

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

**LIBERTY SUPPLY CO., a corporation,
also d/b/a Omni Services;**

**MIA L. MCCRARY, individually and as an
officer of Liberty Supply Co., also d/b/a
Omni Services;**

**JOHN B. HART, individually and as an
officer of Liberty Supply Co., also d/b/a
Omni Services;**

**NOR-JAY ENTERPRISES, INC., a
corporation,**

TEXAS 110, INC., a corporation,

and

**NORMA J. HART, individually and as an
officer of Nor-Jay Enterprises, Inc.**

Defendants.

Case No. 4:15-cv-829

**STIPULATED ORDER FOR
PERMANENT INJUNCTION AND
MONETARY JUDGMENT**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its Complaint for Permanent Injunction and Other Equitable Relief (Dkt. 1), subsequently amended as Plaintiff’s First Amended Complaint for Permanent Injunction and Other Equitable Relief (“Complaint,” Dkt. 76), pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act

(“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, and the Unordered Merchandise Statute, 39 U.S.C. § 3009.

The Commission and Defendants stipulate to the entry of this Stipulated Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendants participated in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and the Unordered Merchandise Statute, 39 U.S.C. § 3009, in connection with the telemarketing of non-durable office supply products to consumers nationwide.
3. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.
4. Defendants waive any claim that they may have against the Commission, the Receiver, and their agents that relate to this action including, but not limited to, any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order.

5. Defendants agree to bear their own costs and attorney fees.
6. Defendants waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

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

A. “Clear(ly) and conspicuous(ly)” means that a required disclosure is difficult to miss (*i.e.*, easily noticeable) and easily understandable by ordinary consumers, including in all of the following ways:

1. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented.

In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure is made in only one means.

2. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.

3. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.

4. In any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable.

5. On a product label, the disclosure must be presented on the principal display panel.

6. The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears.

7. The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.

8. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.

9. When the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, “ordinary consumers” includes reasonable members of that group.

B. “Defendants” means all of the Corporate Defendants and Individual Defendants, individually, collectively, or in any combination.

1. “Corporate Defendants” means Liberty Supply Co., d/b/a Omni Services, Nor-Jay Enterprises, Inc., Texas 110, Inc., and their successors and assigns.

2. “Individual Defendants” means John B. Hart, Mia L. McCrary, and Norma J. Hart.

C. “Receiver” or “Liquidating Receiver” means **Charlene Koonce of Scheef & Stone, LLP**, the person appointed by the Court in this matter to serve as Receiver over the

Corporate Defendants.

D. “Receivership Estate” means all assets of the Corporate Defendants and all assets transferred to the Receiver pursuant to the Temporary Restraining Order, the Preliminary Injunction, this Order, or other Order entered by this Court.

E. “Telemarketing” means any plan, program, or campaign which is conducted to induce the purchase of goods or services by use of one or more telephones, and which involves a telephone call, whether or not covered by the Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Defendants are permanently restrained and enjoined from participating in telemarketing, whether directly or through an intermediary.

II. REQUIRED DISCLOSURES

IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from failing to clearly and conspicuously disclose, before consumers are asked to reveal billing information or consent to any purchase:

A. The total costs to purchase, receive, or use, and the quantity of, any product or service that is the subject of the sales offer;

B. All material restrictions, limitations, or conditions to purchase, receive or use the product or service that is the subject of the sales offer; and

C. If the seller has a policy of not making refunds, cancellations, exchanges, or repurchases, a statement informing the customer that this is the seller's policy or, if the seller makes a representation about a refund, cancellation, exchange, or repurchase policy, a statement of all material terms and conditions of such policy.

III. PROHIBITED MISREPRESENTATIONS

IT IS FURTHER ORDERED that Defendant, their agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication:

- A. The total cost to purchase, receive, or use, and the quantity of, any product or service that is the subject of the sales offer;
- B. Any material restriction, limitation, or condition to purchase, receive or use the product or service that is the subject of the sales offer;
- C. Any material term of the seller's refund, cancellation, exchange, or repurchase policies;
- D. That a consumer is obligated to pay for any product or service;
- E. That Defendants are offering a product or service at a reduced or discounted rate or price; and
- F. Any other fact material to consumers concerning any product or service, such as its performance, efficacy, nature, or central characteristics.

IV. EXPRESS AUTHORIZATION

IT IS FURTHER ORDERED that Defendant, their agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale or sale of any product or service, are permanently restrained and enjoined from causing billing information to be submitted for payment without the express informed consent of the consumer, which shall include the clear and conspicuous disclosure of: the total number of products the consumer is ordering; all fees and costs, including, but not limited to, any processing and handling charge; and all material conditions applicable to the purchase or receipt of the product or service that is the subject of the offer, in close proximity and prior to the consumer's express informed consent to purchase such products or services.

V. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

A. Judgment in the amount of Four Million Five Hundred and Sixty Thousand Dollars (\$4,560,000) is entered in favor of the Commission and against Defendants as follows:

1. Defendants John B. Hart, Mia L. McCrary, Liberty Supply Co. d/b/a Omni Services, and Texas 110, Inc., are jointly and severally liable, as equitable monetary relief, for the entire Judgment amount of Four Million and Five Hundred Sixty Thousand Dollars (\$4,560,000);

2. Defendants Norma J. Hart and Nor-Jay Enterprises, Inc. are jointly and severally liable for said Judgment, as equitable monetary relief, to the extent of Two

Million Two Hundred Thousand Dollars (\$2,200,000).

B. Defendants John Hart and Norma Hart are ordered to:

1. Transfer possession and all legal and equitable right, title, and interest in all assets listed on Attachment A to this Order to the Liquidating Receiver appointed by this Court, or to such person designated by the Liquidating Receiver. Such transfer must be made within 7 days of any written request by the Liquidating Receiver;

2. Protect, preserve, and take no action to encumber or diminish the value of the assets listed on Attachment A to this Order, including any structures, fixtures or appurtenances thereto;

3. Retain existing insurance coverage on all assets listed on Attachment A to this Order in full force and effect until the transfer to the Liquidating Receiver, or the person designated by the Liquidating Receiver, is complete.

C. In order to transfer possession of any real property, Defendants John Hart and Norma Hart shall vacate, or cause any tenants or occupants to vacate, the property in “broom clean condition” and deliver all keys and security codes, if any, to the Liquidating Receiver, at her request or direction.

D. Defendant Mia L. McCrary is ordered to pay to the Commission Ten Thousand Dollars (\$10,000), and the property listed on Attachment B, as follows:

(1) within 10 days of entry of this Order by electronic fund transfer in accordance with instructions to be provided by a representative of the Commission, Defendant Mia McCrary is ordered to transfer to the Commission \$10,000.00 from her IRA account ending in *██████, and the

property listed on Attachment B; and (2) Defendant Mia McCrary shall cooperate fully with the FTC and/or financial institutions to effectuate the above electronic fund transfers.

E. Upon payment and transfer by Defendants John Hart and Norma Hart of all assets described in Section V.C., and payment by Defendant Mia McCrary of all assets described in Section V.D., the remainder of the judgment is suspended against that Defendant or Defendants, subject to the Subsections below.

F. The Commission's agreement to the suspension of part of the judgment against Defendants John Hart and Norma Hart is expressly premised upon the truthfulness, accuracy, and completeness of sworn financial statements and related documents (collectively "financial representations") submitted to the Commission, namely:

1. The Financial Statement of Defendant John B. Hart signed October 5, 2016, including all tax filings, bank statements, and attachments;
2. The Financial Statement of Defendant Norma J. Hart signed on October 5, 2016, including all tax filings, bank statements, and attachments;
3. The Financial Statement of Defendant Liberty Supply Co., d/b/a Omni Services, signed on October 5, 2016, including all tax filings, bank statements, and attachments;
4. The Financial Statement of Defendant Texas 110, Inc., signed on October 5, 2016, including all tax filings, bank statements, and attachments; and
5. The Financial Statement of Defendant Nor Jay Enterprises, Inc., signed on October 5, 2016, including all tax filings, bank statements, and attachments.

G. The Commission's agreement to the suspension of part of the judgment against

Defendant Mia L. McCary is expressly premised upon the truthfulness, accuracy, and completeness of sworn financial statements and related documents (collectively “financial representations”) submitted to the Commission, namely:

1. The Financial Statement of Defendant Mia L. McCary signed on October 5, 2016, including all tax filings, bank statements, and attachments;
2. The Financial Statement of Defendant Liberty Supply Co., d/b/a Omni Services, signed on October 5, 2016, including all tax filings, bank statements, and attachments;
3. The Financial Statement of Defendant Texas 110, Inc., signed on October 5, 2016, including all tax filings, bank statements, and attachments.
4. The Financial Statement of Defendant Nor Jay Enterprises, Inc., signed on October 5, 2016, including all tax filings, bank statements, and attachments.

H. The suspension of the judgment will be lifted as to any Defendant if, upon motion by the Commission, the Court finds that such Defendant, individually or as a corporate representative, failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations identified above, or that Defendant is in default on any obligation under Section V of this Order.

I. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Defendant in the amount specified in Subsection A above (which the parties stipulate only for purposes of this Section represents the unjust enrichment alleged in the Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets of the Receivership Estate and all assets transferred pursuant to this Order and may not seek the return of any assets.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the Commission, including in a proceeding to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. 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 this Order will have collateral estoppel effect for such purposes.

D. Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Defendants previously submitted to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. All money paid to the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other equitable relief (including consumer information remedies) as it

determines to be reasonably related to Defendants' practices alleged in the Complaint. Any money not used for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

VII. CUSTOMER INFORMATION

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

A. Failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the Commission, within 14 days.

B. 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), that any Defendant obtained prior to entry of this Order in connection with the telemarketing or sale of non-durable office supply products; and

C. Failing to destroy such customer information in all forms in their possession, custody, or control within 30 days after receipt of written direction to do so from a representative of the Commission.

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 law, regulation, or court

order.

VIII. LIQUIDATING RECEIVER

IT IS FURTHER ORDERED that:

A. The Receiver, **Charlene Koonce of Scheef & Stone, LLP**, is hereby appointed as a Liquidating Receiver with the full power of an equity receiver. The Liquidating Receiver shall be an agent of this Court, and solely the agent of this Court, in acting as Liquidating Receiver under this Order. The Liquidating Receiver shall comply with all laws and Local Rules of this Court governing receivers. Except for an act of gross negligence, the Liquidating Receiver and any professionals it retains to assist it shall not be liable for any loss or damage incurred by Defendants, their agents, servants, employees, and attorneys or any other person, by reason of any act performed or omitted to be performed by the Liquidating Receiver or any professional it retains to assist it in connection with the discharge of its duties and responsibilities.

B. The Liquidating Receiver shall assume responsibility for management and maintenance of the assets of the Receivership Estate, including those transferred pursuant to the section titled Monetary Judgment and Partial Suspension at Section V of this Order. The Liquidating Receiver shall preserve and protect such assets by undertaking necessary repairs, procuring appropriate insurance, and making required payments for taxes, insurance, assessments, reasonable and necessary maintenance, and any other actions necessary to efficiently manage the assets and to maintain their value. Payment for any service or activity necessary to preserve or protect such assets is payable from the assets of the Receivership Estate, without prior approval by the Court. All such payments shall be itemized in the Receiver's reports to the Court or

motions related to the sale of such asset.

C. The Liquidating Receiver shall liquidate the assets of the Receivership Estate and all net proceeds, after payment of any liens and necessary expenses of the Liquidating Receiver, shall be paid to the Commission. Such payment shall be made within 7 days following the Court's approval of the Receiver's final application for compensation and expenses, by electronic fund transfer in accordance with instructions to be provided by a representative of the Commission.

D. In liquidating the assets of the Receivership Estate, the following provisions apply:

1. Pursuant to the provisions of 28 U.S.C. § 2001(b), the Liquidating Receiver shall, at reasonable cost and in a commercially reasonable fashion, liquidate, the assets of the Receivership Estate.

2. The Court expressly approves the use of a realtor's marketing analysis as one of the three appraisals required by 28 U.S.C. § 2001(b).

3. Defendants shall cooperate fully with the Liquidating Receiver and take such other steps as the Liquidating Receiver may require in connection with the listing, marketing, and sale of the assets of the Receivership Estate.

4. The Liquidating Receiver is authorized to sell, if commercially feasible, or donate or destroy if a sale is not feasible, the computers removed from the Liberty Supply Office location and placed in storage. All data shall be "scrubbed" from computers prior to the sale or donation. The Liquidating Receiver is authorized to destroy all business records removed from the Liberty Supply office location except those records which are necessary

for tax return preparation or otherwise required to be maintained by law.

5. Defendants shall sign any documents necessary for the sale of the assets of the Receivership Estate, including, but not limited to, powers of attorney and any documents necessary to effectuate a transfer of any such assets to third parties. Defendants shall also sign any documents necessary to transfer any accounts, mail, or notices related to the assets of the Receivership Estate to the Liquidating Receiver.

6. Defendants shall cooperate fully and not interfere with the Liquidating Receiver's efforts to enter onto, market, and sell the real or personal property in the Receivership Estate. Defendants shall provide timely and reasonable access to all prospective buyers and realtors, if their cooperation or assistance is necessary to accomplish such access. Defendants shall have no authority, discretion, or control over the Liquidating Receiver's efforts to market or sell the property in the Receivership Estate.

7. All ad valorem taxes, any transfer fees, recording fees, other fees, advertising, and any commissions associated with or resulting from the sale of the assets of the Receivership Estate shall be paid from the proceeds of the sale(s) at the time the assets of the Receivership Estate are sold.

E. The Liquidating Receiver is entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by it. The Liquidating Receiver's compensation and the compensation of any persons hired by it are to be paid solely from the assets of the Receivership Estate or the proceeds of the sale of the assets of the Receivership Estate, and such payments shall have priority over all other

distributions except for any transfer fees, recording fees, or other payments owed through the transfer of the assets of the Receivership Estate at the time of their sale.

F. The Liquidating Receiver shall prepare and file all necessary reports or filings to comply with applicable state or federal laws with regard to the Receivership Estate, file its final report and application for fees, prepare and file the tax return for the Receivership Estate, complete liquidation and terminate its service within six (6) months of the date of this Order unless good cause is shown to extend the estate beyond six (6) months. The Receiver has no obligation to file reports every 90 days, as previously required by the Preliminary Injunction.

G. Upon completion of the above tasks and the final transfer of all funds to the Commission pursuant to this Section, the duties of the Liquidating Receiver shall terminate, be satisfied, and the Liquidating Receiver shall be entitled to an order discharging the Liquidating Receiver.

IX. ORDER ACKNOWLEDGMENTS

IT IS FURTHER ORDERED that Defendants obtain acknowledgments of receipt of this Order:

A. Each Defendant, within 7 days of entry of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. For 20 years after entry of this Order, each Individual Defendant for any business that such Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, and each Corporate Defendant, must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, and representatives who participate in conduct related to the subject matter of the Order; and
3. Any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting.

Delivery must occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Defendant delivers a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

X. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Defendants make timely submissions to the Commission:

A. One year after entry of this Order, each Defendant must submit a compliance report, sworn under penalty of perjury:

1. Each Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Defendant; (b) identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the

involvement of any other Defendant (which Individual Defendants must describe if they know or should know due to their own involvement); (d) describe in detail whether and how that Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.

2. Additionally, each Individual Defendant must: (a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest; and (c) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For 10 years after entry of this Order, Defendants Mia McCrary, John Hart and Norma Hart, must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Defendant must report any change in: (a) any designated point of contact; or (b) the structure of any Corporate Defendant or any entity that Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

2. Additionally, each Individual Defendant must report any change in: (a)

name, including aliases or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

C. Each Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant within 14 days of its filing.

D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: FTC v. Liberty Supply Co., Matter No. X160008.

XI. RECORDKEEPING

IT IS FURTHER ORDERED that Defendants must create certain records for 20 years

after entry of the Order, and retain each such record for 5 years. Specifically, Corporate Defendants and each Individual Defendant for any business that such Defendant, individually or collectively with any other Defendants, is a majority owner or controls directly or indirectly, must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold;
- B. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response; and
- D. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission.

XII. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Defendants' compliance with this Order, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets as required by this Order:

- A. Within 14 days of receipt of a written request from a representative of the Commission, each Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Commission is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

B. For matters concerning this Order, the Commission is authorized to communicate directly with each Defendant. Defendant must permit representatives of the Commission to interview any employee or other person affiliated with any Defendant who has agreed to such an interview. The person interviewed may have counsel present.

C. The Commission may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits 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.

D. Upon written request from a representative of the Commission, any consumer reporting agency must furnish consumer reports concerning Individual Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XIII. RETENTION OF JURISDICTION

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

SIGNED this 23rd day of March, 2017.


AMOS L. MAZZANT
UNITED STATES DISTRICT JUDGE

SO STIPULATED AND AGREED:

FOR THE PLAINTIFF:

DAVID C. SHONKA
Acting General Counsel

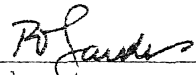
DAMA J. BROWN
Regional Director, Southwest Region

/s/ Eric N. Roberson

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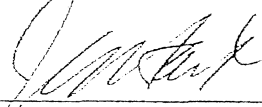
FOR DEFENDANTS:


 Roger D. Sanders
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 Sherman, Texas 75090
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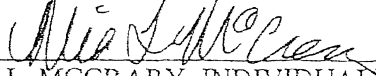
Date: 9/30/16

 Deanya Kueckelhan Cocanougher
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 and Nor-Jay Enterprises, Inc
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Date: _____


 JOHN B. HART, INDIVIDUALLY
 AND AS FORMER OFFICER OF
 LIBERTY SUPPLY CO. and TEXAS 110, INC.

Date: 9-29-16

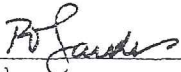

 MIA L. MCCRARY, INDIVIDUALLY
 AND AS FORMER OFFICER OF
 LIBERTY SUPPLY CO. and TEXAS 110, INC.

Date: 9-30-16

 J. Bennett White
 Attorney for Defendant Norma J. Hart
 Texas State Bar 21309800
 P. O. Box 6250

Date: _____

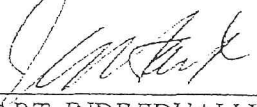
FOR DEFENDANTS:


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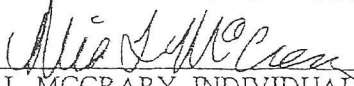
Date: 9/30/16

Deanya Kueckelhan Cocanougher
 Attorney for Defendants Liberty Supply Co.,
 John B. Hart, Mia L. McCrary, Texas 110, Inc.,
 and Nor-Jay Enterprises, Inc
 Texas State Bar No. 11751500
 Cantey Hanger, LLP
 600 West 6th Street, Suite 300
 Fort Worth, Texas 76102-3685
 Phone: (817) 877-2809
 Email: dcocanougher@canteyhanger.cm

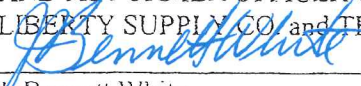
Date: _____


 JOHN B. HART, INDIVIDUALLY
 AND AS FORMER OFFICER OF
 LIBERTY SUPPLY CO. and TEXAS 110, INC.

Date: 9-29-16


 MIA L. MCCRARY, INDIVIDUALLY
 AND AS FORMER OFFICER OF
 LIBERTY SUPPLY CO. and TEXAS 110, INC.

Date: 9-30-16


 J. Bennett White
 Attorney for Defendant Norma J. Hart
 Texas State Bar 21309800
 P. O. Box 6250

Date: 11-4-16

Tyler, Texas 75711
Phone: (903) 597-4300
Fax: (903) 597-4330
Email: jbw@jbwlawfirm.com



NORMA J. HART, INDIVIDUALLY AND
AS FORMER OFFICER OF NOR-JAY
ENTERPRISES, INC.

Date: November 1, 2016

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

LIBERTY SUPPLY CO., ET AL.,

Defendants.

Case No. 4:15-cv-829

**ACKNOWLEDGMENT BY
AFFIDAVIT OF RECEIPT
OF ORDER BY
DEFENDANT JOHN B.
HART**

1. My name is John B. Hart. I am a U.S. citizen over the age of eighteen, and I have personal knowledge of the facts set forth in this Acknowledgment.
2. I was a Defendant in *FTC v. Liberty Supply Co., et al.*, which is the court case listed near the top of this page.
3. On _____, 2016, I received a copy of the Stipulated Order for Permanent Injunction and Civil Penalty Judgment, which was signed and entered by the Court on _____, 2016. A true and correct copy of the Order that I received is attached to this Acknowledgment.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on ____ day of _____, 2016.

John B. Hart, Individually and as a former officer of
Liberty Supply Co. and Texas 110, Inc.

State of _____, City of _____

Subscribed and sworn to before me
this ____ day of _____, 201__.

Notary Public

My commission expires:

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

LIBERTY SUPPLY CO., ET AL.,

Defendants.

Case No. 4:15-cv-829

**ACKNOWLEDGMENT BY
AFFIDAVIT OF RECEIPT
OF ORDER BY
DEFENDANT MIA L.
MCCRARY**

1. My name is Mia L. McCrary. I am a U.S. citizen over the age of eighteen, and I have personal knowledge of the facts set forth in this Acknowledgment.
2. I was a Defendant in *FTC v. Liberty Supply Co., et al.*, which is the court case listed near the top of this page.
3. On _____, 2016, I received a copy of the Stipulated Order for Permanent Injunction and Civil Penalty Judgment, which was signed and entered by the Court on _____, 2016. A true and correct copy of the Order that I received is attached to this Acknowledgment.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on ____ day of _____, 2016.

Mia L. McCrary, Individually and as a former officer
of Liberty Supply Co. and Texas 110, Inc.

State of _____, City of _____

Subscribed and sworn to before me
this ____ day of _____, 201__.

Notary Public

My commission expires:

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

LIBERTY SUPPLY CO., ET AL.,

Defendants.

Case No. 4:15-cv-829

**ACKNOWLEDGMENT BY
AFFIDAVIT OF RECEIPT
OF ORDER BY
DEFENDANT NORMA J.
HART**

1. My name is Norma J. Hart. I am a U.S. citizen over the age of eighteen, and I have personal knowledge of the facts set forth in this Acknowledgment.
2. I was a Defendant in *FTC v. Liberty Supply Co., et al.*, which is the court case listed near the top of this page.
3. On _____, 2016, I received a copy of the Stipulated Order for Permanent Injunction and Civil Penalty Judgment, which was signed and entered by the Court on _____, 2016. A true and correct copy of the Order that I received is attached to this Acknowledgment.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on ____ day of _____, 2016.

Norma J. Hart, Individually and as a former officer
of Nor-Jay Enterprises, Inc.

State of _____, City of _____

Subscribed and sworn to before me
this ____ day of _____, 201__.

Notary Public

My commission expires:

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

LIBERTY SUPPLY CO., ET AL.,

Defendants.

Case No. 4:15-cv-829

**ACKNOWLEDGMENT BY
DECLARATION OF
RECEIPT OF ORDER BY A
NON PARTY**

I, _____, received a copy of the Stipulated Order for Permanent Injunction and Civil Penalty Judgment in *FTC v. Liberty Supply Co., et al* on _____, 20__.

I was not a Defendant in that court case. My title or relationship with Defendant(s) _____ is _____.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on _____, 2016.

Signed:

Attachment A

<u>Property</u>	<u>Description</u>
Real Property 2 Gainesville 6.5 Acres	Hwy 82 East
Real Property 8 .5 Acres	Hwy 82 East Gainesville Rent House +
Real Property 9	4401 Hwy 82 East Mobile Home 5.74 acres
Real Property 11	4401 Hwy 82 East 4.6 Acres land
Real Property 12	4241 Hwy 82 East Office 2 Acres
Real Property 13	Ranch Claude, TX 250 acres

Automobiles

- 1964 Chevrolet Corvette
- 2006 Chevrolet SSR
- 1999 Jeep Wrangler
- 2008 Jeep Wrangler
- 2005 Dodge Pickup

Attachment B

The entire contents of an Allianz Annuity Account in the name of Mia McCrary containing approximately \$7,950 and ending in xx[REDACTED].