



June 26, 2020

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Re: Cease and Desist Letter

Dear Mr. Rose;

The TCIA Board of Directors is in receipt of your letter dated June 23rd. Our responses to the issues presented are as follows:

Regarding TCIA reporting that Zilis “markets to children...,” those statements were included because a Dallas area physician submitted photos to TCIA of marketing materials left by a Zilis Ambassador at a practice that serves both adults and children. That said, the Board was not aware of the Zilis label’s child warnings. TCIA has now removed all references of marketing to children.

Regarding your assertion that TCIA has made “unsupported claims and outright falsehoods”, this is unfounded. The multiple conflicts of interest between Zilis, the U.S. Hemp Authority, and Frost Brown Todd (via Jonathan Miller’s active roles in those organizations) are publicly-documented facts. The lab reports themselves of four different test results (the first two of which were submitted unsolicited to TCIA from a CBD retail store owner carrying multiple brands), obtained from four different Zilis distribution sources, at four different periods of time are documented facts. Those complete reports are published whole so that people can review and make their own decisions. If Zilis would like to publish its own test results and/or question the validity of the labs themselves or the meaning of the data within the reports (as you have done in your letter), we will provide the same social media platform that the TCIA members have and post whatever Zilis submits.

It is defamatory for Zilis to assert that “directors of the TCIA own and operate competitive businesses” and have “launched a business motivated, intentional and false attack.” I am an attorney with a specialized oil and gas practice. Dr. Bier is an emergency room physician. Mr. Raise represents bands in the music industry. None of us have CBD industry or multi-level marketing investments of any kind. All three of us have multiple marijuana investments and are involved in marijuana advocacy groups. None of those entities compete with hemp-based Zilis in any way. There are no conflicts of interest and no financial incentive for TCIA to publish the facts contained in the Zilis report.



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Regarding your accusation that TCIA “purposefully failed to conduct a proper investigation,” we concede (individually & collectively) that we are not investigators, have no enforcement authority whatsoever, and do not present the reporting as a result of an investigation. The very title expressly conveys this as an “Investigation Request.”

Regarding your statements about the FDA categorizing Zilis products as “hemp supplements” (not “food”) and that “the FDA does not establish a specific heavy metal limit for dietary or herbal supplements,” we concede that we are not regulatory experts of “the FDA’s water and food guidance” and have no knowledge about the technicalities you assert. However, your statements concern us because they seem to imply that (due to this semantic distinction regarding ingested hemp products) Zilis and other CBD companies are free to market products that contain unlimited amounts of heavy metals without having so much as a duty to inform. Frankly, we want nothing to do with any of this. For all the reasons stated above, the TCIA Board has now submitted the report, your letter, and this response direct to the FDA and to the Texas Department of Health & Human Services. We have asked each to provide their agency’s interpretation of your hemp supplement assertions. TCIA will continue to report the relevant facts (including any that Zilis provides) when received.

Sincerely,

Elizabeth C. Nichols
Chairman of the Board

c.c. Sharon L. Mayl, Federal Drug Administration, Sharon.mayl@fda.hhs.gov
Dr. John Hellerstedt, Texas DSHS Commissioner, john.hellerstedt@dshs.texas.gov
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