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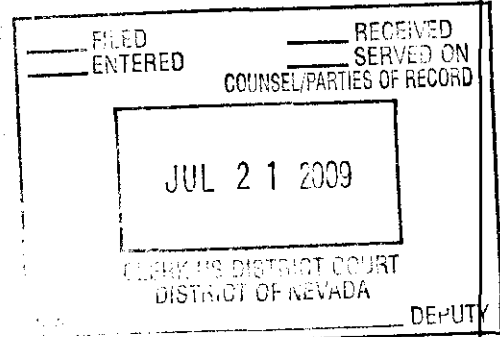
24 UNITED STATES DISTRICT COURT
25 DISTRICT OF NEVADA

26 FEDERAL TRADE COMMISSION,
27 Plaintiff,
28 v.
29 CITY WEST ADVANTAGE, INC.,
30 et al.,
31 Defendants.

Case no. 2:08-CV-00609-BES-GWF

**FINAL JUDGMENT
AND ORDER FOR PERMANENT
INJUNCTION**

32 Plaintiff Federal Trade Commission ("FTC" or "Commission"), has filed its
33 Complaint for permanent injunction and other relief pursuant to Sections 13(b) and
34 19(a) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and



1 57b(a), and the Telemarketing and Consumer Fraud and Abuse Prevention Act
2 (“Telemarketing Act”), 15 U.S.C. §§ 6101 *et seq.*, charging Defendants City West
3 Advantage, Inc. and James S. Slemboski with violating Section 5 of the FTC Act, 15
4 U.S.C. § 45, and the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310.

5 Plaintiff FTC and Defendants City West Advantage, Inc. and James S.
6 Slemboski have agreed to the entry of this Stipulated Final Judgment and Order for
7 Permanent Injunction (“Order”) by this Court to resolve all matters of dispute
8 between them in this action.

9 **NOW, THEREFORE**, Plaintiff FTC and Defendants City West Advantage,
10 Inc. and James S. Slemboski having requested the Court to enter this Order,

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

12
13 **FINDINGS**

- 14 1. This Court has jurisdiction of the subject matter and the parties.
- 15 2. Venue is proper to all parties in the District of Nevada.
- 16 3. The activities of Defendants are or were in or affecting commerce, as
17 defined in the FTC Act, 15 U.S.C. § 44.
- 18 4. The Complaint states a claim upon which relief may be granted against
19 Defendants under §§ 5(a)(1), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a)(1),
20 53(b) and 57b; and under the TSR, 16 C.F.R. Part 310.
- 21 5. Defendants have waived any and all rights that may arise under the
22 Equal Access to Justice Act, 28 U.S.C. § 2412, *amended by* Pub. L. 104-121, 110
23 Stat. 847, 863-64 (1996).
- 24 6. Plaintiff and Defendants waive all rights to seek appellate review or
25 otherwise challenged or contest the validity of this Order. Defendants further waive
26 and release any claim they may have against the Commission, its employees, agents,
27 and representatives.

1 7. Entry of this Order is in the public interest.

2 8. This Order is for settlement purposes only, and does not constitute and
3 shall not be interpreted to constitute an admission by Defendants or a finding that the
4 law has been violated as alleged in the Complaint, or to the facts alleged in the
5 Complaint, other than jurisdictional facts, are true.

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ORDER

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DEFINITIONS

9 1. **“Billing information”** means any data that enables any person to access
10 a consumer’s account, including but not limited to a credit card, checking, savings,
11 share or similar account, utility bill, mortgage loan account, or debit card.

12 2. **“Clear and conspicuous statement,”** or statement presented **“clearly**
13 **and conspicuously”** means

14 a. in print communications, the message shall be in a type size and
15 location sufficiently noticeable for an ordinary consumer to read
16 and comprehend it, in print that contrasts with the background
17 against which it appears;

18 b. in oral communications, the message shall be delivered in a
19 volume and cadence sufficient for an ordinary consumer to hear
20 and comprehend it;

21 c. in communications made through an electronic medium
22 (including but not limited to television, video, radio, and
23 interactive media including but not limited to the Internet, online
24 services and software), the message shall be presented
25 simultaneously in both the audio and visual portions of the
26 communication. In any communication presented solely through
27 visual or audio means, the message may be made through the

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1 same means in which the communication is presented. In any
2 communication disseminated by means of an interactive
3 electronic medium, including but not limited to the Internet,
4 online services or software, a disclosure must be unavoidable and
5 presented prior to the consumer incurring any financial
6 obligation. Any audio message shall be delivered in a volume
7 and cadence sufficient for an ordinary consumer to hear and
8 comprehend it. Any visual message shall be of a size and shade,
9 with a degree of contrast to the background against which it
10 appears and shall appear on the screen for a duration and in a
11 location sufficiently noticeable for an ordinary consumer to read
12 and comprehend it; and

13 d. regardless of the medium used to disseminate it, the message
14 shall be in understandable language and syntax. Nothing contrary
15 to, inconsistent with, or in mitigation of the message shall be used
16 in any communication.

17 3. **“Corporate Defendant”** means City West Advantage, Inc., also doing
18 business as “Unified Services,” and its successors and assigns.

19 4. **“Customer,” “seller,” “telemarketer,”** and **“telemarketing”** are
20 defined as in Section 310.2 of the TSR, 16 C.F.R. § 310.2.

21 5. **“Defendants”** means the Individual Defendant and the Corporate
22 Defendant, individually, collectively, or in any combination.

23 6. **“Document”** means any materials listed in Federal Rule of Civil
24 Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio
25 and video recordings, computer records, and any other data compilations from which
26 information can be obtained and translated, if necessary, into reasonably usable form
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1 through detection devices. A draft or non-identical copy is a separate document
2 within the meaning of the term.

3 7. **“Individual Defendant”** means James S. Slemboski.

4 8. **“Material”** means likely to affect a person’s choice of, or conduct
5 regarding, goods or services.

6 9. **“Negative Option Feature”** means, in an offer or agreement to sell or
7 provide any product or service, a provision under which the consumer’s silence or
8 failure to take an affirmative action to reject products or services or to cancel the
9 agreement is interpreted by the seller or provider as acceptance of the offer. Offers
10 and agreements with negative option features include, but are not limited to

- 11 a. free or introductory price trial offers in which the consumer
12 receives a product or service for free or at a nominal or
13 introductory price for an initial period and will incur an
14 obligation to pay or pay a greater amount for the product or
15 service if he or she does not take affirmative action to cancel,
16 reject, or return the product or service before the end of that
17 period;
- 18 b. continuity plans in which, subsequent to the consumer's
19 agreement to the plan, the seller or provider automatically ships
20 products to a consumer unless the consumer notifies the seller or
21 provider within a certain time not to ship the products; and
- 22 c. automatic renewal plans in which the seller or provider
23 automatically renews the agreement and charges the consumer
24 unless the consumer cancels before the renewal.

25 10. **“Person”** means a natural person, an organization or other legal entity,
26 including a corporation, partnership, sole proprietorship, limited liability company,
27 association, cooperative, or any other group or combination acting as an entity.

1 F. That a consumer purchased or agreed to purchase a product or service,
2 or that a transaction has been authorized by a consumer, including but
3 not limited to through mailings, email, billings, credit card charges, and
4 checking account debits.

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6 **II.**

7 **REQUIRED DISCLOSURES**

8 **IT IS FURTHER ORDERED** that Defendants and their Representatives, in
9 connection with the advertising, promoting, offering for sale, or sale of any product
10 or service, shall

- 11 A. Clearly and conspicuously disclose, before consumers are asked to pay
12 money, submit consideration, or reveal billing information,
- 13 1. all fees and costs;
 - 14 2. all material restrictions, limitations, or conditions applicable to
15 the purchase, receipt, or use of the product or service that is the
16 subject of the offer (including any promotion associated with free
17 products or services, or products or services available on a trial
18 basis);
 - 19 3. all material terms and conditions of any cancellation or refund
20 policy, including but not limited to informing consumers if no
21 cancellations or refunds are permitted; and
 - 22 4. all material terms and conditions of any offer with a negative
23 option feature, including but not limited to
24 a. the dollar amount of the first payment and when it will be
25 charged, withdrawn, or become due; the dates or frequency
26 (*e.g.*, monthly, quarterly) of all subsequent charges or
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payments; and the dollar amount or range of costs of all subsequent charges or payments;

b. when any trial period begins; the length of any trial period; the specific steps and means by which a cancellation request must be submitted; and the date by or period within which a cancellation request must be received to avoid a charge;

c. the length of any renewal period; the manner in which a notice not to ship or renew must be submitted; the date by or time period within which a notice not to ship or renew must be received to avoid shipment or renewal (*e.g.*, two weeks after the consumer is advised of an upcoming shipment); and the telephone number, email address, or street address to which such a notice must be directed; and

d. all material conditions, limitations and restrictions on the ability of the consumer to use any product or service that is offered “free,” “risk-free,” with “no obligation,” or “discounted,” or words of similar import denoting or implying the absence of any obligation.

B. For any transaction involving a service, within the lesser of ten (10) days after the date of the transaction or half the time of any trial period, send the consumer written confirmation of the transaction, identified in a clear and conspicuous manner on the outside of the envelope, via first class mail, that includes all the information required by Subsection A of this Section and a clear and conspicuous statement of the procedures by which the consumer can cancel or obtain a refund;

1 C. For any transaction involving a product, provide written confirmation of
2 the transaction with the first product shipment that includes all of the
3 information required by Subsection A of this Section and a clear and
4 conspicuous statement of the procedures by which the consumer can
5 cancel or obtain a refund;

6 D. At least thirty (30) days prior to renewing a consumer's membership,
7 subscription or agreement to purchase for any service (in the case of a
8 membership, subscription or agreement whose term is six (6) months or
9 longer) and prior to the submission for payment of a consumer's billing
10 information for such services, send the consumer written confirmation
11 of such renewal, identified in a clear and conspicuous manner on the
12 outside of the envelope, via first class mail that includes all the
13 information required by Subsections A.1, A.2 and A.4 of this Section
14 and a clear and conspicuous statement of the procedures by which the
15 consumer can cancel such renewal.

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17 **III.**

18 **EXPRESS INFORMED CONSENT**

19 **IT IS FURTHER ORDERED** that Defendants and their Representatives, in
20 connection with the advertising, promoting, offering for sale, or sale of any product
21 or service, are hereby enjoined from directly or indirectly using billing information
22 to obtain payment in connection with the marketing of any product or service,
23 without the express informed consent of the consumer, which shall include consent
24 to be charged for the product or service using a specified billing account, and the
25 clear and conspicuous disclosure of the information identified in Section II of this
26 Order entitled "Required Disclosures" in close proximity to the consumer's express
27 consent to purchase such products or services. In connection with an offer or
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1 agreement with a negative option feature, the following requirements must be met to
2 evidence express informed consent:

- 3 A. The consumer's express written authorization to purchase the product or
4 service that is the subject of the transaction and the consumer's
5 authorization to assess a charge against a specified account for payment.
6 Such authorization must include the consumer's signature (the term
7 "signature" includes a verifiable electronic or digital form of signature,
8 to the extent such form of signature is recognized as a valid signature
9 under applicable federal law or state contract law); or
- 10 B. The consumer's express oral authorization to purchase the product or
11 service that is the subject of the transaction and the consumer's
12 authorization to assess a charge against a specified account for payment
13 for that product or service that is audio-recorded, as follows
- 14 1. the recording must evidence that the consumer, during that
15 transaction, at a minimum, has provided the last four (4) digits of
16 the account number to be charged;
 - 17 2. the recording must evidence that the disclosure requirements of
18 Section II of this Order entitled "Required Disclosures" have
19 been complied with;
 - 20 3. the recording must include the entirety of the transaction;
 - 21 4. the recording can be identified and located by either the
22 consumer's name or telephone number; and
 - 23 5. a copy of the recording is provided upon request to the consumer,
24 the consumer's bank, credit or debit card company or other
25 billing entity, state attorney general or consumer protection
26 agency, and the Commission.

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IV.

**PROHIBITIONS ON VIOLATING THE
TELEMARKETING SALES RULE**

IT IS FURTHER ORDERED that Defendants and their Representatives, in connection with the advertising, promoting, offering for sale, or sale of any product or service, by telephone or otherwise in commerce, are hereby permanently restrained and enjoined from violating, or assisting others in violating, any provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310, including, but not limited to:

- A. Section 310.3(a)(2)(iv), which prohibits misrepresenting any material aspect of the nature or terms of the seller's refund, cancellation, exchange, or repurchase policies;
- B. Section 310.3(a)(2)(i), which prohibits misrepresenting the total costs to purchase, receive, or use any goods or services that are the subject of a sales offer;
- C. Section 310.4(a)(6), which prohibits causing billing information to be submitted for payment without the express informed consent of the customer;
- D. Section 310.4(b)(1)(iii)(A), which prohibits telemarketers from engaging in, or sellers from causing a telemarketer to engage in, causing any telephone to ring, or engaging any person in telephone conversation, repeatedly or continuously with intent to annoy, abuse, or harass any person at the called number; or
- E. Section 310.4(b)(1)(iii)(A), which prohibits telemarketers from engaging in, or sellers from causing a telemarketer to engage in certain conduct, including, *inter alia*, initiating any outbound telephone call to a person when that person previously has stated that he or she does not

1 wish to receive an outbound telephone call made by or on behalf of the
2 seller whose goods or services are being offered.

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4 **V.**

5 **PROHIBITIONS AGAINST DISTRIBUTION OF**
6 **CUSTOMER INFORMATION**

7 **IT IS FURTHER ORDERED** that Defendants and their Representatives are
8 permanently restrained and enjoined from selling, renting, leasing, transferring or
9 otherwise disclosing the name, address, telephone number, credit or debit card
10 number, bank account number, email address, or other identifying information of any
11 person who provided any such information to Defendants at any time in connection
12 with the telemarketing of any product or service.

13 *Provided, however,* that Defendants may disclose such identifying information
14 to a law enforcement agency or as required by any law, regulation, or court order.

15 *Additionally,* Defendants shall turn over any electronic customer lists in their
16 possession, custody or control to the Commission for consumer redress; *provided*
17 that Defendants' payment obligations under Section VI shall not be increased as a
18 result of such disclosure.

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20 **VI.**

21 **MONETARY JUDGMENT AND CONSUMER REDRESS**

22 **IT IS FURTHER ORDERED** that:

23 A. Judgment in the amount of \$6,885,100 is hereby entered against
24 Defendants, jointly and severally, as equitable monetary relief, in favor of the
25 Commission; *provided,* that this judgment amount, except such amounts specified in
26 Section VI.B., shall be suspended upon Defendants' fulfillment of the payment
27 obligations set forth therein.

1 B. Individual Defendant shall pay **\$70,000** to the FTC within seven (7)
2 business days after receiving notice of the entry of this Final Order.

3 C. After Individual Defendant makes the payment to the Commission
4 required by Sections VI.A and VI.B, but no later than two hundred seventy (270)
5 days after entry of this Order by the Court, Individual Defendant shall transfer to the
6 Internal Revenue Service **\$230,000** as payment for Individual Defendant's federal
7 income tax liability for the 2008 tax year. Within five (5) days of such payment,
8 Individual Defendant shall provide proof of the payment to the FTC.

9 D. If, on the two hundred seventy-first (271st) day after entry of this Order
10 by the Court, Individual Defendant has not made the full payment to the IRS
11 described in Section VI.C, he shall pay the amount of such nonpayment or
12 underpayment, along with the amount of any interest or credit he receives on account
13 of such nonpayment or underpayment, to the FTC within two hundred eighty-five
14 (285) days after entry of this Order;

15 E. If, after entry of this Order, Defendants receive any of the funds held in
16 the merchant accounts for City West Advantage, Inc., an amount which Defendants
17 represent is **\$67,719.45** at the signing of this Order, Defendants shall transfer such
18 funds to the Commission or its duly authorized agent (as directed by Commission
19 counsel) within ten (10) business days of receiving such funds.

20 F. All funds paid to or received by the Commission pursuant to this
21 Section shall be deposited into a fund administered by the Commission or its agent.
22 In the event that direct restitution to consumers is wholly or partially impracticable
23 or funds remain after restitution is completed, the Commission may apply any
24 remaining funds for such other equitable relief (including consumer information
25 remedies) as it determines to be reasonably related to Defendants' practices as
26 alleged in the Complaint. Any funds not used for such equitable relief will be
27 deposited with the United States Treasury as disgorgement. Defendants shall have
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1 no right to challenge the Commission's choice of remedies under this Section.

2 Defendants shall have no right to contest the manner of distribution chosen by the
3 Commission;

4 G. Defendants relinquish all dominion, control, and title to the funds paid
5 to the fullest extent permitted by law. Defendants shall make no claim to or demand
6 return of the funds, directly or indirectly, through counsel or otherwise;

7 H. Defendants agree that the facts as alleged in the Complaint filed in this
8 action shall be taken as true without further proof in any bankruptcy case or
9 subsequent civil litigation pursued by the Commission to enforce its rights to any
10 payment or money judgment pursuant to this Order, including but not limited to a
11 nondischargeability complaint in any bankruptcy case. Defendants further stipulate
12 and agree that the facts alleged in the Complaint establish all elements necessary to
13 sustain an action pursuant to, and that this Order shall have collateral estoppel effect
14 for purposes of, Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S. C.
15 § 523(a)(2)(A).

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17 **VII.**

18 **RIGHT TO REOPEN AS TO MONETARY JUDGMENT**

19 **IT IS FURTHER ORDERED** that:

20 A. The Commission's agreement to, and the Court's approval of, this Order
21 is expressly premised upon the truthfulness, accuracy, and completeness of the
22 documents entitled "financial statement of individual defendant" and "financial
23 statement of corporate defendant" submitted by Defendants to the FTC on or about
24 September 22, 2008, and February 17, 2009, as well as the additional financial
25 information submitted by Defendants to the FTC, including but not limited to the
26 submissions made by Defendants on or about December 1, 2008, March 2 and April
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1 1, 2009, all of which include material information relied upon by the Commission in
2 negotiating and agreeing to the terms of this Order.

3 B. If, upon motion, this Court should find that Individual Defendant or
4 Corporate Defendant has made a material misrepresentation or omitted material
5 information concerning his or its financial condition, then the suspension of the
6 monetary judgment shall be vacated, and the Court, without further adjudication,
7 shall enter judgment holding said Defendant liable to the Commission in the amount
8 of \$6,885,100, less any payments made to the FTC, plus interest from the entry date
9 of this Final Order, pursuant to 28 U.S.C. § 1961.

10 C. Any proceedings instituted under this Section VII are in addition to, and
11 not in lieu of, any other civil or criminal remedies as may be provided by law,
12 including any other proceedings that the FTC may initiate to enforce this Final
13 Order.

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15 **VIII.**

16 **COMPLIANCE MONITORING**

17 **IT IS FURTHER ORDERED** that, for the purpose of (i) monitoring and
18 investigating compliance with any provision of this Order, and (ii) investigating the
19 accuracy of any Defendants' financial statements upon which the Commission's
20 agreement to this Order is expressly premised:

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

3 B. In addition, the Commission is authorized to use all other lawful means,
4 including but not limited to:

5 1. obtaining discovery from any person, without further leave of
6 court, using the procedures prescribed by Fed. R. Civ. P. 30, 31,
7 33, 34, 36, 45 and 69;

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

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

16 *Provided however*, that nothing in this Order shall limit the Commission's lawful use
17 of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C.
18 §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or
19 information relevant to unfair or deceptive acts or practices in or affecting commerce
20 (within the meaning of 15 U.S.C. § 45(a)(1)).

21
22 **IX.**

23 **COMPLIANCE REPORTING**

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

26 A. For a period of three (3) years from the date of entry of this Order,
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1. Individual Defendant shall notify the Commission of the following:
 - a. Any changes in Individual Defendant's residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;
 - b. Any changes in Individual Defendant's employment status (including self-employment), and any change in Individual's 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 Individual Defendant is affiliated with, employed by, creates or forms, or performs services for; a detailed description of the nature of the business; and a detailed description of Individual Defendant's duties and responsibilities in connection with the business or employment; and
 - c. Any changes in Individual Defendant's name or use of any aliases or fictitious names;
2. Defendants shall notify the Commission of any changes in structure of Corporate Defendant or any business entity that any Defendant directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Order, including but not limited to: incorporation or other organization; a dissolution, assignment, sale, merger, or other action; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; or a change in the business name or address, at least thirty (30)

1 days prior to such change, *provided* that, with respect to any
2 proposed change in the business entity about which a Defendant
3 learns less than thirty (30) days prior to the date such action is to
4 take place, such Defendant shall notify the Commission as soon
5 as is practicable after obtaining such knowledge.

6 B. One hundred eighty (180) days after the date of entry of this Order and
7 annually thereafter for a period of three (3) years, Defendants each shall provide a
8 written report to the FTC, which is true and accurate and sworn to under penalty of
9 perjury, setting forth in detail the manner and form in which they have complied and
10 are complying with this Order. This report shall include, but not be limited to:

11 1. For Individual Defendant:

- 12 a. his then-current residence address, mailing addresses, and
13 telephone numbers;
- 14 b. his then-current employment status (including self-
15 employment), including the name, addresses, and telephone
16 numbers of each business that Individual Defendant is
17 affiliated with, employed by, or performs services for; a
18 detailed description of the nature of the business; and a
19 detailed description of Individual Defendant's duties and
20 responsibilities in connection with the business or
21 employment; and
- 22 c. Any other changes required to be reported under
23 Subsection A of this Section.

24 2. For all Defendants:

- 25 a. A copy of each acknowledgment of receipt of this Order,
26 obtained pursuant to the Section titled "Distribution of
27 Order;"

1 receive actual notice of this Order by personal service or otherwise, in connection
2 with the telemarketing of any product or service, are hereby restrained and enjoined
3 from failing to create and retain the following records:

4 A. Accounting records that reflect the cost of goods or services sold,
5 revenues generated, and the disbursement of such revenues;

6 B. Personnel records accurately reflecting: the name, address, and
7 telephone number of each person employed in any capacity by such business,
8 including as an independent contractor; that person's job title or position; the date
9 upon which the person commenced work; and the date and reason for the person's
10 termination, if applicable;

11 C. Customer files containing the names, addresses, phone numbers, dollar
12 amounts paid, quantity of items or services purchased, and description of items or
13 services purchased, to the extent such information is obtained in the ordinary course
14 of business;

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

17 E. Copies of all sales scripts, training materials, advertisements, or other
18 marketing materials; and

19 F. All records and documents necessary to demonstrate full compliance
20 with each provision of this Order, including but not limited to, copies of
21 acknowledgments of receipt of this Order required by the Sections titled
22 "Distribution of Order" and "Acknowledgment of Receipt of Order" and all reports
23 submitted to the FTC pursuant to the Section titled "Compliance Reporting."
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1 **XI.**

2 **DISTRIBUTION OF ORDER**

3 **IT IS FURTHER ORDERED** that, for a period of three (3) years from the
4 date of entry of this Order, Defendants shall deliver copies of the Order as directed
5 below:

6 A. Corporate Defendant must deliver a copy of this Order to (1) all of its
7 principals, officers, directors, and managers; (2) all of its employees, agents, and
8 representatives who engage in conduct related to the subject matter of the Order; and
9 (3) any business entity resulting from any change in structure set forth in Subsection
10 A.2 of Section IX of this Order titled "Compliance Reporting." For current
11 personnel, delivery shall be within five (5) days of service of this Order upon such
12 Defendant. For new personnel, delivery shall occur prior to them assuming their
13 responsibilities. For any business entity resulting from any change in structure set
14 forth in Subsection A.2 of Section IX of this Order titled "Compliance Reporting,"
15 delivery shall be at least ten (10) days prior to the change in structure.

16 B. For any business that Individual Defendant controls, directly or
17 indirectly, or in which Individual Defendant has a majority ownership interest,
18 Individual Defendant must deliver a copy of this Order to (1) all principals, officers,
19 directors, and managers of that business; (2) all employees, agents, and
20 representatives of that business who engage in conduct related to the subject matter
21 of the Order; and (3) any business entity resulting from any change in structure set
22 forth in Subsection A.2 of Section IX of this Order titled "Compliance Reporting."
23 For current personnel, delivery shall be within five (5) days of service of this Order
24 upon Individual Defendant. For new personnel, delivery shall occur prior to them
25 assuming their responsibilities. For any business entity resulting from any change in
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1 structure set forth in Subsection A.2 of Section IX of this Order titled "Compliance
2 Reporting," delivery shall be at least ten (10) days prior to the change in structure.

3 C. For any business where Individual Defendant is not a controlling person
4 of a business but otherwise engages in conduct related to the subject matter of this
5 Order, Individual Defendant must deliver a copy of this Order to all principals and
6 managers of such business before engaging in such conduct.

7 D. Defendants must secure a signed and dated statement acknowledging
8 receipt of the Order, within thirty (30) days of delivery, from all persons receiving a
9 copy of the Order pursuant to this Section.

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11 **XII.**

12 **ACKNOWLEDGMENT OF RECEIPT OF ORDER**

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

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XIII.

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:

Date: July 20, 2009



Kenneth H. Abbe
Eric D. Edmondson
Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

Date: _____

James S. Slemboski

Date: _____

City West Advantage, Inc.
By its President, James S. Slemboski

APPROVED AS TO FORM:

Date: _____

Richard Schonfeld, Esq.
Chesnoff & Schonfeld
Attorney for Defendants

IT IS SO ORDERED:

Dated: _____

UNITED STATES DISTRICT JUDGE

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XIII.

RETENTION OF JURISDICTION

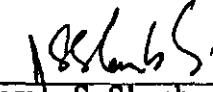
IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO STIPULATED:

Date: _____

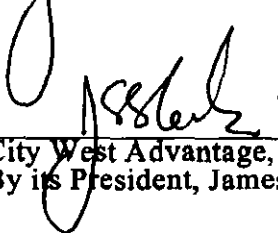
Kenneth H. Abbe
Eric D. Edmondson
Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

Date: 05-08-2009



James S. Slemboski


Date: 05-08-2009



City West Advantage, Inc.
By its President, James S. Slemboski

APPROVED AS TO FORM:

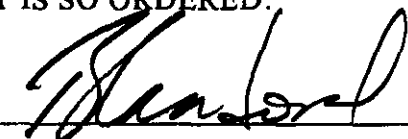
Date: 5/11/09



Richard Schonfeld, Esq.
Chesnoff & Schonfeld
Attorney for Defendants

IT IS SO ORDERED:

Dated: July 21, 2009



UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I, Kenneth H. Abbe, hereby certify that on this 20th day of July, 2009, service of the foregoing [PROPOSED] STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION was made via the Case Management/Electronic Case Filing System of the United States District Court, District of Nevada.



Kenneth H. Abbe

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