

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

Case No. 05-61682 CIV-LENARD/KLEIN

**CLOSED
CIVIL
CASE**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

USA BEVERAGES, Inc.,
a Florida corporation
and New Mexico corporation;

DILRAJ MATHAUDA a/k/a Dan Reynolds,
individually and as a principal
of USA Beverages, Inc.;

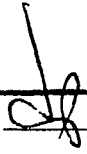
SIRTAJ MATHAUDA,
individually and as a principal
of USA Beverages, Inc.;

JEFF PEARSON a/k/a Paul Clayton,
individually and as a principal
of USA Beverages, Inc.;

DAVID MEAD, and
individually and as an officer of
USA Beverages, Inc.;

SILVIO CARRANO,
individually and as an officer of
USA Beverages, Inc.,

Defendants.

FILED by  D.C.
JUN 27 2006
CLARENCE MADDOX
CLERK U.S. DIST. CT.
S. D. OF FLA. - MIAMI

~~(PROPOSED)~~ DEFAULT JUDGMENTS AND ORDERS FOR PERMANENT
INJUNCTIONS AS TO DEFENDANTS USA BEVERAGES, A FLORIDA
CORPORATION, USA BEVERAGES, A NEW MEXICO CORPORATION, DILRAJ
MATHAUDA, SIRTAJ MATHAUDA, JEFF PEARSON AND SILVIO CARRANO

28/05

This matter comes before the Court on Plaintiff Federal Trade Commission's ("FTC" or "Commission") Motion for a Default Judgments and Orders for Permanent Injunctions. On October 19, 2005, the Federal Trade Commission ("FTC" or "Commission") filed a Complaint against USA Beverages, Inc., a Florida corporation and a New Mexico corporation, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson, David Mead and Silvio Carrano alleging violations of Section 5 of the FTC Act and the FTC's Trade Regulation Rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures" (the "Franchise Rule"), 16 C.F.R. Part 436, in connection with the marketing of coffee display rack business ventures. The Commission's Complaint sought 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). Defaults were entered against the Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson, and Silvio Carrano.

Having considered the Complaint, memorandum of law and exhibits filed by the Commission, and the files and records of this case, it is hereby **ORDERED, ADJUDGED** and **DECREED:**

FINDINGS

1. This Court has jurisdiction over the subject matter of this case and the parties hereto.
2. Venue is proper as to Defendants in the Southern District of Florida under 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b) and (c).
3. The activities of Defendants are in or affecting commerce, as defined in Section 4 of the

FTC Act, 15 U.S.C. § 44.

4. The Complaint alleges claims upon which relief may be granted against Defendants under §§ 5(a)(1), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a)(1), 53(b), and 57b, and under the Franchise Rule.
5. There is no just reason for delay for entry of this Default Judgments and Orders for Permanent Injunctions as to Defendants USA Beverages, a Florida Corporation, USA Beverages, a New Mexico Corporation, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson, and Silvio Carrano.
6. The Court expressly directs entry of this Default Judgments and Orders for Permanent Injunctions as to Defendants USA Beverages, a Florida Corporation, USA Beverages, a New Mexico Corporation, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson, and Silvio Carrano.
7. The Deputy Receiver has calculated the total amount of money consumers paid to USA Beverages through a review of USA Beverages' bank accounts. An analysis of bank records is the best approach to determine consumer injury in this case. Based upon his analysis, the Deputy Receiver has determined that the total amount paid by consumers is \$2,565,610.81. Thus, the proper amount of relief in this case is a judgment for \$2,565,610.81.
8. Entry of this Final Order is in the public interest.

DEFINITIONS

1. "Assets" means any legal or equitable interest in, right to, or claim to, any real and personal property, including, but not limited to, real estate, chattel, goods, instruments,

equipment, fixtures, general intangibles, inventory, checks, notes, leaseholds, effects, contracts, mail or other deliveries, shares of stock, interest in mutual funds, lists of consumer names, brokerage accounts, bank accounts, cars, certificates of deposit, credits, premises, receivables, funds, and cash, wherever located, whether in the United States or abroad;

2. "Business venture" means any written or oral business arrangement, however denominated, regardless of whether covered by the Franchise Rule, which consists of the payment of any consideration for:
 - a. the right or means to offer, sell, or distribute goods or services (regardless of whether identified by a trademark, service mark, trade name, advertising, or other commercial symbol); and
 - b. more than nominal assistance to any person or entity in connection with or incident to the establishment, maintenance, or operation of a new business or the entry by an existing business into a new line or type of business;
3. "Defendant" means USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson, Silvio Carrano, and their successors, assigns, officers, agents, servants, employees or attorneys, and any person or entity in active concert or participation with them who receives actual notice of this Order by personal service or otherwise, is bound to comply with this Order, *see* Fed. R. Civ. P. 65(d), whether these persons or entities are acting directly or through a trust, corporation, subsidiary, division, or other device;
4. "Document" is synonymous in meaning and equal in scope to the usage of the term in

Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term;

5. "Receiver" shall mean David Chase, Esq., the permanent receiver previously appointed in this matter, and any deputy receivers that may be named by the permanent receiver.
6. "Telemarketing" means any plan, program, or campaign (whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310), that is conducted to induce the purchase of goods or services by means of the use of one or more telephones, or by Voice over Internet Protocol ("VoIP").

ORDER

I. PROHIBITION AGAINST MARKETING BUSINESS VENTURES

IT IS THEREFORE ORDERED that Defendants are hereby permanently restrained and enjoined from engaging, participating, or assisting in any manner or in any capacity whatsoever in the promotion, marketing, offering for sale, or selling of any business opportunity, franchise, or business venture in the United States, or to consumers domiciled or otherwise located in the United States, whether directly, indirectly, in concert with others, or through any intermediary, business entity, or other device.

II. PROHIBITION AGAINST TELEMARKETING

IT IS THEREFORE ORDERED that Defendants are hereby permanently restrained and enjoined from engaging, participating, or assisting in any manner or in any capacity

whatsoever in telemarketing in the United States, or to consumers domiciled or otherwise located in the United States, whether directly, indirectly, in concert with others, or through any intermediary, business entity, or other device.

III. CONSUMER RESTITUTION AND OTHER EQUITABLE RELIEF

IT IS FURTHER ORDERED that judgment for \$2,565,610.81 is entered against Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson, and Silvio Carrano. Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson and Silvio Carrano are jointly and severally liable for \$2,565,610.81. The judgment is for restitution or other equitable relief. The judgment is not a civil penalty.

IV. PAYMENT OF JUDGMENT

IT IS FURTHER ORDERED that:

A. Within five days of entry of the judgment, Defendants shall pay the judgment by wire transfer or certified or cashier's check made payable to the Treasurer of the United States. The check or written confirmation of the wire transfer shall be delivered to: Associate Director, Division of Marketing Practices, 600 Pennsylvania Ave., Room 238, Washington, D.C. 20580. Time is of the essence for payment.

B. Any and all funds paid pursuant to this Paragraph and Paragraphs V, VII and VIII shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including but not limited to restitution and any attendant expenses for the administration of any restitution fund. In the event that restitution to purchasers is wholly or partially impracticable, or any funds remain after restitution 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 Defendant's practices alleged in the complaint. No portion of any payments under the judgment herein shall be deemed a payment of any fine, penalty, or punitive assessment.

C. In accordance with 31 U.S.C. § 7701, all Defendants are hereby required to furnish the FTC with their taxpayer identification number (Employer Identification Number or Social Security Number) which shall be used for purposes of collecting and reporting on any delinquent amount arising from Defendant's monetary obligation to the government.

D. Defendants are further required to provide the Commission with clear, legible and full-size photocopies of all valid driver's licenses that they possess.

E. Interest computed under 28 U.S.C. § 1961 shall accrue from the date of entry of this Default Judgment in the event of default of payment.

F. In the event of default of payment, Defendants shall cooperate fully with the Commission and its agents in all attempts to collect any amount due. The cooperation shall include, but not be limited:

1. Provide the Commission with a full accounting of all assets in the United States, which are: (1) titled in the name, individually or jointly, or any Defendant; or (2) held by any person or entity for the benefit of any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant:

2. Deposit into a fund administered by the Commission or its agent all assets located in the United States which are (1) titled in the name individually or jointly of any Defendant; or (2) held by any person or entity, for the benefit of any Defendant; or (3) under the

direct or indirect control, whether jointly or singly, of any Defendant, until the amount of the deposit is equal to the amount of any unpaid judgment, plus any interest due and owing;

3. Provide the Federal Trade Commission access to all records of accounts or assets of any Defendant held by financial institutions in the United States;

4. Comply with Paragraphs V and VI below.

G. The facts as alleged in the complaint filed in this action shall be taken as true, without further proof, in any subsequent litigation filed by the Commission to collect any unpaid amount or otherwise enforce its rights pursuant to this Order, including a nondischargeability action filed by or on behalf of the Commission in any bankruptcy case.

H. Proceedings instituted under this Paragraph are in addition to, and not in lieu of, any other civil or remedies as may be provided by law, including any other proceedings that the Plaintiff may initiate to enforce this Order.

V. FOREIGN ASSET REPATRIATION

IT IS FURTHER ORDERED that, unless the Judgment is paid in full within five days of entry of the Judgment, each Defendant shall:

a) Provide the Commission with a full accounting of all assets outside the United States, which are: (1) titled in the name, individually or jointly, or any Defendant; or (2) held by any person or entity for the benefit of any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant:

b) Transfer to the territory of the United States and deposit into a fund administered by the Commission or its agent all assets located in any foreign countries which are (1) titled in the name individually or jointly of any Defendant; or (2) held by any person or entity, for the benefit

of any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant, until the amount of the deposit is equal to the amount of any unpaid judgment, plus any interest due and owing;

c) Provide the Federal Trade Commission access to all records of accounts or assets of any Defendant held by financial institutions outside the territorial United States by signing the Consent to Release of Financial attached to this Order as Attachment A.

VI. INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that Defendants are hereby restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign assets, or in the hindrance of the repatriation required by this Order, including but not limited to:

a) Sending any statement, letter, fax, email or wire transmission, telephoning, using voice over internet protocol or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a “duress” event has occurred under the terms of a foreign trust agreement until such time that all assets have been fully repatriated pursuant to this Order; and

b) Notifying any trustee, protector or other agent of any foreign trust or other related entities of either the existence of this Order, or of the fact that repatriation is required pursuant to a Court Order, until such time that all assets have been fully repatriated pursuant to this Order.

VII. BANK OF AMERICA ACCOUNT

IT IS FURTHER ORDERED that upon being served with a copy of this Order, Bank of America shall wire transfer all funds titled in the name of Sirtaj Mathauda, to the Federal Trade

Commission. Service may be accomplished by facsimile.

Any and all funds paid pursuant to this Paragraph shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including but not limited to restitution and any attendant expenses for the administration of any restitution fund. In the event that restitution to purchasers is wholly or partially impracticable, or any funds remain after restitution 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 Defendant's practices alleged in the complaint. No portion of any payments under the judgment herein shall be deemed a payment of any fine, penalty, or punitive assessment.

VIII. RECEIVERSHIP

IT IS FURTHER ORDERED that,

- A. David Chase is the Receiver, with the full power of an equity receiver for USA Beverages, Florida and USA Beverages, New Mexico, and all the funds, properties, premises, accounts and other assets directly or indirectly owned, beneficially or otherwise, by USA Beverages, Florida and USA Beverages, New Mexico, with directions and authority to accomplish the following:
1. Maintain full control of USA Beverages, Florida and USA Beverages, New Mexico;
 2. Maintain exclusive custody, control, and possession of all the funds, property, mail and other assets of, in the possession of, or under the control of USA Beverages, Florida and USA Beverages, New Mexico, wherever situated. The Receiver shall have full power to sue for, collect,

receive and take possession of all goods, chattels, rights, credits, moneys, effects, land, leases, books, records, work papers, and records of accounts, including computer-maintained information, and other papers and documents of USA Beverages, Florida and USA Beverages, New Mexico, including documents related to customers or clients whose interests are now held by or under the direction, possession, custody or control of USA Beverages, Florida and USA Beverages, New Mexico;

3. Preserve, hold and manage all receivership assets, and perform all acts necessary to preserve the value of those assets, in order to prevent any loss, damage or injury to customers or clients;
4. Prevent the withdrawal or misapplication of funds entrusted to USA Beverages, Florida and USA Beverages, New Mexico, and otherwise protect the interests of customers or clients;
5. Manage and administer USA Beverages, Florida and USA Beverages, New Mexico by performing all acts incidental thereto that the Receiver deems appropriate, including hiring or dismissing any and all personnel or suspending operations;
6. Collect all money owed to USA Beverages, Florida and USA Beverages, New Mexico;
7. Initiate, defend, compromise, adjust, intervene in, dispose of, or become a party to any actions or proceedings in state, federal or foreign court necessary to preserve or increase the assets of USA Beverages, Florida

and USA Beverages, New Mexico or to carry out the Receiver's duties pursuant to this Final Order;

8. Choose, engage and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Final Order;
 9. Open one or more bank accounts as designated depositories for funds of USA Beverages, Florida and USA Beverages, New Mexico. The Receiver shall deposit all funds of USA Beverages, Florida and USA Beverages, New Mexico in such designated accounts and shall make all payments and disbursements from the receivership estate from such;
 10. Make payments and disbursements from USA Beverages, Florida and USA Beverages, New Mexico that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Final Order. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by USA Beverages, Florida and USA Beverages, New Mexico prior to the date of entry of this Final Order, except for payments that the Receiver deems necessary or advisable to secure assets of USA Beverages, Florida and USA Beverages, New Mexico.
- B. Within 90 days of the entry of this Final Order, unless the time period is extended by the Court, the Receiver is directed to:

1. Marshal the records and marshal and liquidate the assets of USA Beverages, Florida, and USA Beverages, New Mexico and dissolve the corporations;
 2. File with the Court, and serve on the parties, a final report describing the wind-down of the businesses of USA Beverages, Florida and USA Beverages, New Mexico and the scope of the Receiver's activities;
 3. File with the Court, and serve on the parties, a final accounting and request for the payment of reasonable compensation on behalf of the receiver and any personnel retained by the Receiver;
- C. After entry by the Court of an order on the Receiver's final accounting and request for compensation, the Receiver shall transfer any remaining funds of the USA Beverages, Florida and USA Beverages, New Mexico to the FTC in partial satisfaction of the Judgement, and the Receivership shall terminate.

IX. 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 USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson and Silvio Carrano shall 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;

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 USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda , Sirtaj Mathauda, Jeff Pearson and Silvio Carrano, and each of their employees, or any entity managed or controlled in whole or in part by Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda , Sirtaj Mathauda, Jeff Pearson, and Silvio Carrano without the necessity of identification or prior notice; and

C. Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda , Sirtaj Mathauda, Jeff Pearson and Silvio Carrano 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)).

X. COMPLIANCE REPORTING

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 final Order,

1. Each individual defendant Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson and Silvio Carrano 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 of 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 USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda , Sirtaj Mathauda, Jeff Pearson and Silvio Carrano shall notify the Commission of any changes in corporate structure, of any business entity that an Individual Defendant(s) 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 defendant(s) learns less than thirty (30) days prior to the date such action is to take place, defendant(s) 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, Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson and Silvio Carrano shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which he has complied and is complying with this Order. This report shall include, but not be limited to:

1. For each 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 subparagraph A of this Section.
2. For all Defendants:
 - a. A copy of each acknowledgment of receipt of this Order;
 - b. Any other changes required to be reported under subparagraph A of

this Section.

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 to:

Associate Director for Enforcement
Federal Trade Commission
601 New Jersey Ave
Washington, D.C. 20580
Re: FTC v. USA Beverages, Inc., Civil Action No. 05-61682; and

D. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate directly with USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson and Silvio Carrano.

XI. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that for the period of eight (8) years from the date of entry of this Order, Defendants are hereby restrained and enjoined from failing to create and retain the following records in connection with the offering sale or marketing of business ventures:

- 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 sales scripts, training materials, advertisements, or other marketing materials; and

F. 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 and all reports submitted to the FTC.

XII. DISTRIBUTION OF ORDER

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. Defendants USA Beverages, Florida, and USA Beverages, New Mexico must deliver a copy of this Order to all of its principals, officers, directors, and managers. Defendants USA Beverages, Florida, and USA Beverages, New Mexico also must deliver copies of this Order to all of its 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 Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities.

B. For any business that Defendant Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson or Silvio Carrano controls, directly or indirectly, or in which Defendant Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson or Silvio Carrano has a majority ownership interest, Defendant Dilraj

Mathauda , Sirtaj Mathauda, Jeff Pearson or Silvio Carrano must deliver a copy of this Order to all principals, officers, directors, and managers of that business. Defendant Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson or Silvio Carrano 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 Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities;

C. For any business where Defendant Dilraj Mathauda, Sirtaj Mathauda, Jeff Pearson or Silvio Carrano is not a controlling person of a business but otherwise engages in conduct related to the subject matter of this Order, Defendant Dilraj Mathauda , Sirtaj Mathauda, Jeff Pearson or Silvio Carrano must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct; and

D. Defendants USA Beverages, Florida, USA Beverages, New Mexico, Dilraj Mathauda , Sirtaj Mathauda, Jeff Pearson or Silvio Carrano 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 Part.

XIII. SEVERABILITY

IT IS FURTHER ORDERED that if any provision of this Order is held invalid, the remainder of the Order shall not be affected.

XIV. ACKNOWLEDGMENT OF RECEIPT OF ORDER

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

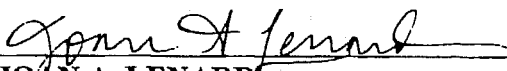
statement acknowledging receipt of the this Order.

~~XV~~. ~~XIV~~. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter

for all purposes.

~~XVI~~. This case is now CLOSED and all pending motions are DENIED AS MOOT.
DONE AND ORDERED in Chambers, at Miami, Florida this 27 day of June, 2006 at


JOAN A. LENARD
UNITED STATES DISTRICT JUDGE

4:27 P.M.

Attachment "A"

Consent to Release of Financial Records, Individual

I, _____, do hereby direct any bank, trust company, or financial institution, at which I have an account of any kind upon which I am authorized to draw, and its officers, employees, and agents, to disclose all information and deliver copies of all documents of every nature in their possession or control that relate to any such account to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States that restrict or prohibit the disclosure of financial information without the consent of the holder of the account, or its officers, and shall be construed as consent with respect thereto.

Dated: _____, 2006

Signature: _____

Consent to Release of Financial Records, Corporate

I, _____, as an officer of _____, do hereby direct any bank, trust company, or financial institution, at which _____ has an account of any kind upon which _____ is authorized to draw, and its officers, employees, and agents, to disclose all information and deliver copies of all documents of every nature in their possession or control that relate to any such account to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States that restrict or prohibit the disclosure of financial information without the consent of the holder of the account, or its officers, and shall be construed as consent with respect thereto.

Dated: _____, 2006

Signature: _____

Name: _____

Title: _____