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FEDERAL TRADE COMMISSION

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SEP 19 2005
CENTRAL DISTRICT OF CALIFORNIA
BY DA DEPUTY

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9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

11 FEDERAL TRADE COMMISSION

12 Plaintiff,

13 v.

14 LA GRANA, LLC, et al.,

15 Defendants.

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17
18
19
20
21
22
23
24
25
CV05-6823

ABC (RZx)

Case No.

STIPULATED FINAL
JUDGMENT FOR
PERMANENT INJUNCTION
AND OTHER EQUITABLE
RELIEF

18 WHEREAS Plaintiff, the Federal Trade Commission
19 ("Commission" or "FTC"), has commenced this action by filing the
20 Complaint herein; Defendants La Grana, LLC, La Grana, Inc.,
21 Losini, LLC, Carlos Iñiguez, and Claudia Iñiguez have waived
22 service of the Summons and Complaint; the parties have been
23 represented by the attorneys whose names appear hereafter; and
24 the parties have agreed to settlement of this action upon the
25 following terms and conditions, without adjudication of any issue

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1 of fact or law and without Defendants admitting liability for any
2 of the matters alleged in the Complaint;

3 THEREFORE, upon stipulation of Plaintiff and Defendants, it
4 is hereby ORDERED, ADJUDGED, and DECREED as follows:

5

6

FINDINGS

7 A. This Court has jurisdiction over the subject matter of
8 this case and jurisdiction over all parties.

9 B. Venue in the Central District of California is proper
10 under 15 U.S.C. § 53(b) and 28 U.S.C. § 1391(b).

11 C. The activities of Defendants are in or affecting
12 commerce, as defined in the FTC Act, 15 U.S.C. § 44.

13 D. The Complaint states a claim upon which relief can be
14 granted against the Defendants under Sections 5(a), 12, and 13(b)
15 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C.
16 §§ 45(a), 52, and 53(b).

17 E. Defendants have not admitted to liability as to the
18 charges in the Complaint, and their consent to entry of this
19 permanent injunction shall not be interpreted to constitute an
20 admission that they have engaged in any violations of any law or
21 regulations.

22 F. Defendants waive all rights to seek judicial review or
23 otherwise challenge or contest the validity of this Order.

24 Defendants also waive any claim that they may hold under the
25 Equal Access to Justice Act, 28 U.S.C. § 2412 (as amended),

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1 concerning the prosecution of this action to the date of this
2 Order.

3 G. Defendants enter into this Order freely and without
4 coercion, and acknowledge that they understand the provisions of
5 this Order and are prepared to abide by its terms.

6 H. Each party shall bear its own costs and attorneys'
7 fees.

8 I. Entry of this Order is in the public interest.

9

10 DEFINITIONS

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

13 A. "Assisting others" means knowingly providing any of the
14 following goods or services to another person or entity:

15 a. performing customer service functions, including,
16 but not limited to, receiving or responding to
17 consumer complaints;

18 b. formulating or providing, or arranging for the
19 formulation or provision of, any telephone sales
20 script or any other marketing material;

21 c. providing names of, or assisting in the generation
22 of, potential customers; or

23 d. performing marketing services of any kind.

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

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

7 D. "Corporate Defendants" shall mean: La Grana, LLC; La
8 Grana, Inc.; and Losini, LLC; and each of them; by whatever names
9 they may be known.

10 E. Unless otherwise specified, "Defendants" shall mean:
11 La Grana, LLC; La Grana, Inc.; Losini, LLC; Carlos Iñiguez; and
12 Claudia Iñiguez; and each of them; by whatever names they may be
13 known.

14 F. "Endorsement" means as defined in 16 C.F.R. § 255.0(b).

15 G. "Food," "drug," and "device" shall mean as "food,"
16 "drug," and "device," are defined in Section 15 of the Federal
17 Trade Commission Act, 15 U.S.C. § 55.

18 H. "FTC" or "Commission" shall mean the Federal Trade
19 Commission.

20 I. "Material" means likely to affect a person's choice of,
21 or conduct regarding, goods or services.

22 J. "Weight loss product" shall mean any product, program,
23 or service designed, used, or purported to produce weight loss,
24 reduction or elimination of fat, slimming, or caloric deficit; or
25 to prevent weight gain, in a user of the product, program, or

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1 service.

2 J. The terms "and" and "or" in this Order shall be
3 construed conjunctively or disjunctively as necessary, to make
4 the applicable phrase or sentence inclusive rather than
5 exclusive.

6 ORDER

7 I.

8 **PROHIBITED REPRESENTATIONS**

9 **IT IS THEREFORE ORDERED** that Defendants, and their officers,
10 agents, servants, employees, and representatives, and all persons
11 and entities in active concert or participation with them who
12 receive actual notice of this Order by personal service or
13 otherwise, whether acting directly or through any corporation,
14 subsidiary, division, or other entity, in connection with the
15 manufacturing, labeling, advertising, promotion, offering for
16 sale, sale, or distribution of any weight loss product, including
17 but not limited to the Svelt Body Complete or Imagen Enlínea
18 package, in or affecting commerce, are hereby permanently
19 enjoined from representing, or assisting others in representing,
20 in any manner, expressly or by implication, including through the
21 use of endorsements or a trade name, that:

22 A. such product causes rapid and substantial weight loss
23 without the need to reduce caloric intake or to
24 increase exercise;

25 B. such product causes rapid and substantial weight loss

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1 by blocking the absorption of fat; or

2 C. the Svelt Body Complete or Imagen Enlínea package, or
3 any similar product, causes permanent weight loss.

4 II.

5 REPRESENTATIONS PROHIBITED UNLESS TRUE AND SUBSTANTIATED

6 IT IS FURTHER ORDERED that Defendants, and their officers,
7 agents, servants, employees, and representatives, and all persons
8 and entities in active concert or participation with them who
9 receive actual notice of this Order by personal service or
10 otherwise, whether acting directly or through any corporation,
11 subsidiary, division, or other entity, in connection with the
12 manufacturing, labeling, advertising, promotion, offering for
13 sale, sale, or distribution of any health-related service or
14 program, weight loss product, dietary supplement, food, drug, or
15 device, in or affecting commerce, are hereby permanently enjoined
16 from making, or assisting others in making, any representation,
17 expressly or by implication, including through the use of
18 endorsements or a trade name:

19 A. That any such product or service:

- 20 1. causes weight loss;
- 21 2. causes permanent weight loss;
- 22 3. converts fat into fiber or eliminates fat from the
23 body, or any part of the body, or prevents fat
24 from being absorbed by the body;
- 25 4. burns calories or causes weight loss 24 hours a

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1 day; or

2 B. About the health benefits, performance, efficacy,
3 safety or side effects of such product or service;
4 unless, at the time the representation is made, the
5 representation is true, and they possess and rely upon competent
6 and reliable scientific evidence that substantiates the
7 representation.

8 III.

9 FOOD AND DRUG REGULATIONS

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

20 IV.

21 PROHIBITED MISREPRESENTATIONS

22 IT IS FURTHER ORDERED that in connection with the
23 advertising, marketing, promoting, offering for sale, or sale of
24 any product or service, Defendants, and their agents, servants,
25 employees, and all other persons or entities in active concert or

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1 participation with them who receive actual notice of this Order
2 by personal service or otherwise, whether acting directly or
3 through any corporation, limited liability company, subsidiary,
4 division, or other device, are hereby permanently restrained and
5 enjoined from misrepresenting, or assisting others in
6 misrepresenting, expressly or by implication, any fact material
7 to a consumer's decision to buy or accept the product or service,
8 including but not limited to representations of authenticity,
9 identity, origin, or that music collections on compact discs will
10 contain songs by the original artists as advertised.

11 **V.**

12 **SUSPENDED JUDGMENT**

13 **IT IS FURTHER ORDERED** that judgment is hereby entered
14 against Defendants in the amount of **\$1,800,000 (one million eight**
15 **hundred thousand dollars)**, *provided*, however, that all of this
16 amount except for the value of the assets described in
17 Subparagraph VI.A., below, shall be suspended subject to the
18 conditions set forth in Paragraph VII of this Order.

19 **VI.**

20 **MONETARY PAYMENT AND CONSUMER RESTITUTION**

21 **IT IS FURTHER ORDERED** that:

22 A. As partial satisfaction of the monetary judgment
23 ordered in Paragraph V, above, Defendants shall within
24 thirty (30) days of entry of this Order, pay and transfer to the
25 Federal Trade Commission **\$231,000 (two hundred thirty-one**

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1 **thousand dollars)** as consumer restitution upon the entry of this
2 Final Judgment. For purposes of this Paragraph, and any
3 subsequent proceedings to enforce payment, including but not
4 limited to a non-dischargeability complaint filed in a bankruptcy
5 proceeding, Defendants waive any right to contest any of the
6 allegations set forth in the Complaint filed in this matter or
7 the amount of the **\$231,000** payment referenced in this Paragraph.

8 B. Time is of the essence. In the event Defendants fail
9 to make any payment in accordance with the deadlines set forth
10 above, and fail to make the required payment within seven (7)
11 calendar days after receiving notice of such failure, the amount
12 of Defendants' monetary liability shall be determined in
13 accordance with Section VII of this Order below.

14 C. The Commission's agreement to and the Court's approval
15 of this Order are expressly premised upon representations of
16 Defendants that they owe federal and state income taxes for the
17 tax year 2004 (hereinafter referred to as "owed taxes"), and that
18 the total of the owed taxes is \$100,906.00. In the event that the
19 amount paid by the Defendants in final satisfaction of the owed
20 taxes is less than \$100,906.00, Defendants shall pay to the
21 Commission the difference between \$100,906.00 and the amount
22 actually paid. Defendants, unless they already have done so,
23 shall provide to the Commission copies of all instruments used to
24 pay such owed taxes, including without limitation copies of all
25 tax returns, amended tax returns, and checks paid to or received

1 from taxing authorities, within ten (10) days of each such
2 payment being made, each such tax return or amended tax return
3 being filed, or each such check being sent or received. In the
4 event that Defendants receive or become entitled to receive any
5 refund or partial refund of any amount paid for the owed taxes,
6 the Defendants shall pay the monetary equivalent to the
7 Commission within thirty (30) days.

8 D. All funds paid pursuant to this Paragraph shall be
9 deposited into a fund administered by the Commission or its agent
10 to be used for equitable relief, including but not limited to
11 consumer redress and any attendant expenses for the
12 administration of any redress fund. In the event that direct
13 redress to consumers is wholly or partially impracticable or
14 funds remain after redress is completed, the Commission may apply
15 any remaining funds for such other equitable relief (including
16 consumer information remedies) as it determines to be reasonably
17 related to the Defendants' practices alleged in the Complaint.
18 Any funds not used for such equitable relief shall be deposited
19 to the Treasury as disgorgement. The Commission shall have full
20 and sole discretion to:

- 21 1. Determine the criteria for participation by
22 individual claimants in any consumer redress
23 program implemented pursuant to this Order;
- 24 2. Determine the manner and timing of any notices to
25 be given to consumers regarding the existence and

1 terms of such programs; and

2 3. Delegate any and all tasks connected with such
3 redress program to any individual, partnerships,
4 or corporations; and pay reasonable fees,
5 salaries, and expenses incurred thereby from the
6 payments made pursuant to this Order;

7 E. Defendants expressly waive their right to litigate the
8 issue of disgorgement. Defendants acknowledge and agree that all
9 money paid pursuant to this Order is irrevocably paid to the
10 Commission for purposes of settlement between Plaintiff and
11 Defendants; and

12 F. Defendants shall have no right to challenge the
13 Commission's choice of remedies under this Paragraph.

14 **VII.**

15 **TERMINATION OF SUSPENSION**

16 **IT IS FURTHER ORDERED** that the Commission's agreement to,
17 and the Court's approval of, this Order is expressly premised
18 upon (a) the truthfulness, accuracy, and completeness of
19 Defendants' financial condition, as represented in Defendants'
20 financial statements dated July 5, 2005, including attachments,
21 and in any other documents submitted by Defendants, and (b)
22 timely payment pursuant to Section VI of this Order, above. Said
23 financial statements and documents contain material information
24 upon which the Commission relied in negotiating and agreeing to
25 the terms of this Order. If, upon motion by the Commission to

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1 the Court, the Court finds that Defendants (a) failed to disclose
2 any asset with a value in excess of \$1,000, materially
3 misrepresented the value of any asset, or made any other material
4 misrepresentation or omission in their above-referenced financial
5 statements and information, or (b) failed to make timely payment
6 to the FTC pursuant to Section VI of this Order above, the
7 suspension of the monetary judgment will be terminated and the
8 entire judgment amount of \$1,800,000, representing the
9 approximate amount of consumer injury, will become immediately
10 due and payable, less any payments already made. For purposes of
11 this Paragraph, and any subsequent proceedings to enforce
12 payment, including but not limited to a non-dischargeability
13 complaint filed in a bankruptcy proceeding, Defendants waive any
14 right to contest any of the allegations set forth in the
15 Complaint filed in this matter or the \$1,800,000 judgment
16 referenced in Paragraph V, above.

17 **VIII.**

18 **CUSTOMER LISTS**

19 **IT IS FURTHER ORDERED** that Defendants, and their officers,
20 agents, servants, employees, and attorneys, and all other persons
21 or entities in active concert or participation with any of them
22 who receive actual notice of this Order by personal service or
23 otherwise, are permanently restrained and enjoined from selling,
24 renting, leasing, transferring, or otherwise disclosing the name,
25 address, telephone number, credit card number, bank account

1 number, e-mail address, or other identifying information of any
2 person who paid any money to any of the Defendants, at any time
3 prior to entry of this order, in connection with the advertising,
4 promotion, offering for sale or sale of weight loss products or
5 the music collection on compact discs called "Colección Caliente"
6 or "Hot Collection." Provided, however, that such identifying
7 information may be disclosed to a law enforcement agency or as
8 required by any law, regulation, or court order.

9 IX.

10 MONITORING COMPLIANCE OF SALES PERSONNEL

11 IT IS FURTHER ORDERED that Defendants, in connection with
12 any business where Defendants are the majority owners of the
13 business or directly or indirectly manage or control the
14 business, are hereby permanently restrained and enjoined from:

15 A. Failing to take reasonable steps sufficient to monitor
16 and ensure that all employees and independent contractors engaged
17 in sales or other customer service functions comply with
18 Paragraphs I-II and IV of this Order. Such steps shall include
19 adequate monitoring of sales presentations or other calls with
20 customers, and shall also include, at a minimum, the following:

21 (1) listening to the oral representations made by persons engaged
22 in sales or other customer service functions; (2) establishing a
23 procedure for receiving and responding to consumer complaints;
24 and (3) ascertaining the number and nature of consumer complaints
25 regarding transactions in which each employee or independent

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1 contractor is involved; provided that this Paragraph does not
2 authorize or require Defendants to take any steps that violate
3 any federal, state, or local laws;

4 B. Failing to investigate promptly and fully any consumer
5 complaint to which this Paragraph applies; and

6 C. Failing to take corrective action with respect to any
7 sales person whom Defendants determine is not complying with this
8 Order, which may include training, disciplining, and/or
9 terminating such sales person.

10 X.

11 **COMPLIANCE MONITORING**

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

14 A. Within ten (10) days of receipt of written notice from
15 a representative of the Commission, each of the Defendants shall
16 submit additional written reports, sworn to under penalty of
17 perjury; produce documents for inspection and copying; appear for
18 deposition; and/or provide entry during normal business hours to
19 any business location in any of the Defendants' possession or
20 direct or indirect control to inspect the business operation;
21 *provided* that Defendants, after attempting to resolve a dispute
22 without court action and for good cause shown, may file a motion
23 with this Court seeking an order including one or more of the
24 protections as set forth in Fed. R. Civ. P. 26(c).

25 B. In addition, the Commission is authorized to monitor

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1 compliance with this Order by all other lawful means, including
2 but not limited to the following:

3 1. obtaining discovery from any person, without
4 further leave of court, using the procedures
5 prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36,
6 and 45;

7 2. posing as consumers and suppliers to: any of the
8 Defendants, any of the Defendants' employees, or
9 any other entity managed or controlled in whole or
10 in part by any of the Defendants, without the
11 necessity of identification or prior notice; and

12 C. Each of the Defendants shall permit representatives of
13 the Commission to interview any employer, consultant, independent
14 contractor, representative, agent, or employee who has agreed to
15 such an interview, relating in any way to any conduct subject to
16 this Order. The person interviewed may have counsel present.

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

23 § 45(a)(1)).

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XI.

COMPLIANCE REPORTING BY DEFENDANTS

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

A. For a period of five (5) years from the date of entry of this Order:

1. Carlos Iñiguez and Claudia Iñiguez shall each notify the Commission of the following:

(a) Any changes in his or her residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;

(b) Any changes in his or her employment status (including self-employment), and any change in his or her ownership in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that he or she 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 or her duties and responsibilities in connection with the business or employment;

(c) Any changes in his or her name or use of any aliases or fictitious names; and

1 2. Defendants shall notify the Commission of any
2 changes in corporate structure of the Corporate
3 Defendants or any business entity that Carlos
4 Iñiguez or Claudia Iñiguez directly or indirectly
5 controls, or has an ownership interest in, that
6 may affect compliance obligations arising under
7 this Order, including but not limited to a
8 dissolution, assignment, sale, merger, or other
9 action that would result in the emergence of a
10 successor entity; the creation or dissolution of a
11 subsidiary, parent, or affiliate that engages in
12 any acts or practices subject to this Order; the
13 filing of a bankruptcy petition; or a change in
14 the corporate name or address, at least thirty
15 (30) days prior to such change, provided that,
16 with respect to any proposed change in the
17 corporation about which the Defendants learn less
18 than thirty (30) days prior to the date such
19 action is to take place, Defendants shall notify
20 the Commission as soon as is practicable after
21 obtaining such knowledge.

22 B. Sixty (60) days after the date of entry of this Order,
23 each of the Defendants shall provide a written report to the FTC,
24 sworn to under penalty of perjury, setting forth in detail the
25 manner and form in which they have complied and are complying

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1 with this Order. This report shall include, but not be limited
2 to:

3 1. For Carlos Iñiguez and Claudia Iñiguez:

4 (a) His or her then-current residence address,
5 mailing addresses, and telephone numbers;

6 (b) His or her then-current employment and
7 business addresses and telephone numbers, a
8 description of the business activities of
9 each such employer or business, and his or
10 her title and responsibilities, for each such
11 employer or business; and

12 (c) Any other changes required to be reported
13 under Subparagraph A of this Paragraph XI.

14 2. For all Defendants:

15 (a) A copy of each acknowledgment of receipt of
16 this Order, obtained pursuant to Paragraph
17 XII, below; and

18 (b) Any other changes required to be reported
19 under Subparagraph A of this Paragraph XI.

20 C. For the purposes of this Order, Defendants shall, unless
21 otherwise directed by the Commission's authorized
22 representatives, mail all written notifications to the FTC to:

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1 Assistant Regional Director
2 Western Region - Los Angeles
3 Federal Trade Commission
4 10877 Wilshire Blvd., Suite 700
5 Los Angeles, California 90024
6 Re: FTC v. La Grana, LLC, et al.

7 D. For purposes of the compliance reporting and monitoring
8 required by this Order, the Commission is authorized to
9 communicate directly with Defendants.

10 **XII.**

11 **RECORD KEEPING PROVISIONS**

12 **IT IS FURTHER ORDERED** that, for a period of eight (8) years
13 from the date of entry of this Order, Defendants and their
14 agents, employees, officers, corporations, successors, and
15 assigns, and those persons in active concert or participation
16 with any of them who receive actual notice of this Order by
17 personal service or otherwise, in connection with any business
18 where Carlos Iñiguez or Claudia Iñiguez is the majority owner of
19 the business or directly or indirectly manages or controls the
20 business, are hereby restrained and enjoined from failing to
21 create and retain the following records:

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

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

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

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

13 E. Copies of all sales scripts, training materials,
14 advertisements, or other marketing materials;

15 F. All records and documents necessary to demonstrate full
16 compliance with each provision of this Order, including
17 but not limited to, copies of acknowledgments of
18 receipt of this Order, required by Paragraph XIII,
19 below, and all reports submitted to the FTC pursuant to
20 Paragraph XI, above.

21 **XIII.**

22 **DISTRIBUTION OF ORDER BY DEFENDANTS**

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

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

11 B. For any business that Carlos Iñiguez or Claudia Iñiguez
12 controls, directly or indirectly, or in which Carlos
13 Iñiguez or Claudia Iñiguez has a majority ownership
14 interest, he or she must deliver a copy of this Order
15 to all principals, officers, directors, and managers of
16 that business. He or she must also deliver copies of
17 this Order to all employees, agents, and
18 representatives of that business who engage in conduct
19 related to the subject matter of the Order. For
20 current personnel, delivery shall be within five (5)
21 days of service of this Order upon Carlos Iñiguez and
22 Claudia Iñiguez. For new personnel, delivery shall
23 occur prior to them assuming their responsibilities.

24 C. For any business where Carlos Iñiguez or Claudia
25 Iñiguez is not a controlling person of a business but

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1 otherwise engages in conduct related to the subject
2 matter of this Order, he or she must deliver a copy of
3 this Order to all principals and managers of such
4 business before engaging in such conduct.

5 D. Carlos Iñiguez and Claudia Iñiguez must secure a signed
6 and dated statement acknowledging receipt of the Order,
7 within thirty days of delivery, from all persons
8 receiving a copy of the Order pursuant to this
9 Paragraph XIII.

10 **XIV.**

11 **ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS**

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

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XV.

RETENTION OF JURISDICTION

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

SO STIPULATED:

Dated: Sept. 16, 2005

[Signature]
Kenneth H. Abbe
Jennifer M. Brennan
Attorneys for Plaintiff
Federal Trade Commission

Dated: _____, 2005

Carlos Iñiguez, individually
and as an Officer or Director
of La Grana, LLC, La Grana,
Inc., and Losini, LLC

Dated: _____, 2005

Claudia Iñiguez, individually
and as an Officer or Director
of La Grana, LLC and Losini,
LLC

APPROVED AS TO FORM:

Dated: _____, 2005

John H. Hemann, Esq.
Attorney for Defendants

IT IS SO ORDERED, this 19 day of Sept, 2005, at 2:30 p.m.

[Signature]
United States District Court Judge

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XV.

RETENTION OF JURISDICTION

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

SO STIPULATED:

Dated: _____, 2005

Kenneth H. Abbe
Jennifer M. Brennan
Attorneys for Plaintiff
Federal Trade Commission

Dated: July 19, 2005

Carlos Iñiguez, individually
and as an Officer or Director
of La Grana, Inc., La Grana,
Inc., and Icsini, LLC

Dated: July 19, 2005

Claudia Iñiguez, individually
and as an Officer or Director
of La Grana, LLC and Icsini,
LLC

APPROVED AS TO FORM:

Dated: July 20, 2005

John H. Remann, Esq. (JASON S. MILLS)
Attorney for Defendants

IT IS SO ORDERED, this ____ day of _____, 2005, at ____ .m.

United States District Court Judge