

IN THE SUPERIOR COURT OF FULTON COUNTY
 STATE OF GEORGIA

STATE OF GEORGIA <i>ex rel.</i>)	
CHRISTOPHER M. CARR,)	
Attorney General State of Georgia,)	
)	
Plaintiff,)	
)	CIVIL ACTION FILE NO.
vs.)	
)	2020CV340369
ELITE INTEGRATED MEDICAL, LLC f/k/a)	
Superior Healthcare of Woodstock, LLC d/b/a)	
Superior Healthcare Group, Superior Healthcare)	
Sandy Springs, and Superior Healthcare)	
Morrow, and)	
JUSTIN C. PAULK, Individually,)	
)	
Defendants.)	

CONSENT ORDER AND INJUNCTION

INTRODUCTION

The Plaintiff, State of Georgia *ex rel.* Christopher M. Carr, Attorney General of the State of Georgia ("Attorney General"), filed this action in the Fulton County Superior Court alleging that Elite Integrated Medical, LLC f/k/a Superior Healthcare of Woodstock, LLC d/b/a Superior Healthcare Group, Superior Healthcare Sandy Springs, and Superior Healthcare Morrow, and Justin C. Paulk, an individual, (collectively "Defendants") violated the Fair Business Practices Act, O.C.G.A. §§ 10-1-390 through 407 ("the FBPA") and seeking all remedies available under the provisions of O.C.G.A. § 10-1-397(b)(2), and O.C.G.A. § 10-1-851. Defendants deny these allegations and contend they have complied with the state and federal laws relating to the Attorney General's action and the FBPA.

As evidenced by the signatures below, the Attorney General and the Defendants (collectively "the Parties") do consent to the entry of this Consent Order and Injunction ("Order") by the Court without trial or adjudication of any issue of fact or law, and without finding or admission of wrongdoing or liability of any kind.

Defendants hereby accept and expressly waive any defect in connection with the service of process of the Summons and Complaint in this matter. Defendants hereby waive any right to challenge in law or equity the entry of this Order by the Court and, except as otherwise expressly provided herein, waive any right to alter, modify, or amend this Order.

This Order is entered into by the Defendants as their own free and voluntary act and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed upon them by this Order, and they consent to its entry without further notice.

The Parties agree that the terms of this Order reflect a negotiated agreement among the Parties and that the Parties are willing to enter into this Order to avoid the significant expense, inconvenience, and uncertainty of continued litigation.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

JURISDICTION

This action is brought under the laws of the State of Georgia and this Court has jurisdiction of the subject matter hereof and the parties hereto.

The provisions of this Order apply to Justin C. Paulk, individually. The provisions of the Order also apply to Elite Integrated Medical, LLC, and to its current and future officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive notice of this Order by personal service or otherwise.

VENUE

Pursuant to O.C.G.A. §§ 10-1-397(b)(2), 9-10-93, and 14-2-510, venue as to all matters between the Parties relating hereto or arising out of this Order shall be in the Superior Court of Fulton County, Georgia.

DEFINITIONS

For purposes of this Order, the following definitions apply:

- A. **“Defendants”** means the Individual Defendant and Corporate Defendant, individually, collectively, or in any combination.
- B. **“Corporate Defendant”** means Elite Integrated Medical, LLC, and its successors and assigns.
- C. **“Individual Defendant”** means Justin C. Paulk.
- D. **“CPD”** means the Georgia Department of Law’s Consumer Protection Division.
- E. **“Including”** means including but not limited to.
- F. **“Regenerative Medicine Treatment”** refers to any product, therapy or treatment that either (1) involves or is claimed to involve the use of: (i) amniotic fluid, membrane, tissues, or allografts; (ii) umbilical cord, Wharton’s Jelly, or placental tissues or allografts; and/or (iii) exosomes; or (2) involves or is claimed to involve the use of cells or growth factors derived from amniotic tissue or fluid, the placenta, Wharton’s jelly, umbilical cord blood, adipose tissue, or bone marrow. Platelet-rich Plasma (“PRP”) is expressly excluded from this definition.
- G. **“Covered Product”** means any product including any Regenerative Medicine Treatment that purports to cure, treat, or mitigate any disease or health condition and/or otherwise provides health benefits.

- H. **“Covered Service”** means any health-related service, program, or treatment plan, that includes the use of a Covered Product.
- I. **“Essentially Equivalent Product”** means any product that is derived from the same source and contains the same ingredients as a Covered Product, is processed or manufactured using the same processes and procedures as a Covered Product, and the route of administration is the same as a Covered Product; provided that the Covered Product may contain additional ingredients if reliable scientific evidence generally accepted by experts in the field indicates that the amount and combination of additional ingredients is unlikely to impede or inhibit the effectiveness of the ingredients in the Essentially Equivalent Product.
- J. **“Endorsement”** means any advertising message including verbal statements, demonstrations, or depictions of the name, signature, likeness or other identifying personal characteristics of an individual, including recorded testimonials, that purportedly reflect the opinions, beliefs, findings, or experiences of a consumer.

INJUNCTIVE RELIEF

Upon the entry of this Order, Individual Defendant and Corporate Defendant’s officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them, shall be permanently restrained and enjoined from engaging in the following acts and practices that violate the FBPA.

I.

BAN ON ADVERTISING, OFFERING, AND/OR SELLING REGENERATIVE MEDICINE TREATMENTS

IT IS ORDERED that Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale and/or selling, or assisting in the advertising, marketing, promoting, offering for sale, and/or sale of any Regenerative Medicine Treatment,

whether acting directly or by implication, through any means including through the use of a computer or computer network. Notwithstanding the foregoing, in the event any Regenerative Medicine Treatment covered by this Order becomes FDA approved or cleared, Defendants may submit a written request to the Attorney General requesting that this Order be modified to exclude the FDA approved Regenerative Medicine Treatment from the terms of this Order.

II.

BAN ON MARKETING PRODUCTS AND SERVICES FOR THE CURE, TREATMENT, AND/OR MITIGATION OF ANY DISEASE OR HEALTH CONDITION

IT IS ORDERED that Defendants are permanently restrained and enjoined from owning, operating, managing, or otherwise being affiliated with any healthcare business and/or business that provides marketing services on behalf of any healthcare business that advertises to consumers any Covered Product or Covered Service through the use of a marketing campaign that utilizes methods to market the Covered Product or Covered Service, other than through the use of a website, including Endorsements, social media, live seminars or other presentations, webinars, videos, emails, digital materials, and/or television and radio commercials.

III.

PROHIBITED WEBSITE ADVERTISING REPRESENTATIONS: HEALTH-RELATED CLAIMS REQUIRING HUMAN CLINICAL TESTING FOR SUBSTANTIATION

IT IS FURTHER ORDERED that Individual Defendant, Corporate Defendant's current and future officers, agents, and employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising or promotion on a website of any Covered Product or Covered Service, are permanently restrained and enjoined from making, or assisting others in making, expressly, or by implication, including through the use of a product or service name,

Endorsement, depiction, or illustration, any representation that such product or service cures, mitigates, or treats any disease or health condition, unless the representation is non-misleading, and, at the time of making such representation, they possess and rely upon competent and reliable scientific evidence substantiating that the representation is true.

For purposes of this Section entitled Prohibited Website Advertising Representations: Health-Related Claims Requiring Human Clinical Testing or Substantiation, competent and reliable scientific evidence shall consist of human clinical testing of the Covered Product or Covered Service, or of an Essentially Equivalent Product, that is sufficient in quality and quantity based on standards generally accepted by experts in the relevant disease, condition, or function to which the representation relates, when considered in light of the entire body of relevant and reliable scientific evidence, to substantiate that the representation is true. Such testing must be: (1) randomized, double-blind, and placebo-controlled; and (2) conducted by researchers qualified by training and experience to conduct such testing. Persons covered by this Section have the burden of proving that a product satisfies the definition of Essentially Equivalent Product.

IV.

PROHIBITED REPRESENTATIONS: PRODUCTS REQUIRING FDA APPROVAL

IT IS FURTHER ORDERED that Individual Defendant, Corporate Defendant's current and future officers, agents, employees, and attorneys, or all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Covered Product or Covered Service, are permanently restrained and enjoined from making, or assisting others in making, expressly, or by implication, including through the use of a product

or service name, endorsement, depiction, or illustration, any false or misleading representation about the Food and Drug Administration's regulation of a Covered Product or Covered Service under the Federal Food, Drug and Cosmetic Act and/or the Public Health Services Act, including the omission of information regarding the lack of FDA-approval of the Covered Product or Covered Service.

V.

**PRESERVATION OF RECORDS RELATING TO
COMPETENT AND RELIABLE HUMAN CLINICAL TESTS OR STUDIES**

Regarding any human clinical test or study ("test") upon which Defendants rely to substantiate any claim covered by this Order, Defendants shall secure and preserve all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of the test, including:

- A. All protocols and protocol amendments, reports, articles, write-ups, or other accounts of the results of the test, and drafts of such documents reviewed by the test sponsor or any other person not employed by the research entity;
- B. All documents referring or relating to recruitment; randomization; instructions, including oral instructions, to participants; and participant compliance;
- C. Documents sufficient to identify all test participants, including participants who did not complete the test, and all communications with any participants relating to the test; all raw data collected from participants enrolled in the test, including any participants who did not complete the test; source documents for such data; any data dictionaries; and any case report forms;

- D. All documents referring or relating to any statistical analysis of any test data, including any pretest analysis, intent-to-treat analysis, or between-group analysis performed on any test data; and
- E. All documents referring or relating to the sponsorship of the test, including all communications and contracts between any sponsor and the test's researchers.

Provided, however, the preceding "secure and preserve" requirement does not apply to a reliably reported test, unless the test was conducted, controlled, or sponsored, in whole or in part by: (1) any Defendant; (2) any Defendant's officers, agents, representatives, or employees; (3) any other person or entity in active concert or participation with any Defendant; (4) any person or entity affiliated with or acting on behalf of any Defendant; (5) any supplier of any ingredient contained in the product at issue to any of the foregoing or to the product's manufacturer; or (6) the supplier or manufacturer of such product.

For purposes of this Section, "reliably reported test" means a report of the test has been published in a peer-reviewed journal, and such published report provides sufficient information about the test for experts in the relevant field to assess the reliability of the results.

For any test conducted, controlled, or sponsored, in whole or in part, by Defendants, Defendants must establish and maintain reasonable procedures to protect the confidentiality, security, and integrity of any personal information collected from or about participants. These procedures must be documented in writing and must contain administrative, technical, and physical safeguards appropriate to Defendants' size and complexity, the nature and scope of Defendants' activities, and the sensitivity of the personal information collected from or about the participants.

All supporting data and documents Defendants are required to secure and preserve pursuant to this Section must be available for inspection and production to CPD.

VI.

PROHIBITED PRACTICES: ENDORSEMENTS OF A COVERED PRODUCT OR COVERED SERVICE

IT IS FURTHER ORDERED that Defendants shall comply with the Federal Trade Commission's Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R. Part 255. Individual Defendant, Corporate Defendant's current and future officers, agents, employees, and attorneys, or all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Covered Product and/or Covered Service, are permanently restrained and enjoined from making, or assisting others in publishing and/or disseminating endorsements relating to a Covered Product and/or Covered Service:

- A. That do not reflect the honest opinions, beliefs, findings, or experiences of a bona fide user of the Covered Product and/or Covered Service; and
- B. That do not include disclosure of the existence of material connections between the endorser and Defendants.

VII.

REPORTING REQUIREMENTS

Defendant Justin C. Paulk shall inform CPD of each and every business he owns, operates, or is otherwise affiliated with that advertises for itself or that provides marketing services for another business involving a Covered Product or Covered Service for a period of

seven (7) years from the entry of this Consent, including the name, operating locations, phone numbers, and website addresses for each such business.

MONETARY AND OTHER EQUITABLE RELIEF

I.

FINANCIAL SETTLEMENT

The Attorney General shall have a monetary judgment against Defendants, jointly and severally, in the amount of **EIGHT HUNDRED EIGHTY-SEVEN THOUSAND SIX HUNDRED THIRTY-ONE DOLLARS AND 00/100 DOLLARS (\$887,631.00)** ("Settlement Amount") representing Restitution for Consumers as described in Paragraph II. below and the Civil Penalty described in Paragraph III. below. The Attorney General agrees not to cause this judgment for the Settlement Amount to be recorded in the general execution docket unless Defendants fail to cure a default as set forth in Paragraph IV. below.

II.

RESTITUTION FOR CONSUMERS

Defendants shall pay restitution to the consumers identified in Exhibit "A" attached hereto and incorporated herein by reference, in the amounts stated in Exhibit "A", totaling **ONE HUNDRED THIRTY-SEVEN THOUSAND SIX HUNDRED THIRTY-ONE DOLLARS AND 00/100 (\$137,631.00)**, no later than December 31, 2022 ("Consumer Restitution Payments"). The consumers' names and identifying information in Exhibit "A" shall be redacted from public disclosure. Each Restitution Payment shall be sent along with a letter to the consumer in the form reflected in Exhibit "B" attached hereto ("Settlement Notice"). No later than sixty days after entry of this Order, Defendants must provide CPD with proof of each

Consumer Restitution Payment by providing CPD with copies of cancelled checks and Settlement Notices.

Defendants shall pay an additional **ONE HUNDRED FIFTY THOUSAND DOLLARS AND 00/100 (\$150,000.00)** in twenty-four consecutive monthly installments in the amount of \$6,250.00 beginning January 10, 2023 with the final installment of \$6,250.00 due no later than December 10, 2024 ("Restitution Fund"). The Restitution Fund shall be set aside in an account established by CPD for purposes of disbursement to eligible claimants. The Attorney General will distribute the Restitution Fund in the amounts and to the consumers owed restitution as determined solely at the Attorney General's discretion.

Consumers may submit claims for payment from the Restitution Fund through and including August 1, 2023. To apply for a restitution payment, consumers must complete, sign, and submit a designated claim form, which may be obtained from CPD upon request. To be eligible for a restitution payment, a claim must meet the following requirements:

- (1) The claim must involve the purchase of a regenerative medicine product that is the subject of the State's FBPA claims, including documentation of the purchase; and
- (2) The consumer must not have received a previous refund, restitution payment, or settlement for the claim.

If the total amount of eligible consumer restitution claims is greater than \$150,000.00, then payments from the Restitution Fund will be distributed pro rata. Any restitution amounts which remain after satisfaction of claims made pursuant to this paragraph will be retained by the Attorney General to be used for the purposes described in paragraph III. below.

Defendants acknowledge that the Consumer Restitution Payments and Restitution Fund obligations imposed in this Paragraph II. represent an agreed administrative resolution that is in the nature of relief that may be requested by the Attorney General pursuant to O.C.G.A. § 10-1-397(b)(2)(B) and is not compensation for actual pecuniary loss. Therefore, the obligations are not subject to be discharged or set aside in any proceedings filed under Title 11 of the United States Code, pursuant to the provisions of 11 U.S.C. § 523(a)(7).

III.

CIVIL PENALTY

Defendants shall pay the Attorney General the sum of **SIX HUNDRED THOUSAND DOLLARS AND 00/100 (\$600,000.00)** ("Civil Penalty"), the sum of which is to be used by the Attorney General for purposes that may include but are not limited to civil penalties, attorneys' fees, and other costs of investigation and litigation, or to be placed in or applied to any consumer protection law enforcement fund, including future consumer protection or privacy enforcement, consumer education, litigation or local consumer aid fund or revolving fund, used to defray the costs of inquiry leading hereto, or for other uses permitted by state law, at the sole discretion of the Attorney General. This payment shall be made via cashier's check or certified money order made payable to the Georgia Department of Law and delivered to Jacquelyn L. Kneidel, Assistant Attorney General, Consumer Protection Unit, 2 Martin Luther King, Jr. Dr., Suite 356, East Tower, Atlanta, Georgia 30334. The Civil Penalty shall be paid on or before January 31, 2026. Notwithstanding anything contained herein to the contrary, Respondents shall not be required to pay the Civil Penalty if the following conditions below have been met as of 5:00 PM Eastern Time on January 13, 2026:

- a) Defendants have timely paid the Consumer Restitution Payments and Restitution Fund payments;
- b) The Attorney General, in his sole discretion, determines that Defendants have not defaulted on the terms of this Order by violating any Injunctive Relief provision; and
- c) The Attorney General has received from Defendants a certification, under penalty of perjury, that Defendants have fully complied with all provisions of this Order, and a request that the Civil Penalty be waived. Said certification and request shall be submitted to the Attorney General no earlier than December 30, 2025. If the Attorney General determines that all conditions for waiver have been met, he shall notify Defendants in accordance with the General Provisions, Paragraph B. below, on or before January 24, 2026 that payment of the Civil Penalty has been waived.

IV.

DEFAULT AND CURE

Defendants' failure to comply with any requirement of this Order shall constitute an event of default. In the event of default, the Attorney General shall provide written notice to Defendants and allow Defendants ten (10) calendar days to cure the default. If the default is not timely cured, any and all remaining payments due pursuant to the Financial Settlement, including Restitution for Consumers required in Paragraph II. above and the Civil Penalty required in Paragraph III. above, shall become immediately due and payable. The Attorney General may immediately record the judgment for the Settlement Amount, less all monies paid pursuant to

this Order, in the general execution docket and take any and all action available to pursue enforcement and collection of the balance of the Judgment.

V.

REPRESENTATIONS AND WARRANTIES

Defendants have presented sworn financial statements and related documents to the State evidencing Defendants' limited liquidity and income (collectively, "financial attestations") including:

1. Financial Statement of Company signed by Justin Paulk on 7/31/2020;
2. Financial Statement of Individual signed on 8/10/2020; and
3. Financial Statement of Individual signed on 6/22/2022.

Defendants warrant and represent that the financial attestations are true and correct. Defendants further warrant and represent that Justin Paulk had the necessary corporate authority to execute the sworn Financial Statement of Company executed on 7/31/2020 and that that Elite Integrated Medical, LLC ceased operations on April 1, 2020. The State's agreement to accept installments in payment of the Restitution Fund as set forth in Paragraph II. above, and suspend payment of the Civil Penalty as described in Paragraph III. above is expressly premised upon the truthfulness, accuracy, and completeness of Defendants' financial attestations submitted to the State. The State's agreement to accept installment payments for the Restitution Fund and suspension of the Civil Penalty payment will be lifted, if upon motion by the State, the Court finds that Defendants failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial attestations identified above. Upon such finding by the Court, the unpaid amounts of the Consumer Restitution

Payments, Restitution Fund, and Civil Penalty will become immediately due and payable, plus interest computed from the date of the entry of this Order.

GENERAL PROVISIONS

A. The terms of this Order shall not be construed as a waiver of any rights or remedies the Attorney General may have against the Defendants under the laws of the State of Georgia if the Defendants violate any of the injunctive provisions of this Order and/or if the Defendants violate any provisions of the FBPA after entry of this Order.

B. Upon entry of this Order, Defendants are released and discharged from all civil claims arising from the subject matter of this Order that could have been brought by the Attorney General under the FBPA up to and including the date of this Order.

C. All notices, requests, and other communications required to be sent by the Attorney General to Defendants, pursuant to the provisions of this Order, shall be sent via email to Defendants' counsel, Mike Weinstein at mike@wblegal.net , and via certified mail to Weinstein & Black, 3050 Amwiler Rd., Suite 200-C, Atlanta, GA 30360. Defendants may amend this provision by providing CPD with the name, email and mailing address of an alternative notice recipient.

D. All documents, reports, responses, and other communications required to be sent by Defendants to the Attorney General and/or CPD, pursuant to the provisions of this Order, shall be sent to Jacquelyn L. Kneidel, Assistant Attorney General, Consumer Protection Unit, 2 Martin Luther King, Jr. Dr., Suite 356, East Tower, Atlanta, Georgia 30334 and via email to jkneidel@law.ga.gov. Plaintiff may amend this provision by Defendants with the name, email and mailing address of alternative notice.

E. This Order may only be enforced by the Attorney General, Defendants, and this Court.

F. The titles and headers to each section of this Order are for convenience purposes only and are not intended by the Parties to lend meaning to the actual provisions of this Order.

G. Nothing in this Order shall limit the Attorney General's right to obtain information, documents, or testimony from the Defendants pursuant to any applicable state or federal law, regulation, or rule.

H. Nothing in this Order shall have the preclusive effect on the investigations of any other entities with which Defendants may be involved.

I. Nothing in this Order shall be construed as an admission of liability by Defendants. Defendants' agreement to this Order is made solely for the purpose of avoiding the burden and expense of litigation, which would be imposed on the Parties if the disputes between them remained unsettled. This Order does not constitute an admission by Defendants that they have engaged in any unlawful act.

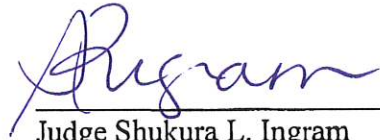
J. The entry of this Order shall in no way impair the rights of individual consumers, provided that a consumer who collects the full amount of restitution and other relief provided by the terms of this Order is bound by any release of liability under the terms of this Order.

K. Time shall be of the essence with respect to each provision of this Order that requires action to be taken by Defendants within a stated time period or upon a specified date.

L. The terms of this Order shall be governed by the laws of the State of Georgia.

M. This Court shall retain jurisdiction over this matter and the Parties for all purposes.

SO ORDERED this 7th day of December, 2022.



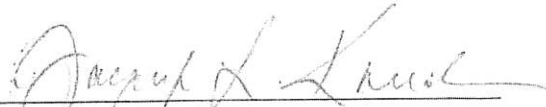
Judge Shukura L. Ingram
Superior Court of Fulton County

Filed and served via eFileGA.


[ADDITIONAL SIGNATURES ON FOLLOWING PAGE]

AGREED and APPROVED as to FORM and CONTENT and SUBMITTED for ENTRY:


OFFICE OF ATTORNEY GENERAL
STATE OF GEORGIA


Jacquelyn L. Kneidel
Georgia Bar No. 644727
Assistant Attorney General
Consumer Protection Unit
Georgia Department of Law
2 Martin Luther King, Jr. Drive SE
Suite 356
Atlanta, Georgia 30334
(404) 458-3871
jkneidel@law.ga.gov

ELITE INTEGRATED MEDICAL, LLC


By: Justin Paulk
Title: manager
Defendant

JUSTIN C. PAULK


Justin C. Paulk, Defendant

ATTORNEY FOR DEFENDANTS

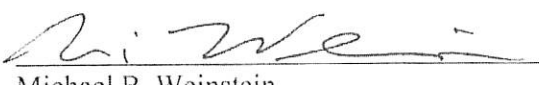

Michael B. Weinstein
Weinstein & Black
Georgia Bar No. 746386
3050 Amwiler Rd., Suite 200-C
Atlanta, GA 30360
(404) 228-2629 (Office)
mike@wblegal.net

Exhibit "A"

	NAME	AMOUNT
1		\$8,000.00
2		\$4,230.00
3		\$9,645.00
4		\$9,460.00
5		\$7,520.00
6		\$5,540.00
7		\$8,460.00
8		\$5,040.00
9		\$4,480.00
10		\$8,960.00
11		\$4,230.00
12		\$4,730.00
13		\$5,009.00
14		\$8,960.00
15		\$4,889.00
16		\$8,960.00
17		\$5,500.00
18		\$10,018.00
19		\$14,000.00
	TOTAL	\$137,631.00

Exhibit "B" to Consent Order

[On Elite Integrated Medical, LLC letterhead]

[subject line]

Settlement Notice: State of Georgia v. Elite Integrated Medical, LLC

[content of letter, 16-point font]

Dear [name of consumer]

Elite Integrated Medical, LLC and Justin C. Paulk have entered into a Consent Order and Injunction with the Attorney General of the State of Georgia. As part of the agreement, Elite Integrated Medical, LLC and Justin C. Paulk have agreed to provide restitution to you in the form of a refund check in the amount of \$ [amount from Exhibit "A"].

Enclosed is a check in the amount of \$ [amount from Exhibit "A"]. You can find out more about the Consent Order and Injunction at [URL].

Sincerely,

[Elite Integrated Medical, LLC signatory]