. CYNAUMON,

23 Defendants.  
24

Civil Number

**STIPULATED  
INTERIM AGREEMENT  
AND ORDER**







1 commercial (“infomercial”), the Internet, email, press release, video news release,  
2 or in any other medium.

3 8. “Endorsement” means as defined in 16 C.F.R. § 255.0(b).

4 9. A requirement that any Defendant communicate with the Commission  
5 means that the Defendant shall send the necessary information via overnight  
6 courier, costs prepaid, or via facsimile to:

7 Peter B. Miller  
8 Federal Trade Commission  
9 601 New Jersey Avenue, NW  
10 Room 3212  
11 Washington, D.C. 20001  
12 Fax: 202-326-3259  
13 Attn: *FTC v. Window Rock Enterprises, Inc. et al.*

14 10. A requirement that the Commission communicate with one or more of  
15 the Defendants means that the Commission shall send the necessary information  
16 via overnight courier, costs prepaid, or via facsimile to counsel for the  
17 Defendant(s). For purposes of this Order and until the Commission receives  
18 notice to the contrary, communications from the Commission to one or more of the  
19 Defendants shall be directed to:

20 Marc S. Ullman  
21 Ullman, Shapiro & Ullman, LLP  
22 299 Broadway, Suite 1700  
23 New York, NY 10007  
24 Fax: 212-571-9424

25 **IT IS STIPULATED, AGREED AND ORDERED:**

26 **PROHIBITED BUSINESS ACTIVITIES**

27 **I.**

28 A. That Defendants, directly or through any corporation, partnership,  
subsidiary, division, trade name, or other entity, and their officers, agents,  
servants, employees, and all persons and entities in active concert or participation

1 with them who receive actual notice of this Order by personal service, facsimile,  
2 or otherwise, in connection with the manufacturing, labeling, advertising,  
3 promotion, offering for sale, sale, or distribution of CortiStress or any Covered  
4 Product, in or affecting commerce, are hereby preliminarily enjoined from making,  
5 or assisting others in making, directly or by implication, including through the use  
6 of endorsements or product names, any representation that CortiStress or any  
7 Covered Product reduces the risk of or prevents serious health conditions,  
8 including osteoporosis, obesity, diabetes, Alzheimers' disease, cancer, and  
9 cardiovascular disease.

10 B. That Defendants, directly or through any corporation, partnership,  
11 subsidiary, division, trade name, or other entity, and their officers, agents,  
12 servants, employees, and all persons and entities in active concert or participation  
13 with them who receive actual notice of this Order by personal service, facsimile,  
14 or otherwise, in connection with the manufacturing, labeling, advertising,  
15 promotion, offering for sale, sale, or distribution of CortiSlim or any Covered  
16 Product, in or affecting commerce, are hereby preliminarily enjoined from making,  
17 or assisting others in making, directly or by implication, including through the use  
18 of endorsements or product names, any representation that CortiSlim or any  
19 Covered Product:

- 20 1. Causes weight loss of 10 to 50 pounds or more for virtually all  
21 users;
- 22 2. Causes users to lose as much as 4 to 10 pounds per week over  
23 multiple weeks;
- 24 3. Causes users to lose weight specifically from the abdomen,  
25 stomach, and thighs;
- 26 4. Causes rapid and substantial weight loss;
- 27



1 use of endorsements or product names, any misrepresentation about the existence,  
2 contents, validity, results, conclusions, or interpretations of any test or study,  
3 including but not limited to the CortiSlim Study.

4 E. Provided, however, that any advertising for CortiSlim or CortiStress  
5 that appears after the date this Order is signed by the Court and that violates  
6 provisions A through D of this Part or the provisions of Part II, below, shall be  
7 deemed not to be a violation if: i) the Defendants placed the advertising before the  
8 date on which they signed this Order; ii) the Defendants arranged for the  
9 advertising to be discontinued and specifically identified the advertising and listed  
10 its last scheduled appearance date in the chart included as Attachment A to this  
11 Order; and iii) the advertising is in fact discontinued in accordance with the  
12 information provided in the chart included as Attachment A to this Order.

## 14 **FORMATTING FOR BROADCAST ADVERTISING**

### 15 **II.**

16 That Defendants, directly or through any corporation, subsidiary, division,  
17 or other device, in connection with the labeling, advertising, promotion, offering  
18 for sale, sale, or distribution of any product, program, or service, in or affecting  
19 commerce, are hereby preliminarily enjoined from creating, producing, selling, or  
20 disseminating:

21 A. Any advertisement that misrepresents, expressly or by implication,  
22 that it is not a paid advertisement;

23 B. Any commercial or other video advertisement fifteen (15) minutes in  
24 length or longer or intended to fill a broadcasting or cablecasting time slot of  
25 fifteen (15) minutes in length or longer that does not display visually in the same  
26 language as the predominant language that is used in the advertisement, in a clear  
27





1 **FDA-APPROVED CLAIMS**

2 **III.**

3 That nothing in this Order shall prohibit Defendants from making any  
4 representation:

5 A. For any product that is specifically permitted in labeling for such  
6 product by regulations promulgated by the Food and Drug Administration  
7 pursuant to the Nutrition Labeling and Education Act of 1990; or

8 B. For any drug that is permitted in labeling for such drug under any  
9 tentative final or final standard promulgated by the Food and Drug Administration,  
10 or under any new drug application approved by the Food and Drug  
11 Administration.

12 **FINANCIAL STATEMENTS AND INFORMATION**

13 **IV.**

14 A. That for each of CortiSlim, CortiStress, and any Covered Product that  
15 is advertised, marketed, promoted, offered for sale, distributed, or sold by any of  
16 the Defendants or their officers, directors, agents, servants, employees,  
17 salespersons, distributors, corporations, subsidiaries, affiliates, successors, or  
18 assigns, Defendants shall serve on the Commission, within sixty (60) calendar  
19 days of entry of this Order, a detailed accounting of:  
20

21 1. The gross revenues obtained from the sale of the product from  
22 inception of sales through the date of entry of this Order; and

23 2. The total number of units of the product sold from inception of  
24 sales through the date of entry of this Order.

25 B. That Defendants shall each prepare and provide to the Commission,  
26 within sixty (60) calendar days of entry of this Order, a complete and accurate  
27

1 financial statement, signed under penalty of perjury, on the appropriate form as  
2 provided by the Commission to the Defendants, receipt of which is acknowledged  
3 by the Defendants' signatures on this Order. Defendants Cheng, Talbott and  
4 Cynaumon shall include a list of all corporate or other business entities that each  
5 has controlled, directly or indirectly, at any point from August 2002 until the  
6 present.

7 C. That Defendants shall each provide the Commission with access to  
8 records and documents pertaining to assets of each Defendant that are held by  
9 financial institutions outside the territory of the United States by signing and  
10 returning a "Consent to Release of Financial Records" as provided by the  
11 Commission to the Defendants, receipt of which is acknowledged by the  
12 Defendants' signatures on this Order.

13 D. That, within sixty (60) calendar days of entry of this Order,  
14 Defendants shall provide the Commission with copies of documents (including but  
15 not limited to cancelled checks, wire transfers or bank account statements) in  
16 Defendants' possession or control that are sufficient to show the following  
17 information:

- 18 1. All revenues collected and obtained by Defendants, directly or  
19 through any other corporation, partnership, limited liability  
20 corporation, or other entity, in connection with the sale in the  
21 United States of each of CortiSlim, CortiStress, and any  
22 Covered Product, and the location and/or transfer of all such  
23 revenues;
- 24 2. All refunds provided by Defendants to consumers, directly or  
25 through any corporation, partnership, limited liability  
26  
27  
28

1 corporation, or other entity, in connection with the sale of each  
2 of CortiSlim, CortiStress, and any Covered Product;

3 3. All costs and expenses incurred by Defendants, directly or  
4 through any corporation, partnership, limited liability  
5 corporation, or other entity, in connection with the sale and  
6 marketing of each of CortiSlim, CortiStress, and any Covered  
7 Product in the United States, including but not limited to the  
8 cost of goods sold, salaries, commissions, bonuses, and legal  
9 fees;

10 4. All transfers of assets by any of the Defendants to any  
11 individual or entity in excess of \$10,000 since January 2003.

12 E. That all information produced pursuant to this Part shall be  
13 designated as confidential information.

14  
15 **FINANCIAL DISCOVERY**

16 **V.**

17 A. That the Commission is granted leave at any time after service of this  
18 Order to depose or demand the production of non-privileged documents from any  
19 financial institution, brokerage firm, or similar business entity regarding the  
20 nature, status, extent, location or other relevant information relating to  
21 Defendants' assets, income, personal or business financial records, or to the  
22 location of any Defendant or potential defendant.

23 B. That, within fourteen (14) calendar days of entry of this Order, each  
24 Defendant shall provide the Commission with a list of all financial institutions,  
25 brokerage firms, or similar business entities known or thought to have information  
26 regarding the nature, status, extent, location or other relevant information relating  
27

1 to any Defendant's assets, income, personal or business financial records, or to the  
2 location of any Defendant or potential defendant.

3 C. That the Commission shall notify the Defendants at least two (2)  
4 business days before contacting, serving a subpoena upon, or otherwise initiating  
5 the financial discovery permitted under this Part with a specific financial  
6 institution, brokerage firm, or similar business entity identified by the Defendants  
7 under provision B.

8 D. That, for purposes of the Commission's issuance of a subpoena to a  
9 specific financial institution, brokerage firm, or similar business entity in  
10 accordance with the financial discovery permitted under this Part, six (6) business  
11 days shall be deemed sufficient time for the production of any such documents.

12 E. That the production of documents submitted pursuant to this  
13 provision shall not in any way waive the Commission's rights to seek the  
14 production of additional documents.

15 F. That all information produced pursuant to this Part shall be  
16 designated as confidential information.

17  
18 **MAINTENANCE OF RECORDS**

19 **VI.**

20 That, until entry of a final order resolving the Complaint, Defendants, and  
21 their officers, agents, directors, employees, salespersons, independent contractors,  
22 subsidiaries, affiliates, successors, assigns, and all other persons or entities in  
23 active concert or participation with them who receive actual notice of this Order  
24 by personal service, facsimile, or otherwise, whether acting directly or through any  
25 corporation, subsidiary, division, trade name, or other entity, are hereby  
26 preliminarily enjoined from:



1 Order, shall provide the Commission with an affidavit identifying the names,  
2 titles, addresses, and telephone numbers of the persons and entities that each  
3 Defendant has served with a copy of this Order in compliance with this provision.  
4

5 **SERVICE OF THIS ORDER BY PLAINTIFF**

6 **VIII.**

7 That copies of this Order may be served by facsimile transmission, personal  
8 or overnight delivery, or U.S. Mail, by agents and employees of the Commission  
9 or any state or federal law enforcement agency, on (1) any Defendant, or (2) any  
10 other person or entity that may be subject to any provision of this Order. Service  
11 upon any branch or office of any entity shall effect service upon the entire entity.  
12

13 **CONSUMER REPORTS**

14 **IX.**

15 That the Commission may obtain consumer reports concerning any  
16 Defendant pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15  
17 U.S.C. § 1681(a)(1), and that, upon written request, any credit reporting agency  
18 from which such reports are requested shall provide them to the Commission.  
19

20 **RIGHT TO INVESTIGATE AND ADD**  
21 **ADDITIONAL PARTIES AND CLAIMS**

22 **X.**

23 That nothing in this Order shall be construed as limiting or restricting the  
24 Commission's right or ability to investigate, take discovery from, add to this  
25 action, or bring further actions against, any persons or entities not specifically  
26  
27

1 named herein as a defendant who may be in active concert or participation with  
2 any Defendant.

3  
4 **IT IS SO ORDERED**, this \_\_\_ day of \_\_\_\_\_, 2004

5  
6  
7 

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 UNITED STATES DISTRICT JUDGE

8 **SO STIPULATED:**

9 WILLIAM E. KOVACIC  
10 General Counsel

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 PETER B. MILLER  
12 KIAL YOUNG

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 JOHN D. JACOBS  
14 CA Bar No. 134154  
15 Federal Trade Commission

16 ATTORNEYS FOR PLAINTIFF

17  
18 

---

 MARC S. ULLMAN  
19 Ullman, Shapiro & Ullman, LLP  
20 299 Broadway, Suite 1700  
21 New York, NY 10007  
22 212-766-8662 (voice)  
23 212-571-9424 (fax)

24 

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 DONALD L. MORROW  
25 CA Bar No. \_\_\_\_\_  
26 Paul Hastings Janofsky & Walker  
27 695 Town Center Dr., 17<sup>th</sup> Floor  
28 Costa Mesa, CA 92626-1924  
(714) 668-6200 (voice)  
(714) 979-1921 (fax)

ATTORNEYS FOR DEFENDANTS

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 WINDOW ROCK ENTERPRISES  
By: Stephen F. Cheng, President

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 STEPHEN F. CHENG  
Individually, and as an officer of  
Window Rock Enterprises

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 INFINITY ADVERTISING, INC.  
By: Gregory S. Cynaumon, President

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 GREGORY S. CYNAUMON  
Individually, and as an officer of  
Infinity Advertising, Inc.

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 SHAWN M. TALBOTT



CORTISLIM MEDIA - ATTACHMENT A - PAGE 1 OF 2

Magazine	Size	Cover Date	On Sale Date	End Date	AD	Notes
Glamour	2/3 page, vert	09/2004	8/10/2004	9/10/2004	House	
Redbook	Full Page	09/2004	8/10/2004	9/10/2004	House	Before, After, During #1
Ladies Home Journal	Full page	09/2004	8/10/2004	9/10/2004	House	
Today's Health & Wellness	Full Page	09/2004	8/15/2004	9/15/2004	House	
Prevention	Full Page	09/2004	8/20/2004	9/20/2004	House	
Country Almanac	Full Page	Winter 2004	8/31/2004	9/30/2004	Cindy testimonial	
Sophisticates Hairstyles	Full Page	10/2004	8/6/2004	10/6/2004	Missy testimonial	
Fitness	1/6 Advertorial	10/2004	9/7/2004	10/7/2004	Advertorial #3	
Marie Claire	1/6 Advertorial	10/2004	9/7/2004	10/7/2004	Advertorial #1	
Redbook	1/6 Advertorial	10/2004	9/7/2004	10/7/2004	Advertorial #1	
Family Circle	Full Page	10/1/2004	9/7/2004	10/7/2004	Before, After, During #1	
National Enquirer	Super Junior	9/20/2004	9/10/2004	9/24/2004	Before, After, During #1	
First for Women	Full Page	10/4/2004	9/13/2004	9/27/2004	Before, After, During #1	
Cosmopolitan	1/6 Advertorial	10/2004	9/14/2004	10/14/2004	Advertorial #1	
Elle	1/6 Advertorial	10/2004	9/14/2004	10/14/2004	Advertorial #1	
Glamour	1/6 Advertorial	10/2004	9/14/2004	10/14/2004	Advertorial #1	
Ladies Home Journal	1/6 Advertorial	10/2004	9/14/2004	10/14/2004	Advertorial #1	
Better Homes and Garden	Full Page	10/2004	9/14/2004	10/14/2004	House	
Cosmopolitan	Full Page	10/2004	9/14/2004	10/14/2004	House	
Woman's Day	Full Page	10/2004	9/14/2004	10/14/2004	House	
Lucky	Full Page	10/2004	9/14/2004	10/14/2004	House	
Smart Source Half	1/6 Advertorial	9/19/2004	9/19/2004	9/26/2004	Advertorial #1	
USA Weekend	Half page 4C	9/19/2004	9/19/2004	9/26/2004	Before, After, During #1	
GQ	M unit	10/2004	9/23/2004	10/23/2004	Advertorial #2	
Self	1/6 Advertorial	10/2004	9/23/2004	10/23/2004	Advertorial #3	
Southwest Spirit	Full Page	10/2004	10/1/2004	11/1/2004	Before, After, During #2	
First for Women	Full Page	10/25/2004	10/4/2004	10/18/2004	Before, After, During #2	
Vogue	1/6 Advertorial	10/2004	9/28/2004	10/28/2004	Advertorial #1	
Bon Appetit	1/6 Advertorial	11/2004	10/12/2004	11/12/2004	Advertorial #4	
Marie Claire	1/6 Advertorial	11/2004	10/5/2004	11/5/2004	Advertorial #1	
Fitness	1/6 Advertorial	11/2004	10/5/2004	11/5/2004	Advertorial #7	
Family Circle	Full Page	11/9/2004	10/9/2004	11/9/2004	Christmas	
Redbook	Full Page	11/2004	10/12/2004	11/12/2004	Before, After, During #2	
Glamour	1/6 Advertorial	11/2004	10/12/2004	11/12/2004	Advertorial #5	
Lucky	1/6 Advertorial	11/2004	10/12/2004	11/12/2004	Advertorial #5	
Today's Health & Wellness	Full Page	11/2004	10/15/2004	11/15/2004	Before, After, During #2	
First for Women	Full Page	11/15/2004	10/25/2004	11/8/2004	Before, After, During #2	
Allure	1/6 Advertorial	11/2004	10/26/2004	11/26/2004	Advertorial #5	
Vogue	1/6 Advertorial	11/2004	10/26/2004	11/26/2004	Advertorial #5	
GQ	1/6 Advertorial	11/2004	10/28/2004	11/28/2004	Advertorial #6	
Self	1/6 Advertorial	11/2004	10/28/2004	11/28/2004	Advertorial #7	
House & Garden	1/6 Advertorial	11/2004	10/28/2004	11/28/2004	Advertorial #8	
Country Home	Full Page	Holiday 2004	11/9/2004	12/9/2004	Christmas	
Woman's World	Full Page	11/16/2004	11/9/2004	12/9/2004	Christmas	
First for Women	Full Page	12/6/2004	11/15/2004	11/29/2004	Christmas	
First for Women	Full Page	12/27/2004	12/6/2004	12/20/2004	Christmas	
Woman's World	Full Page	12/21/2004	12/14/2004	1/14/2005	Christmas	
Ms. Fitness	Full Page	Winter 2004	10/5/2004	11/5/2004	Fitness Ad	

Quarterly publication; some stores may carry longer

CORTISLIM MEDIA - ATTACHMENT A - PAGE 2 OF 2

RETAIL MAGAZINES

Magazine	Size	Cover Date	Off Sale Date	End Date	AD	Notes
Mass Market Retailer	Full Page	8/23/2004	8/23/2004	9/23/2004	Retail	
Total Health	Full Page	09/2004	8/15/2004	9/15/2004	Before, After, During #1	
Mass Market Retailer	Full Page	09/2004	8/15/2004	9/15/2004	Retail	
Natural Foods Merchandiser	Full Page	09/2004	8/20/2004	9/20/2004	Retail	
Vitamin Retailer	Full Page	09/2004	8/20/2004	9/20/2004	Retail	
Delicious	Full Page	10/2004	9/15/2004	10/15/2004	Before, After, During #1	
Total Health	Full Page	10/2004	9/15/2004	10/15/2004	Before, After, During #1	
Chain Drug Review	Spread	10/2004	9/20/2004	10/20/2004	Think CortiSlim	
Health Products Business	Spread	10/2004	9/20/2004	10/20/2004	Think CortiSlim	
Health Supplement Retailer	Spread	10/2004	9/20/2004	10/20/2004	Think CortiSlim	
Mass Market Retailer	Spread	10/2004	9/15/2004	10/15/2004	Think CortiSlim	
Vitamin Retailer	Spread	10/2004	9/20/2004	10/20/2004	Think CortiSlim	
Whole Foods	Spread	10/2004	9/20/2004	10/20/2004	Before, After, During #1	
Better Nutrition	Full Page	10/2004	9/15/2004	10/15/2004	Before, After, During #1	
Drug Store News	Spread	10/2004	10/1/2004	11/1/2004	Think CortiSlim	

RADIO

FILE NAME	DESCRIPTION	START DATE	END DATE	LENGTH	Host
Cortislim#29-SLIM127	Maria Sanchez Testimonial	8/4/2004	9/10/2004	:60	Maria Sanchez
Cortislim#30-Tim907	Clinical Trial	8/30/2004	9/10/2004	:60	Greg Cynaumon
Cortislim#31-MS-SLIM127	Maria Sanchez Testimonial #2	8/4/2004	9/10/2004	:60	Maria Sanchez

PRINT

ITEM	DESCRIPTION	START DATE	NOTES
Fulfillment Literature	Sent to customers who order the product	ongoing	Brochure discontinued - revisions in progress; Quick Start guide discontinued - revisions in progress;
Inquiry/Response Literature	Sent to callers seeking more information	ongoing	Two-Part Coupon discontinued as of 10/8/04 - revisions in progress; SENSE program booklet ongoing

TV

TARGET TITLE	DESCRIPTION	START DATE	END DATE	LENGTH	AD	NOTES
CORTISLIM C2	Long Form	6/2/2004	9/26/2004	28:30:00	Infomercial	last air date 9/21 (90% stations); remaining end date 9/26 (10% stations)
STOP WEIGHING YOURSELF (CRT_1017_27)	Short Form	5/31/2004	10/18/2004	:60	Stop Weighing Yourself	Revised ad will not include "scientific centerpiece" language & the yellow color around the midsection in the graphic
CHANGE YOUR LIFE W/ CORTISLIM-CINDY	Short Form	7/12/2004	9/12/2004	:60	Cindy Revised	discontinued; last air date 9/12/2004
CORTISLIM (CRT_1019_2R3)	Short Form	5/31/2004	10/18/2004	:30	Greg	Revised ad will not include "scientific centerpiece" language & the yellow color around the midsection in the graphic
CORTISLIM STOP WEIGHING YOURSELF 120	Short Form	8/16/2004	9/8/2004	1:20	Stop Weighing Yourself	Stop Weighing Yourself :60 with one minute testimonials discontinued

IN STORE DISPLAYS

ITEM	DESCRIPTION	START DATE	END DATE	STATUS	NOTES	FILE NAME
Countertop Display	Countertop Display to hold 12 bottles	08/2004	08/2004	Currently in stores	No longer being shipped to stores. New versions being printed	CortiSlim counter tray
Floor Display w/ brochure	Stand up display and accompanying brochure	09/2004	09/2004	Currently in stores	No longer being shipped to stores. New versions being printed	Floor display
Retail Poster	Poster sent to retailers	07/2004	07/2004	Currently in stores	No longer being shipped to stores. New versions being printed	CortiSlim Poster Current

INTERNET

ITEM	DESCRIPTION	START DATE	NOTES
CortiSlim Official Website	www.cortislim.com; www.cortisol.com	ongoing	All websites identical. Numerous domains link to CortiSlim website. Revisions to websites will be posted by 10/8/04
	www.cortislim.biz; www.windowrockhealth.com		