

4

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

_____)	
FEDERAL TRADE COMMISSION,)	
)	No. 08 C 2309
Plaintiff,)	
)	Magistrate Judge Ashman
v.)	
)	
6554962 CANADA INC., <i>et al.</i> ,)	
)	
Defendants.)	
_____)	

**DEFAULT JUDGMENT AND ORDER FOR
PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF**

Plaintiff Federal Trade Commission (“FTC” or “Commission”) commenced this action by filing its Complaint for Permanent Injunction and Other Equitable Relief (“Complaint”) pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101, *et seq.*, alleging that Defendants were engaged in deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC’s Trade Regulation Rule entitled “Telemarketing Sales Rule,” 16 C.F.R. Part 310.

The FTC now having filed its Motion for Entry of Default Judgment and Order for Permanent Injunction and Other Equitable Relief (“Motion”), and the Court having considered the FTC’s Motion, and supporting exhibits, and the entire record in this matter, the FTC’s Motion is hereby granted, and **IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** as follows:

FINDINGS

1. This Court has jurisdiction over the subject matter of this case and the parties pursuant to Sections 5(a), 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b) and 57b, the Telemarketing Act, 15 U.S.C. §§ 6101, *et seq.*, the FTC's Telemarketing Sales Rule, 16 C.F.R. Part 310, and 28 U.S.C. §§ 1331, 1337(a), and 1345. Pursuant to these statutes and regulations, the Commission has the authority to seek the relief contained herein.

2. The Commission's Complaint states claims upon which relief may be granted against Defendants under Sections 5(a), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b) and 57b, the Telemarketing Act, 15 U.S.C. §§ 6101, *et seq.*, and the FTC's Telemarketing Sales Rule, 16 C.F.R. Part 310.

3. The activities of Defendants are in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

4. Venue in the United States District Court for the Northern District of Illinois is proper pursuant to 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b), (c) and (d).

5. Defendants 6554962 Canada Inc. and Naeem Alvi were properly served with the Summons and Complaint on April 28, 2008. Defendants were represented by counsel in this matter until their counsel withdrew by motion granted on June 16, 2009. Default was entered against Defendant 6554962 Canada Inc. on November 10, 2008. Default was entered against Defendant Naeem Alvi on July 14, 2009.

6. The factual allegations in the Commission's Complaint are taken as true against Defendants. Based on these facts, the Court finds that Defendants violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), by falsely representing that they were affiliated with government

programs, such as Medicare or Social Security, or consumer's banks, as alleged in Count I of the Complaint, and by falsely representing that they would provide consumers with substantial discounts on medical care and prescriptions in exchange for a one-time fee, as alleged in Count II of the Complaint.

7. The Court further finds that Defendants violated the Telemarketing Sales Rule, 16 C.F.R. Part 310, as follows: by misrepresenting material aspects of the performance, efficacy, nature or central characteristics of goods or services in violation of 16 C.F.R. § 310.3(a)(2)(iii), as alleged in Count III of the Complaint; by misrepresenting affiliation with government programs or banks in violation of 16 C.F.R. § 310.3(a)(2)(vii), as alleged in Count IV of the Complaint; by causing billing information to be submitted for payment without the express informed consent of consumers in violation of 16 C.F.R. § 310.4(a)(6), as alleged in Count V of the Complaint; by failing to make required oral disclosures in violation of 16 C.F.R. § 310.4(d), as alleged in Count VI of the Complaint; by calling telephone numbers on the National Do Not Call Registry in violation of 16 C.F.R. § 310.4(b)(1)(iii)(B), as alleged in Count VII of the Complaint; and by failing to pay the required annual fee for access to the National Do Not Call Registry in violation of 16 C.F.R. § 310.8, as alleged in Count VIII of the Complaint.

8. The Court further finds that Defendant Naeem Alvi is an officer and director of Defendant 6554962 Canada Inc., and that he formulated, directed, controlled or participated in the acts and practices of Defendant 6554962 Canada Inc., including the acts and practices set forth in the Complaint. Defendant Naeem Alvi is thus individually liable for the law violations described above.

9. Defendants are likely to continue to engage in the acts and practices alleged in the

Complaint unless they are permanently enjoined from such acts and practices.

10. It is proper in this case to enter equitable monetary relief against Defendants for the consumer injury caused by Defendants' violations of the FTC Act, 15 U.S.C. § 45(a), and the Telemarketing Sales Rule, 16 C.F.R. Part 310. The Court finds that the amount of consumer injury caused by Defendants' unlawful practices is \$1,460,340.

11. This Order is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law.

12. Entry of this Order is in the public interest.

DEFINITIONS

For purposes of this Order, the following definitions shall apply:

1. "Plaintiff" means the Federal Trade Commission.
2. "Individual Defendant" means Naeem Alvi.
3. "Corporate Defendant" means 6554962 Canada Inc., d/b/a Union Consumer Benefits, and its successors and assigns.
4. "Defendants" means the Individual Defendant and the Corporate Defendant, individually, collectively, or in any combination.
5. "Asset" or "assets" means any legal or equitable interest in, right to, or claim to, any real and personal property, including, but not limited to, chattels, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, mail or other deliveries, inventory, checks, notes, accounts, credits, receivables, funds, monies, and all cash, wherever located, and shall include both existing assets and assets acquired after the date of entry of this Order.
6. "Assisting others" includes, but is not limited to: (1) performing customer service

functions, including, but not limited to, receiving or responding to consumer complaints; (2) formulating or providing, or arranging for the formulation or provision of, any sales script or any other marketing material; (3) providing names of, or assisting in the generation of, potential customers; or (4) performing marketing services of any kind.

7. "Consumer" means any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.

8. "Customer" means any person who has paid, or may be required to pay, for goods or services offered for sale or sold by any Defendant.

9. "Document" or "documents" is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

10. "Financial institution" means any bank, savings and loan institution, credit union, or any financial depository of any kind, including, but not limited to, any brokerage house, trustee, broker-dealer, escrow agent, title company, commodity trading company, or precious metal dealer.

11. "Material" means likely to affect a person's choice of, or conduct regarding, goods or services.

12. "National Do Not Call Registry" means the National Do Not Call Registry, which is the "do-not-call" registry maintained by the Federal Trade Commission pursuant to 16 C.F.R.

§ 310.4(b)(1)(iii)(B).

13. “Outbound telephone call” means a telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.

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

15. “Telmarketing” means any plan, program or campaign (whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310) that is conducted to induce the purchase of goods or services, or the payment of money, by means of the use of one or more telephones.

ORDER

I. PROHIBITED BUSINESS PRACTICES

IT IS THEREFORE ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, in connection with the advertising, marketing, promotion, offering for sale, sale, or provision of any product or service, are hereby permanently restrained and enjoined from:

A. Making, or assisting others in making, any false or misleading statement or representation of material fact, expressly or by implication, including, but not limited to:

1. that Defendants are calling from, on behalf of, or are otherwise affiliated with government programs, such as Medicare or Social Security, or consumers’ banks;

2. that Defendants will provide consumers with substantial discounts on medical care and prescriptions in exchange for a one-time fee;
3. the total cost to purchase, receive, or use the product or service;
4. any material restrictions, limitations, or conditions to purchase, receive, or use the product or service;
5. any material aspect of the nature or terms of a refund, cancellation, exchange, or repurchase policy for the product or service; or
6. any material aspect of the performance, efficacy, nature, or central characteristics of the product or service.

B. Violating, or assisting others in violating, any provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310, as currently promulgated or as it hereafter may be amended, including, but not limited to:

1. Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii), by misrepresenting, expressly or by implication, any material aspect of the performance, efficacy, nature, or central characteristics of any product or service, including, but not limited to, that Defendants will provide consumers with substantial discounts on medical care and prescriptions in exchange for a one-time fee;
2. Section 310.3(a)(2)(vii) of the TSR, 16 C.F.R. § 310.3(a)(2)(vii), by misrepresenting, expressly or by implication, that Defendants are calling from, on behalf of, or are otherwise affiliated with government programs, such as Medicare or Social Security, or consumers' banks;
3. Section 310.4(a)(6) of the TSR, 16 C.F.R. § 310.4(a)(6), by causing billing

information to be submitted for payment without the express informed consent of the consumer;

4. Section 310.4(d) of the TSR, 16 C.F.R. § 310.4(d), by failing to disclose in outbound telephone calls to consumers, truthfully, promptly, and in a clear and conspicuous manner: (1) the identity of the seller; (2) that the purpose of the call is to sell goods or services; and (3) the nature of the goods or services;

5. Section 310.4(b)(1)(iii)(B) of the TSR, 16 C.F.R. § 310.4(b)(1)(iii)(B), by engaging in or causing others to engage in initiating an outbound telephone call to a person when that person's telephone number is on the National Do Not Call Registry; and

6. Section 310.8 of the TSR, 16 C.F.R. § 310.8, by initiating, or causing others to initiate, an outbound telephone call to a telephone number within a given area code without Defendants, either directly or through another person, first paying the required annual fee for access to the telephone numbers within that area code that are included in the National Do Not Call Registry.

II. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment is hereby entered in favor of Plaintiff, and against Defendants, jointly and severally, in the amount of one million, four hundred sixty thousand, three hundred forty United States Dollars (\$1,460,340), as equitable monetary relief for consumer injury;

B. Upon entry of this Order, this monetary judgment shall become immediately due and payable by Defendants, and interest, computed pursuant to 28 U.S.C. § 1961(a), as amended, immediately shall begin to accrue upon the unpaid balance;

C. All payments under this Section shall be made by wire transfer in accord with

directions provided by the Commission, or as otherwise agreed by the Commission; and

D. All funds paid pursuant to this Section and Section III below shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to, consumer redress and any attendant expenses for the administration of such equitable relief fund. If the Commission determines, in its sole discretion, that redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any funds not used for such equitable relief shall be deposited to the Treasury as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Section. This judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture.

III. TURNOVER OF ASSETS HELD BY THIRD PARTIES

IT IS FURTHER ORDERED that, in order to partially satisfy the monetary judgment set forth in Section II above, any financial or brokerage institution, escrow agent, title company, commodity trading company, automated clearing house, network transaction processor, payment processor, business entity, or person that holds, controls, or maintains custody of any account or asset of any Defendant, or any account or asset held on behalf of, or for the benefit of, any Defendant, or any account or asset frozen pursuant to the Temporary Restraining Order and/or Stipulated Preliminary Injunction previously entered in this matter, shall turn over such account or asset to the Commission, by wire transfer pursuant to directions provided by the Commission, or as otherwise agreed to in writing by the Commission, within ten (10) business days of

receiving notice of this Order by any means, including, but not limited to, via facsimile.

The accounts and assets to be turned over to the Commission pursuant to this Section include without limitation the following: (1) the Union Consumer Benefits balance in the Bancotech Processors, Inc. account ending in "0984" at City Bank, El Paso, Texas; (2) the Union Consumer Benefits balance in the Bruce Woods d/b/a Bancotec account ending in "3743" at Inter National Bank, El Paso, Texas; (3) the Union Consumer Benefits reserve held by ReadyPay Services Inc.; and (4) any funds remaining in the Union Consumer Benefit Incorporated account ending in "9089" at Wachovia Bank, N.A.

IV. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, are permanently restrained and enjoined from:

A. disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), of any person which any Defendant obtained prior to entry of this Order in connection with the marketing or sale of any medical or prescription discount package; and

B. Failing to dispose of such customer information in all forms in their possession, custody, or control within thirty (30) days after entry of this Order. Disposal shall be by means that protect against unauthorized access to the customer information, such as by burning, pulverizing, or shredding any papers, and by erasing or destroying any electronic media, to

ensure that the customer information cannot practicably be read or reconstructed.

Provided, however, that customer information need not be disposed of, and may be disclosed, to the extent requested by a government agency or required by a law, regulation, or court order.

V. SUSPENSION OF COLLECTION ON ACCOUNTS

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly, or through any trust, corporation, subsidiary, division, or other device, or any of them, are hereby restrained and enjoined from attempting to collect, collecting, or assigning any right to collect payment for any Defendant's medical or prescription discount packages, where the purported authorization for the alleged sale occurred prior to the entry of this Order.

VI. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that, in connection with any business: (1) where a Defendant is the majority owner of the business or directly or indirectly controls the business; and (2) where the business is engaged in, or is assisting others engaged in, the advertising, marketing, promotion, offering for sale, sale, or provision of any product or service, such Defendant, and its or his officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, are hereby permanently restrained and enjoined from:

A. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged in sales or other customer service functions comply with Section I of this Order. These steps shall include adequate monitoring of sales presentations and telephone calls with consumers, and shall also include, at a minimum, the following: (1) listening to the oral representations made by persons engaged in sales or other customer service functions; (2) establishing a procedure for receiving and responding to consumer complaints; and (3) ascertaining the number and nature of consumer complaints regarding transactions in which each employee or independent contractor is involved;

B. Failing promptly to investigate fully any consumer complaint received by any business to which this Section applies; and

C. Failing to take adequate corrective action with respect to any employee or independent contractor whom such Defendant determines is not complying with this Order. This corrective action may include training, disciplining, and/or terminating such employee or independent contractor.

VII. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating compliance with any provision of this Order:

A. Within ten (10) days of receipt of written notice from a representative of the Commission, Defendants each shall submit additional written reports, which are true and accurate and sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and provide entry during normal business hours to any business location in each Defendant's possession or direct or indirect control to inspect the business operation;

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

1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, 45 and 69;
2. having its representatives pose as consumers and suppliers to Defendants, their employees, or any other entity managed or controlled in whole or in part by any Defendant, without the necessity of identification or prior notice; and

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

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

VIII. COMPLIANCE REPORTING

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

- A. For a period of five (5) years from the date of entry of this Order,
 1. The Individual Defendant shall notify the Commission of the following:
 - a. Any changes in such Defendant's residence, mailing addresses, and

telephone numbers, within ten (10) days of the date of such change;

- b. Any changes in such Defendant's employment status (including self-employment), and any change in such Defendant'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 such 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 such Defendant's duties and responsibilities in connection with the business or employment; and
- c. Any changes in such Defendant's name or use of any aliases or fictitious names within ten (10) days of the date of such change;

2. Defendants shall notify the Commission of any changes in structure of the 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) days prior to such change, *provided* that, with respect to any such change in the business entity about which a Defendant learns less than thirty (30) days prior to the date such action is to take place, such Defendant shall notify the Commission as soon as is

practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Order and annually thereafter for a period of five (5) years, Defendants each shall provide a written report to the FTC, which is true and accurate and sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Order. This report shall include, but not be limited to:

1. For the Individual Defendant:
 - a. such Defendant's then-current residence address, mailing addresses, and telephone numbers;
 - b. such Defendant's then-current employment status (including self-employment), including the name, addresses, and telephone numbers of each business that such Defendant is affiliated with, employed by, or performs services for; a detailed description of the nature of the business; and a detailed description of such Defendant's duties and responsibilities in connection with the business or employment; and
 - c. Any other changes required to be reported under Subsection A of this Section.
2. For all Defendants:
 - a. A copy of each acknowledgment of receipt of this Order, obtained pursuant to the Section titled "Distribution of Order;" and
 - b. Any other changes required to be reported under Subsection A of

this Section.

C. Each Defendant shall notify the Commission of the filing of a bankruptcy petition by such Defendant within fifteen (15) days of filing.

D. For the purposes of this Order, Defendants shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier all reports and notifications required by this Order to the Commission, to the following address:

Associate Director for Enforcement
Federal Trade Commission
600 Pennsylvania Avenue, N.W., Room NJ-2122
Washington, D.C. 20580
Re: FTC v. 6554962 Canada Inc., et al., Civil Action No. 08-C-2309.

Provided that, in lieu of overnight courier, Defendants may send such reports or notifications by first-class mail, but only if Defendants contemporaneously send an electronic version of such report or notification to the Commission at: DEBrief@ftc.gov.

E. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate directly with each Defendant.

IX. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, for any business where (1) any Defendant is the majority owner or directly or indirectly controls the business, and (2) the business is engaged in, or is assisting others engaged in, the promotion, offering for sale, or sale of any product or service, such Defendant and his or its agents, employees, officers, corporations, and those persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from failing to create and retain the following records:

- A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;
- C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;
- D. Complaints and refund requests (whether received directly or indirectly, such as through a third party) and any responses to those complaints or requests;
- E. Copies of all sales scripts, training materials, advertisements, or other marketing materials; and
- F. All records and documents necessary to demonstrate full compliance with each provision of this Order, including but not limited to, copies of acknowledgments of receipt of this Order required by the Sections titled "Distribution of Order" and "Acknowledgment of Receipt of Order" and all reports submitted to the FTC pursuant to the Section titled "Compliance Reporting."

X. DISTRIBUTION OF ORDER

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

- A. Corporate Defendant: The Corporate Defendant must deliver a copy of this Order

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

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

C. Individual Defendant as employee or non-control person: For any business where the Individual Defendant is not a controlling person of a business but otherwise engages in conduct related to the subject matter of this Order, such Defendant must deliver a copy of this

Order to all principals and managers of such business before engaging in such conduct.

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

XI. ACKNOWLEDGMENT OF RECEIPT OF ORDER

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

XII. SEVERABILITY

IT IS FURTHER ORDERED that the provisions of this Order are separate and severable from one another. If any provision is stayed or determined to be invalid, the remaining provisions shall remain in full force and effect.

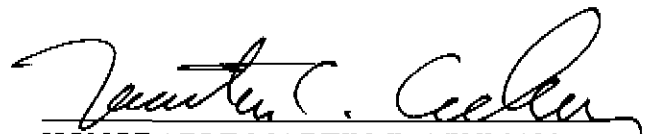
XIII. RETENTION OF JURISDICTION

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

JUDGMENT IS THEREFORE ENTERED in favor of the Plaintiff and against Defendants, pursuant to all the terms and conditions recited above.

IT IS SO ORDERED.

Dated: AUG 19 2009


HONORABLE MARTIN C. ASHMAN
United States Magistrate Judge