IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA GREENSBORO DIVISION Case No. 1 04CV00547

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ACTIVEX AMERICA, INC,	
Plaintiff,	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
v)
DTC HEALTH, INC, CHARLES ANDREW STEVENS, BRYAN DOWSE, TIMOTHY MERTES, ADAM BYRD, and FLEXICOSE) CONSENT JUDGMENT)
PARTNERS CORP,)
Defendants	ý

THIS MATTER is before the Court upon the representation by counsel for all parties that all matters in dispute have been resolved pursuant to the terms of a Release and Settlement Agreement dated July 9, 2005. Pursuant to that settlement agreement, the parties have agreed upon the terms of a Permanent Injunction, described below. This Consent Judgment concludes the action as follows.

IT IS HEREBY ORDERED that Defendants DTC Health, Inc (DTC), Charles Andrew Stevens, and Timothy Mertes (hereinafter collectively "Defendants"), their agents, servants, employees, officers, successors, assigns, and all persons in active concert and participation with them are hereby permanently ENJOINED as follows

1 From endorsing, advertising, or otherwise marketing their Flexicose product on Defendants' websites or in materials disseminated by Defendants without disclosing that the Defendants are funding or otherwise responsible for such endorsements, advertising, or marketing. For all such endorsements, advertising, or marketing, the Defendants' disclosures of

their funding websites advocating the purchase of Flexicose must be of at least the quality and extent of such disclosures by the Plaintiff in its marketing materials and for all personal endorsements (including those as "editors" of websites) the Defendants must disclose the endorser's or endorsers' connection to the product being endorsed, advertised, or marketed on Defendants' websites or in materials disseminated by Defendants. Personal endorsements include those made as "editors" of a website or portion of a website or under the name of an organization, fictional or otherwise, over which the Defendants exercise control either directly or through someone acting on their behalf. Such disclosures must be conspicuous and within close proximity to each such personal endorsement and otherwise comply with applicable federal and state laws.

- 2 From falsely representing the identity and background of anyone who is endorsing, advertising, or otherwise marketing Flexicose or who is criticizing any competing glucosamine products on Defendants' websites or in materials disseminated by Defendants,
- 3 From asserting on Defendants' websites or in other endorsements, advertising, or other marketing materials that a user of liquid glucosamine must take at least 1500 milligrams (mg) of liquid glucosamine per day to receive the maximum benefits of using liquid glucosamine to alleviate problems associated with osteoarthritis and that scientific studies support such assertions unless and until legitimate and applicable scientific studies in fact exist. This prohibition shall include but not be limited to ceasing all assertions that Defendants' liquid glucosamine product is better than others because it has a "full 1500 mg" of liquid glucosamine in each daily dose, ceasing all statements that consumers should "not be fooled" by other products that provide or contain less than 1500 mg in a daily dose, and ceasing all similar assertions or statements that state or imply that a user of liquid glucosamine must take at least 1500 mg of glucosamine per day to receive the maximum benefits of using liquid glucosamine

- From making statements on Defendants' websites or in other endorsements, advertising, marketing materials, and communications to third parties that violate applicable federal statutes and regulations governing such statements, including but not limited to the Lanham Act, 16 C F R § 255 5, and 16 C F R 233 1
- From making statements on Defendants' websites or in other endorsements, advertising, marketing materials, and communications to third parties that disparage Synflex America, Inc. or its glucosamine products

IT IS FURTHER ORDERED that all claims and counterclaims asserted in this lawsuit are hereby dismissed with prejudice pursuant to the agreement of the parties.

This the 3 day of , 2005

The States District Judge

CONSENTED TO

(SEAL)

Defendant CHARLES ANDREW STEVENS, for himself and on behalf of Defendant DTC

Health, Inc.

Sworn to and Subscribed before me

Jotary Public

My Commission Expires

20-2010

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Defendant FIMOTHY MERTES, for hymself and on behalf of Defendant DTC Health, Inc
Sworn to and subscribed by Structure TAA this the 1 day of July, 2005 Cenim. Exp 2-20-2010. Notary Public My Commission Expires 20-2010
Plaintiff SYNFLEX AMERICA, INC
By(SEAL) J R Rogers, President
Sworn to and subscribed before me, this the day of July, 2005
Notary Public
My Commission Expires
Joseph H Namey, Jr', Esq. N C State Bar No 18355 Counsel for Defendants
Gary L Beaver N C State Bar No 10244

Counsel for Plaintiff Activex America, Inc.

	(SEAL)
	self and on behalf of Defendant DTC Health, Inc
Sworn to and subscribed before me, this the day of July, 2005	
Notary Public	· · · · · · · · · · · · · · · · · · ·
My Commission Expires	·
Plaintiff SYNFLEX AMERICA, INC	
By J R Rogers, President	_(SEAL)
Sworn to and subscribed before me, this the day of July, 2005	
Walter & Hanny Notary Public	Welter E Thompson My Commission D0198580 Expires April 28 2007
My Commission Expires 4/24/200	? <u> </u>
REVIEWED BY	
Joseph H Nanney, Jr. Esq N C State Bar No 18355 Counsel for Defendants	
Lary & Beaver	
Gary L Byaver N C State Bar No 10244	

Counsel for Plaintiff Activex America, Inc.