

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA

FEDERAL TRADE COMMISSION and
STATE OF GEORGIA,

Plaintiffs,

v.

STEVEN D. PEYROUX, individually and as
an owner and officer of REGENERATIVE
MEDICINE INSTITUTE OF AMERICA,
LLC, also d/b/a Stem Cell Institute of
America, LLC, PHYSICIANS BUSINESS
SOLUTIONS, LLC, and SUPERIOR
HEALTHCARE, LLC,

BRENT J. DETELICH, individually and as
an officer of REGENERATIVE MEDICINE
INSTITUTE OF AMERICA, LLC, also
d/b/a Stem Cell Institute of America, LLC,

REGENERATIVE MEDICINE INSTITUTE
OF AMERICA, LLC, a limited liability
company, also d/b/a Stem Cell Institute of
America, LLC,

PHYSICIANS BUSINESS SOLUTIONS,
LLC, a limited liability company, and

SUPERIOR HEALTHCARE, LLC, a
limited liability company,

Defendants.

Case No. _____

**COMPLAINT FOR
PERMANENT INJUNCTION,
MONETARY RELIEF, CIVIL
PENALTIES AND OTHER
RELIEF**

Plaintiffs, the Federal Trade Commission (“FTC”) and the State of Georgia, for their Complaint allege:

1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), which authorizes the FTC to seek, and the Court to order permanent injunctive relief, and other relief for Defendants’ acts or practices in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a), 52. Defendants’ violations are in connection with the advertising, marketing, and promotion of stem cell therapy.

2. The State of Georgia, by and through its Attorney General, Christopher M. Carr, brings this action under Georgia’s Fair Business Practices Act (“FBPA”), O.C.G.A. §§10-1-390 through 10-1-408, to obtain permanent injunctive relief; monetary relief by way of civil penalties, restitution to persons adversely affected by the actions complained of herein, and other relief as the Court deems just and equitable, including the disgorgement of ill-gotten monies.

JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

4. This Court has supplemental jurisdiction over the State of Georgia's claims for violations of the FBPA pursuant to 28 U.S.C. § 1367(a) because those claims are so related to the claims brought under federal law that they form part of the same case or controversy, and because those claims arise out of the same transactions or occurrences as the claims brought pursuant to 15 U.S.C. §§ 45(a), 52, and 53(b).

5. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (b)(3), (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).

PLAINTIFF

6. The FTC is an independent agency of the United States Government created by the FTC Act, which authorizes the FTC to commence this district court civil action by its own attorneys. 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces Section 12 of the FTC Act, 15 U.S.C. § 52, which prohibits false advertisements for food, drugs, devices, services, or cosmetics in or affecting commerce.

7. Plaintiff State of Georgia is one of fifty sovereign states of the United States. Christopher M. Carr is the duly elected and qualified Attorney General acting for Plaintiff State of Georgia and is authorized to enforce the FBPA.

8. The State of Georgia, by and through its Attorney General, Christopher M. Carr, is authorized to initiate federal district court proceedings to implement the provisions of the FBPA and to secure such relief as the court deems just and equitable, including, but not limited to, injunctive relief, restitution, and the disgorgement of ill-gotten monies. O.C.G.A. §§ 10-1-390 through 10-1-408.

DEFENDANTS

9. Defendant Steven D. Peyroux (“Peyroux”) is the founder and owner of Regenerative Medicine Institute of America, LLC d/b/a Stem Cell Institute of America, LLC (“SCIA”), Physicians Business Solutions, LLC (“PBS”), and Superior Healthcare, LLC (“SHC”). At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant Peyroux resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

10. Defendant Brent J. Detelich (“Detelich”) co-founded SCIA with Defendant Peyroux and served as SCIA’s president. At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. In connection with the matters alleged herein, Detelich transacts or has transacted business in this District and throughout the United States.

11. Defendant Regenerative Medicine Institute of America, LLC, d/b/a Stem Cell Institute of America, LLC (“SCIA”), is a Nevada limited liability company with its principal place of business at 151 Main Street, Suite 204, Canton, GA 30114. SCIA has advised healthcare practices on how to add stem cell therapy to the services offered to the public, including by providing sample advertising with deceptive claims about the efficacy of stem cell therapy for treating certain conditions. SCIA has transacted business in this District and throughout the United States.

12. Defendant Superior Healthcare, LLC (“SHC”) is a Georgia limited liability company with its principal place of business at 2050 Cumming Highway,

Suite 100, Canton, GA 30114. SHC has transacted business in this District and throughout the United States.

13. Defendant Physicians Business Solutions, LLC (“PBS”) is a Nevada limited liability company with its principal place of business at 151 Main Street, Suite 204, Canton, GA 30114. PBS transacts or has transacted business in this District and throughout the United States.

14. On August 30, 2019, Defendant SCIA filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Georgia, Case 19-63685-jwc. The Bankruptcy Trustee is Kathleen Steil.

15. On October 22, 2019, Defendant SHC filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Georgia, Case 19-66877-sms. The Bankruptcy Trustee is Edwin K. Palmer.

16. The instant action against Defendants SCIA and SHC is not stayed by 11 U.S.C. § 362(a) because it is an action to enforce Plaintiffs’ police and regulatory power as governmental units pursuant to 11 U.S.C. § 362(b)(4), and thus falls within an exemption to the automatic stay.

COMMON ENTERPRISE

17. Defendants SCIA, SHC, and PBS (collectively, “Corporate Defendants”) have operated as a common enterprise while engaging in the deceptive acts and practices alleged below. Corporate Defendants have conducted the business practices described below through an interrelated network of companies that have common ownership, officers, managers, business functions, employees, and office locations. Because these Corporate Defendants have operated as a common enterprise, each of them is liable for the acts and practices alleged below.

COMMERCE

18. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44 and O.C.G.A. § 10-1-392(a)(28).

DEFENDANTS’ BUSINESS ACTIVITIES

19. Defendant Peyroux, a chiropractor, founded Defendant SHC in December 2005, and owned and managed the company. SHC was a clinic that provided patients with a variety of health-related services, including chiropractic care, physical therapy, weight loss, and, from approximately 2015 to July 2019,

therapy using products described as stem cells (“stem cell therapy”). SHC’s clinic was located at 2050 Cumming Highway, Suite 100, Canton, GA 30114, and its administrative offices were located at 151 Main Street, Suite 204, Canton, GA 30114. Peyroux was SHC’s owner and executive director, with authority over advertising and marketing, the clinic’s products and procedures, and other aspects of the business.

20. In January 2009, while continuing to run SHC, Peyroux founded Defendant PBS, which he has owned and managed since its formation from the same business premises as SHC. PBS purports to be a consulting firm that advises chiropractors and other healthcare practitioners on expanding their business model and increasing revenue by integrating a variety of other health-related services into their practices, including disc rehabilitation, weight loss, hormone replacement therapy, and regenerative medicine. Through one- or two-year contracts, PBS provides training and personalized guidance to its clients.

21. Defendant Detelich, a former chiropractor and Peyroux’s long-time business associate, began working for PBS in approximately 2012 as a coach and speaker. Detelich also manages PBS’ marketing and the company’s relationships with the product and service vendors PBS promotes to clients.

22. In or around September 2015, Defendants Peyroux and Detelich co-founded Defendant SCIA. Peyroux was SCIA's owner, and Detelich served as president until January 2018, when Peyroux took over management of day-to-day operations. Like PBS, SCIA instructed chiropractors and other healthcare practitioners to expand their health offerings, but focused exclusively on stem cell therapy. In addition to providing advertising materials, SCIA also provided clients with the appearance of being part of a large nationwide healthcare network under the SCIA name and logo. Defendants charged clients a monthly fee, ranging from \$1,500 to \$5,500 for an "exclusivity radius" within which SCIA would not train any other provider or allow them to use the SCIA name and logo. Alternatively, SCIA charged a flat fee of \$400 for each injection administered by its clients.

23. Defendants touted SCIA's "turnkey" system and that "[t]here [was] no need to re-invent the wheel. **We have done it for you, from A-Z!**" In addition to advising its clients on the administrative and technical needs for integrating stem cell therapy into their practices, SCIA trained its clients on how to recruit patients through advertising, host free educational seminars, speak in public, and conduct consultations with patients and ultimately win their business. SCIA also provided its clients with access to a "vault" of sample advertisements, including newspaper

ads, videos, fact sheets that were given to consumers at seminars, and PowerPoint slides that clients could present at seminars. Defendant Detelich was actively involved in developing SCIA's advertising and training materials, such as the PowerPoint presentation he used in his own trainings for SCIA clients and recommended they use in hosting seminars for consumers. Defendant Peyroux also participated in developing advertising and training materials for SCIA.

24. Defendants started marketing SHC as an SCIA clinic starting in approximately late 2015. To attract potential patients, they advertised and hosted free educational seminars on stem cell therapy, often using the SCIA name and logo and targeting consumers suffering from joint pain and other orthopedic conditions, including seniors and retirement communities. Defendant Peyroux was frequently the main speaker at the seminars, and SHC's advertising materials at times featured his name and photo. During a seminar, attendees were typically asked to complete a survey detailing where and for how long they had been experiencing pain. At the end of the seminar, SHC staff would attempt to schedule seminar attendees for consultations at SHC's clinic. The stem cell therapy procedures cost approximately \$5,000 per joint injection, with patients often receiving more than one injection.

25. SHC also contracted with third-party clinics in various locations throughout Georgia to administer injections to SHC's patients in exchange for a monthly rental fee plus a flat fee ranging from \$150.00 to \$300.00 per injection.

26. During the time period from January 11, 2017 through July 31, 2019, SHC received payment for injections from no less than 444 consumers. Approximately 70% of these consumers were over the age of 59.

27. In January 2018, Defendant Detelich nominally stepped down from his role as president of SCIA, but continued in his same de facto role. He continued to recruit new clients and work on marketing for the company. Detelich also continued to work at PBS, primarily recruiting new clients, signing client contracts for the company, lecturing at conferences, and coaching clients on marketing stem cell therapy and other regenerative medicine services to consumers.

28. In 2018, defendants began offering a stem cell therapy program through PBS. PBS has provided its clients with in-person or online training seminars, one-on-one consultations with its coaches, access to the "PBS University" online platform containing training videos, manuals with detailed, step-by-step instructions on how to set up and market regenerative medicine

services, sample documentation, as well as demonstrations held at SHC on how to administer stem cell injections.

29. Regardless of ownership and formal titles, Peyroux and Detelich have run SCIA, PBS, and SHC together and have shared in the profits and distributions from the companies. The companies have shared staff, office space, and marketing, administrative, and technical materials. They have frequently held joint or co-branded conferences, training events, and patient seminars, and used and recommended to their clients the same vendors for stem cell products, marketing, and other business services.

30. Through various channels, including seminars, social media platforms, an infomercial, websites, YouTube channels, email blasts, and print media, Defendants have advertised the benefits of stem cell therapy for orthopedic conditions to the public and to healthcare practitioners.

31. Defendants have disseminated or caused to be disseminated advertisements, including, but not necessarily limited to, the attached Exhibits A through K. These advertisements contain the following statements and depictions, among others:

- A. Excerpts from Defendant SCIA's website, www.americastem.com, available from January 2016 to May 2019 (Ex. A)

Register for our Next Seminar: 800-391-6040

STEM CELL
INSTITUTE OF AMERICA

Home About Us Treated Conditions ▾ FAQ Locations Research Testimonials Blog Contact

Knee Pain Treatment

Eliminate your knee pain with the industry's latest proven alternatives to surgery and steroids!

Register For the next seminar in your area

Register for the next seminar in your area! [CLICK HERE!](#)

Where is Your Pain?



Neck

Cervical Pain

Regenerative medicine has revolutionized treatment options for those suffering from chronic neck pain. Regenerative Cell Therapy uses Regenerative cells to target the painful areas, help recharge the immune system, and greatly reduce inflammation. [Read More](#)

Cervical DJD

Amniotic Regenerative Cell Therapy is a revolutionary solution to heal cervical joint degeneration, and a safe alternative to medications, steroid injections, and surgery. [Read More](#)

Cervical Arthritis

Regenerative Cell Therapy can reduce the inflammation that causes arthritic pain. By using the amniotic cell therapy with a high concentration of immune cells and healing factors, this procedure helps the body naturally repair the damaged tissue and cartilage between each vertebrae in the neck. [Read More](#)

Shoulder

Register for our Next Seminar: 800-391-6040



Home About Us Treated Conditions ▼ FAQ Locations Research [Testimonials](#) Blog Contact

TESTIMONIALS



I've suffered with chronic knee pain for the last 10 years. It started out with just soreness and eventually led me to walking with a cane every day. I had tried injections before, nerve blocks and even orthovisc injections and each time, they would work for a few months and the pain would come back. I had heard about Stem Cell injections from a good friend who had tried it and had success with it. I was a little concerned because other treatments had not really given me long term success. Not wanting to do surgery, I decided to try my right knee and do the treatment on one side to see how well it worked. Well, 6 months later, I did the other knee. I've been pain free for months now and no longer have to walk with a cane. It has definitely given me my life back. I've had such an improvement that my wife had her shoulder treated with stem cells and she feels younger because she's not longer in pain. This therapy can change your life.

Rob M- Clearwater, FL



Before I tried stem cell therapy, I was having trouble just walking even 5 minutes. Walking up stairs had gotten so painful that I moved my bedroom downstairs to avoid having to go up and down them. Every day, I just felt constant debilitating pain in both knees and eventually got to the point where I couldn't do my favorite activities anymore. Walking was next to impossible and spending time with my family was always difficult because I just couldn't put pressure on my legs. My Orthopedic surgeon told me that they would have to do a full knee replacement and take almost a year to rehabilitate me. I decided to try one more thing before going under the knife for a last time and that's when I found the Stem Cell Institute. It's been almost 5 months since I had my first treatment and I can honestly say that I'm pain free for the first time in years. Losing my favorite activities and then having the chance to now do these again has felt like getting a second chance. Not only feeling better but seeing the changes on my x-rays has been incredible. I would definitely do it again if I had too. I recommend stem cells therapy to anyone with chronic knee pain.

Jane C.-Crystal Lake, IL

- B. Newspaper ad for SCIA and SHC disseminated by SHC and provided by SCIA as a sample newspaper ad to SCIA clients (Ex. B)

Do you suffer from...

- Knee Pain
- Low Back Pain
- Shoulder Pain
- Joint Pain
- Plantar Fasciitis
- Neck Pain
- Tennis Elbow
- Osteoarthritis of the Knee
- Neuropathy

Learn How
STEM CELL THERAPY
Can Change Your Life
FREE Seminar
by the
Stem Cell Institute of America

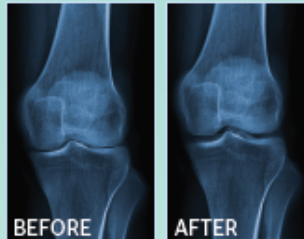
STOP the Pain!
Get relief without costly and painful surgery!
You and a guest are cordially invited to attend a 1-hour educational seminar to hear about the latest medical breakthroughs in pain relief.
You must be over 18 to attend.

DETAILS

Find Out if
Stem Cell Therapy
is Right for You!

Regenerative medicine is now available locally and can effectively reduce and even eliminate your pain without surgery or addictive medications.

Regenerative medicine uses stem cells to regenerate and repair tissues in your body that are damaged due to age, disease and defects. Stem cells have the power to go to these damaged areas and generate new cells and rebuild the area.



Join us at

**Roberts School
Community & Education Center**

4681 School St • Acworth, GA 30101

**Tuesday, Aug. 15th @ 12:30 pm
Saturday, Aug. 20th @ 11:00 am**



Our health care team gets results because we treat the whole person, all under one roof.

- Medical Doctors • Nurse Practitioners
- Athletic Trainers
- Chiropractors • Nutritionists



Seating limited to the first 20 callers! **Call Today! 678.293.9959**

C. Excerpts from an SCIA client's infomercial posted on SCIA's YouTube channel on or about June 14, 2017 (Ex. C)

FORBES RILEY: When you wake up in the morning, do you hurt? I mean, if you're like me, maybe you've been in a car accident, a ski accident, or in my case I tore my ankle just stepping off a curb. [ON SCREEN: Do you Suffer from Pain? Knee-Back-Shoulder-Hip-Neuropathy-Joint Pain] Odds are that at a certain age, life has taken its toll on your body. You suffer from pain in your knees, your shoulders, your neck, and the worst part, when you're in pain, it's hard to get a good night's sleep. What if I told you there was a solution, one that requires no surgery and no downtime? With this type of cutting edge, regenerative medicine, imagine that you can once again live life to the fullest and enjoy all those things you thought were not possible, like playing with your children, your grandchildren, taking a walk on the beach, playing a round of golf, or even just enjoying a good night's sleep. In a moment, you'll discover how this revolutionary breakthrough in medicine is now available to all of us, helping to diminish pain in your ankle, your knee, your hips, your shoulders, and even back pain, but it also helps with neuropathy and pain associated with arthritis. . . . [Y]ou no longer have to live with pain, thanks to the Stem Cell Institute of America. And on our show, you're going to hear from top researchers, doctors, and patients who call this therapy nothing short of a miracle. . . .

DR. JILL HOWE: . . . [patient] Gerry, who had 30 years of back pain, couldn't even dry off after he got out of the shower, had tried everything from doctors, to shots, to surgery; now he's feeling great. He's walking around, he's going to start playing golf again, and he got his life back.

FORBES RILEY: Just from a treatment?

DR. JILL HOWE: Just from one treatment. It's incredible.

FORBES RILEY: Well, we continue to hear story after story of what patients are calling a miracle therapy, truly being able to live without pain. . . .

[Patient] GERRY: [On screen: PROBLEM: Chronic Lower Back Pain] We went ahead with the stem cell treatment on my back, and right now, I would say the pain is not there. When it first started, it was a good nine, ten, and now I just don't have that pain at all. It's gone. . . .

[Patient] CHUCK: [On screen: PROBLEM: Arthritis in Hip/Poor Sleep] After treatments at the Stem Cell Institute of America, my pain level went from a ten down to perhaps a two or even a one. The major thing, however, is at the start, when I got where I could only walk, let's say three blocks and get to a pain level of ten, now I can walk probably three miles before I get to any significant pain level.

FORBES RILEY: Well, now, I'd like to introduce you to a podiatrist who uses amniotic tissue in the healing process in his practice. . . .

[Podiatrist] DR. LOU CILIBERTI: I've seen amazing results. . . . decreased inflammation, improved healing, faster healing. . . . A woman that had come to me who had had leg pain for years, neuropathic-type pain, so this was more of a nerve-type of an issue. She was complaining of numbness and tingling in her leg. I used the amniotic tissue, and this woman went on to have a remarkable recovery, something that she was dealing with for years.

FORBES RILEY: I mean, have you seen cartilage grow back in areas?

LOU CILIBERTI: Oh, I've used this amniotic tissue to help regenerate bone, to help regenerate soft tissue.

FORBES RILEY: But people who've been suffering with pain for a long time . . . have you seen it work for them, too?

LOU CILIBERTI: One of those patients that comes in that says, hey Doc, I've had this chronic pain for years; I've tried everything; I've tried physical therapy; I've tried surgery; I've tried corticosteroid injections; I've tried you name it, this is an alternative that you can offer to those folks.

[Former Chicago Bears Announcer] HUB ARKUSH: I had been to several doctors who'd recommended complete knee replacements, and I said, no, I'm not going to do that, but I also reached the point where I couldn't go much further. And I heard about Dr. Howe and her treatment, and I had stem cell injections in both knees. It's a little over a year ago now. The left knee is 100 percent pain-free. It's just a tremendous success.

D. Video posted on SCIA YouTube channel from September 23, 2016 to present (Ex. D)

FORBES RILEY: Stem cells. You know, they're not what you might think. Fact: they can rejuvenate any part of the body. Fact: If you're in pain, they might be your best solution. I know, you curious? Because I am, too.

So here to tell us more about stem cells and the cutting-edge technology available to all of us is the founder and president of the Stem Cell Institute of America. Please welcome Dr. Brent Detelich.

DR. BRENT DETELICH: Thank you.

FORBES RILEY: All right, so talk – let's start with what is the Stem Cell Institute of America?

DR. BRENT DETELICH: Okay, so we created this organization of fantastic physicians across the country who are dedicating themselves [sic] to educating people in their community about the miracles of stem cells.

FORBES RILEY: That's very true, and I appreciate you saying that. Is stem cell therapy right for everybody?

DR. BRENT DETELICH: Well, here's the answer to that, okay? If I needed surgery or I had a problem that was extremely painful –

FORBES RILEY: Mm-hmm.

DR. BRENT DETELICH: – and I had to use drugs or surgery as my option –

FORBES RILEY: Right.

DR. BRENT DETELICH: – if I thought that that might be the solution, I would look at the – the opportunity of using stem cells before that. I would always recommend patients to seek out and find out if stem cells are right for you before you start to take drugs because they all have bad side effects –

FORBES RILEY: Right.

DR. BRENT DETELICH: – no matter even if it's just aspirin, they have bad side effects. They start to break down the body. So the idea that you could regenerate the body and not just slow down the degeneration with a drug or a surgery –

FORBES RILEY: Mm-hmm.

DR. BRENT DETELICH: – should be – should be what people think of first and foremost. How can I fix this so it doesn't come back?

FORBES RILEY: Okay, this just sounds, one, so exciting and almost a little too good to be true, because I've talked to a lot of the patients

who've had this, and they keep calling it [a] miracle. They say they went in, their pain was on a eight, nine, or ten out of ten, and now, six months later, they're like at one or two. Do you know what that means for so many people?

DR. BRENT DETELICH: You know, even for a person who's seen this in over 150 clinics, every time I hear about it, it amazes me. It just – an 87-year-old woman who's got pain for 20 years –

FORBES RILEY: Yeah.

DR. BRENT DETELICH: – she's on crutches, she can't walk without assistance, she comes in and two days later she's walking pain-free. That –

FORBES RILEY: Wow.

DR. BRENT DETELICH: – is what life is about for me as a physician. I got into this world so I could help people.

DR. BRENT DETELICH: Okay. So what we did is myself and – and a few physicians decided that this was something we had to tell the world about.

FORBES RILEY: Okay.

DR. BRENT DETELICH: So we went on a six-month tour, lecturing all over the country, and taking the local physicians and training them at the seminar.

FORBES RILEY: Okay.

DR. BRENT DETELICH: At that point, when we – when we really refined the message in – in helping people truly understand what stem

cells are, so they could make the right decision for themselves, that seminar takes about one hour to do. I tell people to attend those seminars. They're going to know more about stem cells than their own medical physicians because we're dedicated to giving you all the information. So you're going to learn everything about adult stem cells, placental stem cells, why they work better, which ones work better for different diseases and conditions. The information that you gain from this seminar is life-changing. I tell people it's usually the most valuable hour they're ever going to spend on their health in their entire lifetime.

E. Video posted on SCIA's website homepage, SCIA's YouTube channel and played at the beginning of SCIA's educational seminars from at least March 2, 2016 to present (Ex. E)

NARRATOR: Do you suffer with chronic knee, shoulder, back, or other joint pain or arthritis? Has your pain stopped you from enjoying normal activities and lessened your quality of life? Are you taking prescription medication and harmful pain relievers with little to no effect on your pain? For several years, our doctors have helped local pain sufferers find relief from their chronic joint pain and stiffness.

We understand your unique needs and how challenging it can be to find a physician that you can trust and can help you achieve the results that you're looking for. Our clinic is proud to offer one of the most cutting-edge noninvasive and nonsurgical treatments for joint and arthritis pain. Stem cell therapy, or regenerative cellular medicine, works by using the body's immune cells to increase cellular healing of damaged tissues and ligaments.

When injured, your body sends immune cells to the affected area to aid in the recovery process. Regenerative cell therapy expedites healing by introducing regenerative cells to increase healing and regeneration of new tissue to repair damaged joint tissue and inflammation. In addition, our doctors use a combination of the most

cutting-edge knee rehabilitation techniques to help strengthen and support any weakness found, as well as reduce your pain and inflammation.

To sign up for a free, no-charge regenerative cell therapy consultation, call our office today or schedule online. We look forward to helping you live a life free of pain.

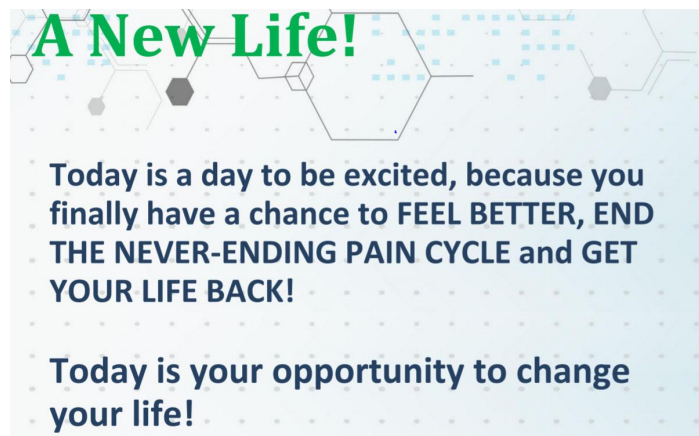
F. Excerpts of fact sheets provided to consumers at SCIA educational seminars nationwide (Ex. F)

The Amniotic Fluid Cell Therapy Option

If you want to avoid Surgery and Dependency on Prescription Medications, find out how this state-of-the-art treatment option could help you live a Pain-Free and Active Lifestyle.

- 1.** Amniotic Stem Cell Therapy raises NO Moral or ethical questions. And, it is also MORE EFFECTIVE than using other kinds of stem cells that do have ethical issues.
 - Amniotic cell fluid comes from CONSENTING mothers, having a C-Section, who donate their placenta for Regenerative Medicine.

G. Excerpts of PowerPoint presentation drafted by Brent Detelich and distributed by SCIA to its clients for their use at educational seminars (Ex. G)



Stem cells – Regenerate!

- They actually become NEW CELLS.
- What's amazing is that Stem Cells can become NEW Cartilage, Ligaments, Bone, Brain Cells, Blood Cells, and all Organ Cells, including Heart, Liver, Pancreas, Lung and any organ cell your body may need.

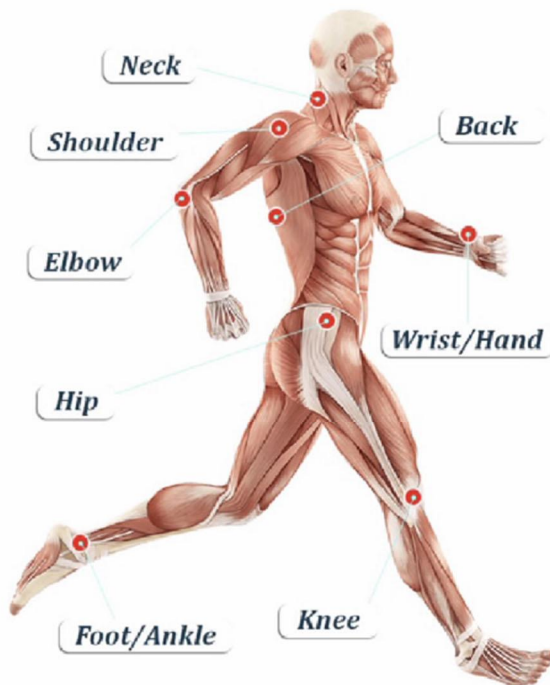
H. Excerpts from Defendant SHC's website, www.superiorhealthcarega.com, dated June 19, 2018 (Ex. H)

DISCOVER HOW TO REPAIR JOINT DAMAGE AND LIVE PAIN FREE *WITHOUT PAINFUL SURGERY OR HARMFUL DRUGS*

LEARN HOW THIS CUTTING EDGE THERAPY CAN GIVE YOU LASTING PAIN RELIEF IN AS LITTLE AS ONE TREATMENT TO HELP YOU STAY ACTIVE AND HEALTHY!

* * *

STEM CELL THERAPY TREATS MANY MEDICAL CONDITIONS



- **Neck Pain Treated**
Cervical Pain , Cervical Joint Degeneration, Cervical Arthritis, and more
- **Shoulder Pain Treated**
Shoulder Injury, Rotator cuff tears, Shoulder Degeneration, Shoulder Bursitis, and more
- **Back Pain Treated**
Back Pain, Facet Syndrome, Degenerative Disc Disease, Lumbar Arthritis / Osteoarthritis, and more
- **Wrist/Hand Pain Treated**
Carpal Tunnel Syndrome, Wrist Arthritis, and more
- **Elbow Pain Treated**
Variety of Elbow Conditions, Lateral Epicondylitis, Golfer's Elbow, Distal Biceps Tendon Tear, and more
- **Hip Pain Treated**
Variety of Hip Pain Conditions, Labrum tear, Hip Osteoarthritis, Hip Degeneration, Hip Bursitis, and more
- **Knee Pain Treated**
Meniscus Tear, Knee Degeneration, ACL or PCL Injury, Chondromalacia, and more
- **Foot/Ankle Pain Treated**
Foot and Ankle Pain, Planter Fasciitis, and more

I. Excerpts from Defendant Peyroux’s email to March 24, 2018 seminar attendees (Ex. I)

As the stem cell seminar draws near, I just wanted to share a great story from a recent patient, Laurie...

Laurie was an avid tennis player for 35 years until time and injury took their toll on her knees. She could barely carry herself up or down the few stairs in her home anymore without agonizing pain. Tennis was completely out of the question. Within 6-8 weeks after getting her stem cell injection, the pain was almost completely gone. And by the 3 month checkup she was now playing Pickle Ball 6 days a week for 6-7 hours per day - without any pain at all!

Click on the video below to see her tell her story (including her before & after x-rays).



Stories like these are the reason I do what I do. I'm passionate about helping people to get back to living their best lives.

With this treatment, we've been able to help people of all ages and all walks of life recover from all sorts of injuries, arthritis, and chronic joint pain. I hear stories like Laurie's regularly and they make my day every single time.

Please be sure to write down any questions you have about your specific condition or stem cells in general. After the presentation, I'd

like to spend just a couple of minutes with you, getting to know you and answering any questions you have.

Looking forward to meeting you at the seminar.



Dr. Steve Peyroux
Superior Healthcare Canton
(678) 883-7422
stemcell@superiorhealthcarega.com

P.S. Just a reminder, we have you registered for our seminar on:

**Sat. Mar. 24 at 11:00am at:
Fairfield Inn & Suites by Marriott Calhoun
1002 Hwy. 53, Calhoun, GA 30701**

If you haven't already, please confirm your reservation by calling (678) 883-7422. This seminar will fill up quickly and we want to ensure that we have enough seating and food for you and your guest, if you choose to bring someone with you.

P.P.S. **THE TICKET:** When you click the button below to download your ticket it will open a new window with a regular "jpg" ticket image (just like a photograph). You should be able to save it to your phone's photos just like you would save any photo. On most phones, you can tap and hold on the image for a second or two and it will give you the option to save it to your phone's images. You can also take a screenshot of the ticket, or just save this email and it will work just fine to get you into the seminar.



Click the button below to download your ticket.



J. Excerpts from Defendant PBS's website, available at www.pbs500.com (Ex. J)

"This Regenerative Medicine is just amazing stuff that is restoring people's lives, including my own... I had a motor accident and had to have stem cell injections in my hip because I could only move my leg 30 degrees, and now I can do anything I want; I can go hiking, I can run, I can bicycle ride... If you're in pain, make sure you get it checked out early, and that way you'll have the chance for a better prognosis."

JF, Arizona



"Dr. Brent -- Incredible, phenomenal guy. The value that he gave (at the seminar) was very real. The systems he's put in place... it's very helpful. He basically teaches how to implement these systems, how to actually grow your practice, and how to speak at a seminar. It's very worth it for anyone who's wanting to join. "

KC, Texas



"We've been coming for a while to the different seminars, and we are always intrigued by hearing Steve speak. We always take away so much that we can use in our practice."

JP, New Jersey



“

"The Regenerative Medicine injection workshop was excellent. The delivery format was easy to follow and engaging. Julie made it very interesting, and my skills have improved. Thank you."

Dr. Lance Durrett



* * *



Regenerative Medicine at Work in Your Practice

👤 Posted by BRENT DETELICH, DC | 📅 Aug 10, 2018

BRENT DETELICH, DC

Stem cell and regenerative therapies are here to stay. Their collective, seemingly miraculous results are simply too astonishing – dare I say "lifesaving" – to go away. And while the "usual suspects" may try to diminish or take over these protocols, the consumers are discovering the impact of these treatments and clamoring for more.

So, what are some of the results from stem cell treatments, what ailments can they improve or cure, and why are they a natural fit with chiropractic?

Regenerative Medicine for Back Pain

Let's start with the most obvious condition that is a natural fit with chiropractic: back pain. Stem cell treatments are health care's latest, proven alternatives to surgery, pain drugs and steroids. Practitioners can offer in-office, same-day procedures that can alleviate back pain regardless of the cause. We can treat a range of conditions including chronic low back pain, spinal arthritis, intervertebral disc degeneration, sacroilitis and herniated discs.

Revolutionary platelet-rich plasma (PRP) and amniotic regenerative cell therapy procedures can treat all the damages and underlying conditions that cause pain. Practitioners can inject these cells into the target area, and they then act as an immunologically privileged material to rebuild and strengthen the damaged tissue causing back pain.

In my experience, many patients who have conditions that do not respond to spinal adjustments due to high pain levels will respond positively to stem cell treatments and – in many cases – can then more easily benefit from chiropractic care after stem cell treatments improve their condition.

Stem cells help to rejuvenate the joints, allowing your adjustments to really take hold and the alignment process to occur. Of course, balancing the spine absolutely helps any joint suffering from osteoarthritis by removing abnormal wear and tear, much like having your tires balanced when the alignment is off in your car. Hence, chiropractic care is still very much a benefit to these same patients.

K. Excerpt from Defendant PBS's Facebook page, available at [facebook.com/physiciansbusinessolutions/](https://www.facebook.com/physiciansbusinessolutions/) (Ex. K)



32. Defendants have not conducted any randomized clinical testing of the treatments they advertise demonstrating that they are effective in curing, treating, or mitigating any orthopedic condition, disease, or health condition. Moreover, there are no studies in the scientific literature establishing that such advertised treatments are effective in curing, treating, or mitigating any orthopedic condition, disease, or health condition.

33. Based on the facts and violations of law alleged in this Complaint, Plaintiffs have reason to believe that Defendants are violating or are about to violate laws enforced by the Commission and the State of Georgia, because, among other things, Defendants engaged in their unlawful acts and practices repeatedly over a period of at least five years and have continued their unlawful acts and practices despite knowledge of investigations by the Commission, the State of Georgia, and other state attorneys general. As recently as June 2021, even after being notified that staff for the Commission and the State of Georgia were seeking approval to file the instant lawsuit, Defendants have advertised Defendant PBS's "Compliance Programs approved by the FTC & FDA." Neither the FTC nor the FDA has approved any of Defendants' programs.

34. Defendants also continued their unlawful acts and practices despite knowledge of the U.S. Food and Drug Administration's issuance of a public warning about stem cell therapy in 2012, and in 2017, a series of guidance documents and warning letters that stem cell therapy is a drug subject to the agency's full drug approval requirements. Defendants have also been aware since at least 2018 that the North Dakota Attorney General's Office entered into an Assurance of Voluntary Compliance with one of SCIA's affiliate clinics for its

dissemination of deceptive stem cell therapy advertisements. In addition, Defendants Peyroux and Detelich remain in the regenerative medicine industry and maintain the means and ability to continue their unlawful conduct.

VIOLATIONS OF THE FTC ACT

35. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or deceptive acts or practices in or affecting commerce.”

36. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

37. Section 12 of the FTC Act, 15 U.S.C. § 52, prohibits the dissemination of any false advertisement in or affecting commerce for the purpose of inducing, or which is likely to induce, the purchase of food, drugs, devices, services, or cosmetics. For the purpose of Section 12 of the FTC Act, 15 U.S.C. § 52, stem cell therapy is a “drug” as defined in Section 15(c) of the FTC Act, 15 U.S.C. § 55(c).

Count I

False or Unsubstantiated Efficacy Claims

(By Plaintiff Federal Trade Commission)

38. In numerous instances in connection with the advertising, marketing, and promotion of stem cell therapy, including through the means described in Paragraphs 30-31, Defendants have represented, directly or indirectly, expressly or by implication, that stem cell therapy:

- A. Cures, treats, or mitigates various orthopedic conditions, including osteoarthritis, arthritis, neuropathy, plantar fasciitis, joint pain, and pain resulting from injuries or aging; and
- B. Is comparable or superior to surgery, steroid injections, and painkillers in curing, treating, or mitigating various orthopedic conditions, including osteoarthritis, arthritis, neuropathy, plantar fasciitis, joint pain, and pain resulting from injuries or aging.

39. The representations set forth in Paragraph 38 are false or misleading or were not substantiated at the time the representations were made.

40. Therefore, the making of the representations as set forth in Paragraph 38 constitutes a deceptive act or practice, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

Count II

False FTC and FDA Approval Claim

(By Plaintiff Federal Trade Commission)

41. Through the means described in Paragraphs 30-31, Defendants have represented, directly or indirectly, expressly or by implication, that Defendant PBS offers a regenerative medicine compliance training program that is approved by the U.S. Federal Trade Commission and by the U.S. Food and Drug Administration.

42. The representation set forth in Paragraph 41 is false. Therefore, the making of the representation as set forth in Paragraph 41 constitutes a deceptive act or practice, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

Count III

Means and Instrumentalities

(By Plaintiff Federal Trade Commission)

43. Defendants have provided their clients with advertising, marketing, and promotional materials and training referred to in Paragraphs 19-31, containing among other things, false and unsubstantiated representations, as described in Paragraph 38.

44. By providing their clients with these advertising, marketing, and promotional materials and training on how to use those materials, Defendants have provided their clients with the means and instrumentalities for the commission of deceptive acts and practices. Therefore, Defendants' practices described in Paragraph 43 constitute a deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE FBPA

45. Section 393(a) of the FBPA, O.C.G.A. § 10-1-393(a), prohibits “[u]nfair or deceptive acts or practices in the conduct of consumer transactions and consumer acts or practices in trade or commerce.”

46. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by the FBPA.

Count IV

False or Unsubstantiated Efficacy Claims

(By Plaintiff State of Georgia)

47. In numerous instances in connection with the advertising, marketing, and promotion of stem cell therapy, including through the means described in Paragraphs 30-31, Defendants have represented, directly or indirectly, expressly or by implication, that stem cell therapy:

- A. Cures, treats, or mitigates various orthopedic conditions, including osteoarthritis, arthritis, neuropathy, plantar fasciitis, joint pain, and pain resulting from injuries or aging; and
- B. Is comparable or superior to surgery, steroid injections, and painkillers in curing, treating, or mitigating various orthopedic conditions, including osteoarthritis, arthritis, neuropathy, plantar fasciitis, joint pain, and pain resulting from injuries or aging.

48. The representations set forth in Paragraph 47 are false or misleading or were not substantiated at the time the representations were made.

49. Therefore, the making of the representations as set forth in Paragraph 47 constitutes a deceptive act or practice and the making of false advertisements in violation of Section 393(a) of the FBPA.

50. Defendants' acts and practices also violate Section 393(b)(5) of the FBPA that prohibits representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have.

Count V

Use of a Computer or Computer Network

(By Plaintiff State of Georgia)

51. As set forth in Paragraphs 19-31, Defendants disseminated false or misleading representations through the use of a computer or computer network

52. While engaging in these acts and practices, Defendants intentionally targeted elderly and disabled consumers.

53. Defendants' acts and practices violate Section 393.5(b) of the FBPA, which prohibits using a computer or computer network to engage in an act or practice that would operate as a deceit upon any person.

CONSUMER INJURY

54. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act and the FBPA. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

PRAYER FOR RELIEF

Wherefore, Plaintiffs request that the Court:

A. Enter a permanent injunction to prevent future violations of the FTC Act and the FBPA by Defendants;

B. Award monetary and other relief within the Court's power to grant, including restitution to persons adversely affected by the actions complained of herein, and other relief as the Court deems just and equitable, including the disgorgement of ill-gotten monies;

C. Assess civil penalties against Defendants in the amount of \$5,000.00 per violation of the FBPA;

D. Assess civil penalties against Defendants in the amount of \$10,000.00 for each violation of the FBPA committed against elderly and disabled consumers pursuant to O.C.G.A. § 10-1-851; and

E. Award any additional relief as the Court determines to be just and proper.

Respectfully submitted,

J. REILLY DOLAN
Acting General Counsel

Dated: August 16, 2021

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