

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

WASHINGTON DATA RESOURCES, INC., et al.,

Defendants.

Case No. 08:09-cv-02309-SDM-TBM

**STIPULATED FINAL JUDGMENT AND ORDER
FOR PERMANENT INJUNCTION AND SETTLEMENT OF CLAIMS
AS TO DEFENDANTS BRUCE MELTZER AND CROWDER LAW GROUP, P.A.**

Plaintiff, Federal Trade Commission (FTC or Commission) commenced this civil action on November 12, 2009, 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 Act (Telemarketing Act), 15 U.S.C. § 6101 *et seq.*, to obtain temporary, preliminary, and permanent injunctive and other equitable relief for Defendants' violations of Section 5 of the FTC Act, 15 U.S.C. § 45, and the Telemarketing Sales Rule, 16 C.F.R. Part 310, in connection with the marketing and sale of mortgage loan modification or foreclosure relief services. The Commission and Defendants Bruce Meltzer, a/k/a Bruce Duke, and Crowder Law Group, P.A., f/k/a Jackson, Crowder & Associates, P.A., and d/b/a Legal Support Services (Crowder Law Group), agree to the entry of this Stipulated Final Judgment and order for Permanent Injunction and Settlement of Claims (Order).

FINDINGS

By stipulation of the parties and being advised of the premises, the Court finds:

1. This is an action instituted by the FTC under Sections 5, 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45, 53(b), and 57b and the Telemarketing Act, 15 U.S.C. § 6101 *et seq.* The Complaint seeks both permanent injunctive relief and consumer redress for Defendants Bruce Meltzer's and Crowder Law Group's alleged deceptive acts or practices in connection with the marketing and sale of mortgage loan modification or foreclosure relief services.

2. The FTC has authority under Section 13(b) of the FTC Act to seek the relief that it has requested, and the Complaint states a claim upon which relief can be granted against Defendants Bruce Meltzer and Crowder Law Group.

3. This Court has jurisdiction over the subject matter of this case the parties hereto pursuant to 15 U.S.C. §§ 45(a), 53(b), 57b, 6102(c), and 6105(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345. Venue in the Middle District of Florida is proper under 28 U.S.C. § 1391(b) and (c), and 15 U.S.C. § 53(b).

4. The activities of Defendants Bruce Meltzer and Crowder Law Group, as alleged in the Complaint, are "in or affecting commerce" as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

5. The parties stipulate and agree to entry of this Order, without trial or final adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising from the conduct alleged in the Complaint to the date of entry of this Order. This settlement does not settle and resolve any matters not alleged in the Complaint. Defendants Bruce

Meltzer and Crowder Law Group do not admit any of the allegations set forth in the Complaint, other than the jurisdictional facts, merely by stipulating and agreeing to entry of this Order.

6. Defendants Bruce Meltzer and Crowder Law Group waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order. Defendants Bruce Meltzer and Crowder Law Group also waive any claim that they may have held under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the date of this Order. Each settling party shall bear its own costs and attorneys' fees.

7. This action and the relief awarded herein are in addition to, and not in lieu of, other remedies as may be provided by law, including both civil and criminal remedies.

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

DEFINITIONS

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

1. **"Assisting Others"** includes, but is not limited to, providing any of the following goods or services to another Person: (A) performing customer service functions, including, but not limited to, receiving or responding to consumer complaints; (B) formulating or providing, or arranging for the formulation or provision of, any telephone sales script or any other marketing material, including but not limited to, the text of any Internet website, email, or other electronic communication; (C) providing names of, or assisting in the generation of, potential customers; (D) performing marketing or billing services of any kind; or (E) acting or serving as an owner, officer, director, manager, or principal of any entity.

2. **“Corporate Defendant”** means Crowder Law Group, P.A., f/k/a Jackson, Crowder & Associates, P.A., and d/b/a Legal Support Services, and its successors and assigns.
3. **“Credit”** means the right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment.
4. **“Debt Relief Good or Service”** means any good, service, plan, or program, including debt management plans, debt settlement, debt negotiation, and For-Profit Credit counseling, represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a consumer and one or more unsecured creditors, Servicers, or debt collectors, including but not limited to, a reduction in the balance, interest rate, or fees owed by a consumer to an unsecured creditor, Servicer, or debt collector.
5. **“Defendants”** means the Individual Defendant and the Corporate Defendant, individually, collectively, or in any combination.
6. **“Document”** or **“Record”** is synonymous in meaning and equal in scope to the usage of the terms in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, electronically stored information, audio and video recordings, computer records, and any 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.
7. **“Federal Homeowner Relief or Financial Stability Program”** means any program (including its sponsoring agencies, telephone numbers, and Internet websites)

operated or endorsed by the United States government to provide relief to homeowners or stabilize the economy, including but not limited to (A) the Making Home Affordable Program; (B) the Financial Stability Plan; (C) the Troubled Asset Relief Program and any other program sponsored or operated by the United States Department of the Treasury; (D) the HOPE for Homeowners program, any program operated or created pursuant to the Helping Families Save Their Homes Act, and any other program sponsored or operated by the Federal Housing Administration; or (E) any program sponsored or operated by the United States Department of Housing and Urban Development (HUD), the HOPE NOW Alliance, the Homeownership Preservation Foundation, or any other HUD-approved housing counseling agency.

8. **“Financial Related Good or Service”** means any good, service, plan, or program that is represented, expressly or by implication, to (A) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, Credit, debit, or stored value cards; (B) improve, or arrange to improve, any consumer’s credit record, credit history, or credit rating; (C) provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit record, credit history, or credit rating; (D) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of Credit; (E) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, Debt Relief Goods or Services; or (F) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving any service represented, expressly or by implication, to

renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a consumer and one or more secured creditors, Servicers, or debt collectors.

9. **“For-Profit”** means any activity organized to carry on business for the profit of the entity engaging in the activity or that of its members.

10. **“Individual Defendant”** means Bruce Meltzer, a/k/a Bruce Duke.

11. **“Material Fact”** means any fact that is likely to affect a Person’s choice of, or conduct regarding, goods or services.

12. **“Mortgage Loan Modification or Foreclosure Relief Service”** means any good, service, plan, or program that is represented, expressly or by implication, to assist a consumer in any manner to (A) stop, prevent, or postpone any home mortgage or deed of trust foreclosure sale; (B) obtain or arrange a modification of any term of a home loan, deed of trust, or mortgage; (C) obtain any forbearance from any mortgage loan holder or Servicer; (D) exercise any right of reinstatement of any mortgage loan; (E) obtain, arrange, or attempt to obtain or arrange any extension of the period within which the owner of property sold at foreclosure may cure his or her default or reinstate his or her obligation; (F) obtain any waiver of an acceleration clause contained in any promissory note or contract secured by a deed of trust or mortgage on a residence in foreclosure or contained in that deed of trust; (G) obtain a loan or advance of funds that is connected to the consumer’s home ownership; (H) avoid or ameliorate the impairment of the consumer’s credit record, credit history, or credit rating that is connected to the consumer’s home ownership; (I) save the consumer’s residence from foreclosure; (J) assist the consumer in obtaining proceeds from the foreclosure sale of the consumer’s residence; (K) obtain or arrange a pre-foreclosure sale,

short sale, or deed-in-lieu of foreclosure; (L) obtain or arrange a refinancing, recapitalization, or reinstatement of a home loan, deed of trust, or mortgage; (M) audit or examine a consumer's mortgage or home loan application; or (N) obtain, arrange, or attempt to obtain or arrange any extension of the period within which the renter of property sold at foreclosure may continue to occupy the property. The foregoing shall include any manner of claimed assistance, including, but not limited to, debt, Credit, budget, or financial counseling; receiving money for the purpose of distributing it to creditors; contacting creditors or Servicers on behalf of the consumer; and giving advice of any kind with respect to filing for bankruptcy.

13. **“Non-Stipulating Defendants”** means Washington Data Resources, Inc.; Optimum Business Solutions, a/k/a Attorney Finance Services, LLC, and d/b/a Attorney Finance Services; Richard A. Bishop, individually and as a member of Optimum Business Solutions, LLC; Brent McDaniel, individually and as an officer of Washington Data Resources, Inc.; Tyna Caldwell, individually; Douglas A. Crowder, individually and as an officer of Crowder Law Group; and Kathleen Lewis, a/k/a Kathy Lewis, individually and as a member of Optimum Business Solutions, LLC.

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

15. **“Servicer”** means any beneficiary, mortgagee, trustee, loan servicer, loan holder, or other entity that performs loan or Credit account administration or processing services and/or its authorized agents.

16. “**Telemarketing**” means a plan, program, or campaign (whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310) which is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones and which involves more than one interstate telephone call.

ORDER

I. BAN ON MORTGAGE LOAN MODIFICATION AND FORECLOSURE RELIEF SERVICES

IT IS THEREFORE ORDERED that Defendants, whether acting directly or through any Person, are permanently restrained and enjoined from:

- A. advertising, marketing, promoting, offering for sale, or selling any Mortgage Loan Modification or Foreclosure Relief Service; and
- B. Assisting Others engaged in advertising, marketing, promoting, offering for sale, or selling any Mortgage Loan Modification or Foreclosure Relief Service.

Provided, however, that nothing in this Section I shall prohibit any Defendant who is licensed to practice law in the state in which a consumer resides from providing or Assisting Others in providing such consumer with any Mortgage Loan Modification or Foreclosure Relief Service, if the Defendant complies with all applicable state laws, including licensing regulations, in connection with (1) preparing or filing (a) a bankruptcy petition or any other document that must be filed in a bankruptcy proceeding, or (b) any document that must be filed in connection with a court or administrative proceeding; (2) estate planning; or (3) the closing and execution of purchase money real estate transactions. This proviso shall not be

construed to limit the licensing or regulatory powers of any federal, state, or local government agency or state bar.

II. BAN ON TELEMARKETING

IT IS FURTHER ORDERED that Defendants, whether acting directly or through any Person, are permanently restrained and enjoined from Telemarketing or Assisting Others in Telemarketing.

III. PROHIBITED REPRESENTATIONS RELATING TO FINANCIAL RELATED GOODS AND SERVICES

IT IS FURTHER ORDERED that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale, or sale of any Financial Related Good or Service, are permanently restrained and enjoined from:

- A. misrepresenting or Assisting Others in misrepresenting, expressly or by implication, any Material Fact, including but not limited to:
 - 1. the terms or rates that are available for any loan or other extension of Credit, including but not limited to:
 - a. closing costs or other fees;
 - b. the payment schedule, the monthly payment amount(s), or other payment terms, or whether there is a balloon payment; interest rate(s), annual percentage rate(s), or finance charge;

- the loan amount, the amount of Credit, the draw amount, or outstanding balance; the loan term, the draw period, or maturity; or any other term of Credit;
- c. the savings associated with the Credit;
 - d. the amount of cash to be disbursed to the borrower out of the proceeds, or the amount of cash to be disbursed on behalf of the borrower to any third parties;
 - e. whether the payment of the minimum amount specified each month covers both interest and principal, and whether the Credit has or can result in negative amortization;
 - f. that the Credit does not have a prepayment penalty or that no prepayment penalty and/or other fees or costs will be incurred if the consumer subsequently refinances; and
 - g. that the interest rate(s) or annual percentage rate(s) are fixed rather than adjustable or adjustable rather than fixed;
2. that any Person can improve any consumer's credit record, credit history, or credit rating by permanently removing negative information from the consumer's credit record, credit history, or credit rating, even where such information is accurate and not obsolete;
 3. any Person's ability to improve or otherwise affect a consumer's credit record, credit history, or credit rating or ability to obtain Credit;

4. any aspect of any Debt Relief Good or Service, including but not limited to, the amount of savings a consumer will receive from purchasing, using, or enrolling in such Debt Relief Good or Service; the amount of time before which a consumer will receive settlement of the consumer's debts; or the reduction or cessation of collection calls; and
 5. that a consumer will receive legal representation;
- B. advertising or Assisting Others in advertising Credit terms other than those terms that actually are or will be arranged or offered by a creditor or lender.

IV. PROHIBITED REPRESENTATIONS RELATING TO ANY GOODS OR SERVICES

IT IS FURTHER ORDERED that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale or sale of any good, service, plan, or program are permanently restrained and enjoined from misrepresenting or Assisting Others in misrepresenting, expressly or by implication, any Material Fact, including but not limited to:

- A. any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy, including, but not limited to, the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted to the consumer;

- B. that any Person is affiliated with, endorsed or approved by, or otherwise connected to any other Person, government entity, any Federal Homeowner Relief or Financial Stability Program, or any other program;
- C. the total cost to purchase, receive, or use, and the quantity of, the good or service;
- D. any material restriction, limitation, or condition to purchase, receive, or use the good or service; and
- E. any material aspect of the performance, efficacy, nature, or characteristics of the good or service.

V. PROHIBITION ON COLLECTING ACCOUNTS

IT IS FURTHER ORDERED that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, whether using their own name or others, are permanently restrained and enjoined from attempting to collect, collecting, selling, or assigning, or otherwise transferring any right to collect payment for any Mortgage Loan Modification or Foreclosure Relief Services from any consumer who purchased or agreed to purchase Mortgage Loan Modification or Foreclosure Relief Services from Defendants or any of the Non-Stipulating Defendants prior to entry of this Order.

VI. ORDER PROVISION REGARDING CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants and their successors, assigns, agents, servants, employees, and attorneys, and those Persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, whether using their own name or others, 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 Defendants or any Non-Stipulating Defendant obtained prior to entry of this Order in connection with any Mortgage Loan Modification or Foreclosure Relief Service, Debt Relief Good or Service, or Financial Related Good or Service;
- B. disposing of such customer information without written authorization from the Commission; and
- C. failing to dispose of such customer information in all forms in their possession, custody, or control within thirty (30) days after receipt of written authorization from the Commission. 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.

VII. EQUITABLE MONETARY JUDGMENT

IT IS FURTHER ORDERED that judgment for equitable monetary relief is entered against Defendants in the amount of three million one hundred fifty-six thousand dollars (\$3,156,000), *provided, however,* that full payment of the foregoing amount shall be suspended upon the satisfaction of the obligations set forth in subparagraphs A and B of this Section, and subject to the conditions set forth in subparagraphs D, E, and F of this Section;

- A. for each financial, bank, or brokerage account listed in Attachment A of this Order, the financial institution identified on Attachment A to this Order shall, within five (5) days of entry of this Order, remit the entire balance of each account to the Commission by certified check(s) or other guaranteed funds payable to the Federal Trade Commission, Financial Management Office, or by wire transfer in accordance with directions provided by the Commission. The check(s) or written confirmation of the wire transfer(s) shall be delivered to: Regional Director, East Central Regional Office, Federal Trade Commission, 1111 Superior Avenue, Suite 200, Cleveland, Ohio 44114;
- B. within five (5) days of entry of this Order, Defendants shall assign to the FTC all of their right, title, and interest in any claim or right they may have,

including but not limited to any right to receive property or to receive payment of money, against Genesis Direct and/or its parents, subsidiaries, divisions successors, and assigns, including but not limited to Rodael Direct, Inc. Defendants shall cooperate fully in this assignment and shall promptly execute all documents and take all actions necessary or appropriate to effect this assignment. Genesis Direct and/or its parents, subsidiaries, divisions successors, and assigns, including but not limited to Rodael Direct, Inc., shall, within fourteen (14) days of receiving notice of the assignment, deliver all monies owed or belonging to Defendants to the Regional Director, East Central Regional Office, Federal Trade Commission, 1111 Superior Avenue, Suite 200, Cleveland, Ohio, 44114;

- C. any funds paid pursuant to this Order 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. Defendants shall cooperate fully to assist the Commission in identifying consumers who may be entitled to redress pursuant to this Order. 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) as it determines to be reasonably related to Defendants' and the Non-Stipulating Defendants' practices alleged in the

Complaint. Any funds not used for such equitable relief shall be deposited into the United States Treasury as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Section, and shall have no right to contest the manner of distribution chosen by the Commission. This judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture;

D. the Commission's agreement to this Order is expressly premised upon the truthfulness, accuracy, and completeness of the financial disclosure statements, and supporting documents, provided to the Commission by Defendants on or about November 16, 2009, as supplemented by the asset deposition of Defendant Bruce Meltzer conducted on or about March 2, 2010 (collectively referred to as Financial Information). Defendants stipulate that the Financial Information is truthful, accurate, and complete at the time the Financial Information was submitted. Defendants and the Commission stipulate that the Financial Information provides the basis for the assets listed in Attachment A and includes material information upon which the Commission relied in negotiating and agreeing to this Order. Defendants and the Commission stipulate that the Commission has relied on the truthfulness, accuracy, and completeness of these financial disclosures in agreeing to the terms of this Order and that the Commission would not have entered into this Order but for the truthfulness, accuracy, and completeness of these financial disclosures;

- E. if the Court finds, upon motion by the Commission, that the Defendants have failed to disclose any material asset or materially misstated the value of any asset in the Financial Information described above, then this Order shall be reopened and suspension of the judgment shall be lifted for the purpose of requiring payment of monetary relief in the amount three million one hundred fifty-six thousand dollars (\$3,156,000), less the sum of any amounts paid to the Commission pursuant to subparagraphs A and B of this Section, and any other payments made by other Non-Stipulating Defendants. *Provided, however,* that in all other respects this Order shall remain in full force and effect, unless otherwise ordered by the Court;
- F. upon any reinstatement of the monetary judgment, the Court shall make an express determination that the monetary judgment shall be immediately due and payable. The Commission shall be entitled to interest on the judgment, compute from the date of entry of this Order, at the rate prescribed by 28 U.S.C. § 1961, as amended, on any outstanding amounts not paid. The Commission shall be permitted to execute on the judgment immediately after the suspension is lifted and engage in discovery in aid of execution;
- G. Defendants relinquish all dominion, control, and title to funds paid to the fullest extent permitted by law. Defendants shall make no claim to or demand return of the funds, directly or indirectly, through counsel or otherwise;
- H. Defendants agree that the facts as alleged in the Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or

subsequent civil litigation pursued by the Commission to enforce its rights to any payment or monetary judgment pursuant to this Order, including, but not limited to, a nondischargeability complaint in any bankruptcy case.

Defendants further stipulate and agree that the facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C.

§ 523(a)(2)(A), and that this Order shall have collateral estoppel effect for such purposes; and

- I. proceedings initiated under this Section are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

VIII. LIFTING OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze against Defendants' assets pursuant to the Stipulated Preliminary Injunction entered on November 18, 2009, and modified by the Order entered on November 23, 2009, shall be lifted for the sole purpose of transferring funds to the Commission pursuant to subparagraph A of Section VII of this Order, and the asset freeze shall be dissolved upon transfer of all such funds.

IX. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of (i) monitoring and investigating compliance with any provision of this Order, and (ii) investigating the accuracy of each Defendant's Financial Information, upon which the Commission's agreement to this Order is expressly premised:

- A. within ten (10) business 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 and 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)).

X. 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. Individual Defendant shall notify the Commission of the following:
 - a. any changes in Defendant's residence, mailing address, and telephone numbers, within ten (10) business days of the date of such change;
 - b. any changes in Defendant's employment status (including self-employment), and any change in Defendant's ownership in any business entity, within ten (10) business days of the date of such change. Such notice shall include the name and address of each business that 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 Defendant's duties and responsibilities in connection with the business or employment; and

- c. any changes in Defendant's name or use of any aliases or fictitious names;
 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, however*, 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 Commission, 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 Individual Defendant:

- a. Defendant's then-current residence address, mailing addresses, and telephone numbers;
 - b. Defendant's then-current employment status (including self-employment), including the name, address, and telephone numbers of each business that Defendant is affiliated with, employed by, or performs services for; a detailed description of the nature of the business; and a detailed description of Defendant's duties and responsibilities in connection with the business or employment;
 - 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 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
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington D.C. 20580
RE: *FTC v. Washington Data Resources, et al.*,
Matter No. X100011

Provided, however, 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.

XI. RECORDKEEPING

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Corporate Defendant, and Individual Defendant for any business for which he is the majority owner or directly or indirectly manages or controls, 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, indirectly, or through any third party) and any responses to those complaints or requests;
- E. copies of all sales scripts, training materials, advertisements, direct mail solicitations, contracts sent to consumers, 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 acknowledgment 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."

XII. 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:** 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 Individual Defendant controls, directly or indirectly, or in which he has a majority ownership interest, he 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 Individual 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 Individual Defendant is not a controlling Person of a business but otherwise engages in conduct related to the subject matter of this Order, 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 this Order, within thirty (30) days of delivery, from all Persons receiving a copy of the Order pursuant to this Section.

XIII. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that Defendants, 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.

XIV. COOPERATION WITH FTC COUNSEL

IT IS FURTHER ORDERED that Defendants shall, in connection with this action or any subsequent investigations related to or associated with the transactions or the occurrences that are the subject of the FTC's Complaint, cooperate in good faith with the FTC and appear at such places and times as the FTC shall reasonably request, after written notice, for interviews, conferences, pretrial discovery, review of Documents, and for such other matters as may be reasonably requested by the FTC. If requested in writing by the FTC, Defendants shall appear and provide truthful testimony in any trial, deposition, or other proceeding related to or associated with the transactions or occurrences that are the subject of the Complaint, without the service of a subpoena.

IT IS FURTHER ORDERED that Defendants shall secure and retain any Documents and Records relating to this litigation that are in their possession, custody or control until the conclusion of this litigation as it proceeds against any or all of the Non-Stipulating Defendants to this Order. During the pendency of this litigation against any or all of the Non-Stipulating Defendants, Defendants shall make available or produce within a reasonable time frame any Documents or Records relating to this litigation that are in their possession, custody or control, without the service of a subpoena. Upon the conclusion of this litigation, Defendants shall properly dispose of all Documents and Records relating to this litigation that are in their possession, custody or control as required by the Section titled "Order Provision Regarding Customer Information."

XV. 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.

IT IS SO ORDERED.

DATED this _____ day of _____, 2010

HON. STEVEN D. MERRYDAY
United States District Court Judge

STIPULATED AND AGREED TO:

**Defendant BRUCE MELTZER,
a/k/a BRUCE DUKE, individually**

By: _____


BRUCE MELTZER, a/k/a BRUCE
DUKE

Date: July 13, 2010

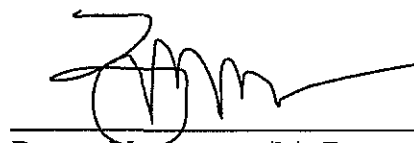
**FOR PLAINTIFF
FEDERAL TRADE COMMISSION:**

WILLARD K. TOM
General Counsel
Federal Trade Commission
Washington, D.C. 20580

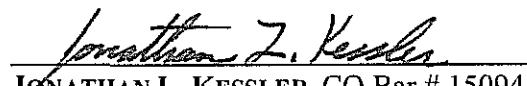
JON MILLER STEIGER
Director — East Central Region
Federal Trade Commission

**Defendant CROWDER LAW GROUP,
P.A.**

By: _____


BRUCE MELTZER, a/k/a BRUCE
DUKE, President

Date: July 13, 2010


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Date: July 15, 2010

**ATTACHMENT A
(DEFENDANT CROWDER LAW GROUP'S FINANCIAL
ACCOUNTS)**

1. Bank of America Checking Account ending in 8596 (Account holder Jackson, Crowder & Associates, P.A.)
2. Bank of America Checking Account ending in 9534 (Account holder Crowder Law Group, P.A.)
3. Fifth Third Checking Account ending in 1257 (Account holder Crowder Law Group, P.A.)