

DEBRA A. VALENTINE
General Counsel

BARBARA ANTHONY
Regional Director

CAROLE A. PAYNTER (CP 4091)
ALAN B. LOUGHNAN (AL 3993)
Federal Trade Commission
Northeast Region
One Bowling Green, Suite 318
New York, NY 10004
(212) 607-2813

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

WORLD INTERACTIVE GAMING
CORP., a Delaware Corporation,
JEFFREY BURTON, LAWRENCE
BLOCKER, d/b/a JAMES LAWRENCE
ASSOCIATES, AND GREGORY FLEMMING,
d/b/a MALLORY ENTERPRISES, INC.,

Defendants, and

CYNTHIA J. BURTON, a/k/a CYNTHIA J.
MITCHELL,

Relief Defendant.

CIVIL ACTION NO.
CV-98-5115 (JS)

**STIPULATED ORDER OF
PERMANENT INJUNCTION
AND CONSUMER REDRESS
AS TO DEFENDANTS WORLD
INTERACTIVE GAMING
CORP., JEFFREY BURTON,
LAWRENCE BLOCKER, AND
CYNTHIA J. BURTON.**

Plaintiff, the Federal Trade Commission (the "Commission"), has filed its complaint pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, charging Defendants World Interactive Gaming Corp., Jeffrey Burton, and Lawrence Blocker d/b/a James Lawrence and Associates, Gregory Flemming d/b/a Mallory Enterprises, Inc., with violations of Section 5 of the FTC Act, 15 U.S.C. § 45, and seeking monetary relief against Cynthia J. Burton, a/k/a Cynthia J. Mitchell, as a relief defendant.

Plaintiff and Defendants World Interactive Gaming Corp., Jeffrey Burton, and Lawrence Blocker d/b/a James Lawrence and Associates and Relief Defendant Cynthia J. Burton, have now agreed to the entry of this Stipulated Order of Permanent Injunction and Consumer Redress ("Order") by this Court in order to resolve all matters of dispute between them in this action without trial or adjudication of any of the issues of law or fact herein,

NOW, THEREFORE, Plaintiff and Defendants having requested the Court to enter this Order, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** as follows:

FINDINGS

1. This Court has jurisdiction over the subject matter of this case and over the parties consenting hereto.
2. This is an action by Plaintiff instituted under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b. Pursuant to these sections, Plaintiff has authority to seek the relief it has requested.
3. On August 10, 1998, Plaintiff filed its complaint for a permanent injunction and other equitable relief in this matter, and moved for a preliminary injunction pursuant to Rule 65 of the Federal

Rules of Civil Procedure, Fed. R. Civ. P. 65. A Stipulated Preliminary Injunction Order was entered on September 9, 1998.

4. The complaint states a claim upon which relief may be granted against Defendants under Sections 5 and 19 of the FTC Act, 15 U.S.C. §§ 45 and 57b.

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

6. Defendants have waived all rights to seek appellate review of, or otherwise challenge or contest the validity of, this Order.

7. This Order does not constitute and shall not be interpreted to constitute an admission by Defendants that they have engaged in violations of the FTC Act.

8. Defendants have waived all claims under the Equal Access to Justice Act, 28 U.S.C. § 2412.

DEFINITIONS

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

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

2. "Investment" or "investment offering" means any interest, product or service, including any partnership, interest in any partnership, stock or other beneficial interest, tangible or intangible, that in any way is (a) offered for sale, traded, or sold, to be held, wholly or in part, for purposes of economic benefit, profit, or income, or (b) offered for sale, traded, or sold, based on representations, wholly or in part, express or implied, about past or future income, appreciation, or resale value;

3. "On-line gaming" means any contest, game, gaming scheme or gaming device offered over the Internet, where the outcome depends in a material degree upon an element of chance, notwithstanding that the skill of the contestant may also be a factor therein, and where the contestant is required to part with value on the chance of receiving a return of value;

4. "Defendants" means World Interactive Gaming Corp., Jeffrey Burton, and Lawrence Blocker, d/b/a James Lawrence and Associates, and each of them and their successors, assigns, directors, officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device;

5. "Relief Defendant" means Cynthia J. Burton, a.k.a. Cynthia J. Mitchell;

6. "Plaintiff" means the Federal Trade Commission;

7. "Receivership Defendants" means Defendant World Interactive Gaming Corp., and any affiliates or subsidiaries of this corporation, including Golden Chips Casinos, Inc.;

8. "Document" 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 the 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.

I. PROHIBITED BUSINESS ACTIVITIES

IT IS THEREFORE ORDERED that Defendants are hereby permanently restrained and enjoined from:

A. Making, or assisting others in making, expressly or by implication, any false or misleading oral or written statement or representation of material fact in connection with the promotion, advertising, marketing, or offering for sale, or sale of any investment in an on-line gaming entity, or in entities operating or owning, or seeking to operate or own, an on-line gaming entity, including, but not limited to, representations about the following:

1. the income or profits likely to be achieved by the proposed venture;
2. the return likely to be realized by an investor in the proposed venture; and
3. the income or profits realized in the on-line gaming industry in general, or by any particular on-line gaming entity.

B. Making, or assisting others in making, expressly or by implication, any false or misleading oral or written statement or representation of material fact in connection with the promotion, advertising, marketing, or offering for sale, or sale of any investment, including, but not limited to, representations about the following:

1. the nature or quality of any investment Defendants offer;
2. the past earnings or likely future returns of any consumer;
3. the price, profit, or appreciation likely to be realized from any investment;
4. that the purchase of Defendants' investment is a low risk, or high return, investment; and
5. any other fact material to a consumer's decision to purchase any investment.

C. Using, for any purpose whatsoever, any aliases or assumed names that are different from their legal names, or using, for any purpose whatsoever, unincorporated businesses or entities.

D. Violating or assisting others in violating any provisions of the Commission's Telemarketing Sales Rule, 16 C.F.R. Part 310 (as amended from time to time), including but not limited to: misrepresenting, directly or by implication "[a]ny material aspect of an investment opportunity including, but not limited to, risk, liquidity, earnings potential, or profitability." 16 C.F.R. § 310.3(a)(2)(vi).

II. CUSTOMER LISTS

IT IS FURTHER ORDERED that Defendants are hereby permanently restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, credit card number, bank account number, e-mail address, Social Security Number, or other identifying information of any person who paid any money to the Defendants, at any time prior to the date this Order is entered, in connection with the purchase of the investment referenced in the complaint. *Provided, however,* that Defendants may disclose such identifying information to a law enforcement agency or as required by any law, regulation, or court order.

III. PERFORMANCE BOND

IT IS FURTHER ORDERED that Defendant Jeffrey Burton and Defendant Lawrence Blocker are permanently restrained and enjoined from engaging or participating, whether directly or indirectly, in concert with others, or through any business entity or other device, in the promotion, advertising, marketing, offering for sale, or sale, of any investment in any on-line gaming entity, including, but not limited to, investments in entities owning or operating, or seeking to own or operate Internet casinos, unless and until Defendants Jeffrey Burton and Lawrence Blocker each first obtain a

performance bond for each such business entity or activity in the principal sum of TWO MILLION DOLLARS (\$2,000,000).

A. This bond shall be conditioned upon compliance with Section 5 of the FTC Act, 15 U.S.C. § 45, and with the provisions of this Order. The bond shall be deemed continuous and remain in full force and effect as long as Defendant Jeffrey Burton and Defendant Lawrence Blocker continue to engage or participate in, whether directly or indirectly, in concert with others, or through any business entity or other device, promoting, advertising, marketing, offering for sale, or sale, of any investment in any on-line gaming entity, including, but not limited to, investments in entities owning or operating or seeking to own or operate Internet casinos, and for at least three (3) years after each has ceased to engage in such activity. The bond shall cite this Order as the subject matter of the bond, and shall provide surety thereunder against financial loss resulting from whole or partial failure of performance due, in whole or in part, to any violation of Section 5 of the FTC Act, 15 U.S.C. § 45, or the provisions of this Order.

B. The performance bond required pursuant to this Paragraph shall be an insurance agreement providing surety for financial loss issued by a surety company that is admitted to do business in each of the states in which Defendant Jeffrey Burton or Defendant Lawrence Blocker does business and that holds a Federal Certificate of Authority as Acceptable Surety on Federal Bond and Reinsuring. Each such performance bond shall be in favor of both: (1) the Federal Trade Commission for the benefit of any consumer injured as a result of any false or misleading representation of material fact made by Defendant Jeffrey Burton or Defendant Lawrence Blocker, his agents or any other persons acting in concert with him or under his authority, supervision, or control, while engaged in the

promoting, advertising, marketing, offering for sale, or sale, of any investment in an on-line gaming entity, including, but not limited to, investments in entities owning or operating, or seeking to own or operate Internet casinos, and (2) any consumer so injured.

C. The bond required pursuant to this Paragraph is in addition to, and not in lieu of, any other bond required by any other federal, state, or local law, or by any other court order not entered in this action. The bond requirement exemption in this Paragraph shall not be construed to limit or preempt the regulatory powers of any other federal, state, local, or other government agency.

D. At least ten (10) days before the commencement of any activity for which the bond is required by this Paragraph, Defendant Jeffrey Burton or Defendant Lawrence Blocker shall provide a copy of the bond to the Director of the Northeast Region of the Federal Trade Commission at the address specified in Paragraph XII. D. of this Order.

E. Neither Defendant Jeffrey Burton nor Defendant Lawrence Blocker shall disclose the existence of any performance bond required by this Paragraph to any consumer, or other purchaser or prospective purchaser of any investment in an on-line gaming entity or any entity that plans or purports to own an on-line gaming entity, without disclosing clearly and prominently, at the same time: “AS REQUIRED BY ORDER OF THE U.S. DISTRICT COURT IN SETTLEMENT OF CHARGES OF FALSE AND MISLEADING REPRESENTATIONS IN THE PROMOTION AND SALE OF INVESTMENTS.”

F. The Commission may execute against the performance bond if it demonstrates to this Court by a preponderance of the evidence that, after the effective date of this Order, any business in which Defendant Jeffrey Burton or Defendant Lawrence Blocker holds an ownership interest, shares,

or stock, or in which he serves as an officer, director, or trustee, made any false or misleading representation of material fact, expressly or by implication, in connection with the promoting, advertising, marketing, offering for sale, or sale, of investments in an on-line gaming entity, including, but not limited to, investments in any entity owning or operating, or seeking to own or operate, Internet casinos.

G. Proceedings instituted under this Paragraph are in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

IV. MONETARY RELIEF

IT IS FURTHER ORDERED that:

- A. Judgment is hereby entered against Defendants and the Relief Defendant in the amount of ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$1,800,000). Based upon their representations in their financial statements and subject to the conditions provided for in Paragraph VI. of this Order, the Commission hereby suspends payment of all but EIGHT HUNDRED THIRTEEN THOUSAND AND FORTY-NINE DOLLARS (\$813,049) for equitable monetary relief, including, but not limited to, consumer redress, and for paying any attendant expenses of administering any redress fund to be paid from funds previously frozen.
- B. If the Commission, in its sole discretion, determines that redress is wholly or partially impractical, any funds not used as redress shall be deposited in the United States Treasury. The Commission in its sole discretion may use a designated agent to

administer consumer redress. Defendants acknowledge and agree that this judgment for equitable monetary relief, as with all other relief provided in this Order, is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture.

- C. It is further adjudged and ordered that the sum of \$28,000 owed by Defendant Blocker to the Plaintiff Federal Trade Commission, shall be paid over to Patrick J. Mielo, Esq., for payment of outstanding attorney's fees.

V. FURNISHING OF TAXPAYER IDENTIFICATION NUMBERS

IT IS FURTHER ORDERED that Defendants and the Relief Defendant are hereby required, in accordance with 31 U.S.C. § 7701, to furnish to the Commission their respective taxpayer identification numbers (Social Security Number or Employer Identification Number), which shall be used for purposes of collecting and reporting on any delinquent amount arising out of such persons' relationship with the government.

VI. REAFFIRMATION OF FINANCIAL STATEMENT

IT IS FURTHER ORDERED that, within three (3) business days from the date of entry of this Order, Defendants and the Relief Defendant shall submit to the Commission a truthful sworn statement that shall reaffirm and attest to the truth, accuracy, and completeness of the financial statements of Defendants World Interactive Gaming Corp., and Jeffrey Burton, executed on December 1, 1998, the financial statement of Defendant Jeffrey Blocker and Relief Defendant Cynthia J. Burton executed on November 25, 1998.

VII. RIGHT TO REOPEN

IT IS FURTHER ORDERED that the Commission's agreement to this Order is expressly premised upon the truthfulness, accuracy, and completeness of the Defendants' financial conditions as

represented in their respective financial statements, which contain material information relied upon by the Commission in negotiating and agreeing to the terms of this Order. If, upon motion by the Commission, this Court finds that any Defendant failed to disclose any material asset, materially misrepresented the value of any asset, or made any other material misrepresentation or omission on any Defendant's financial statement, the Commission may request that the Final Judgment be reopened for the sole purpose of allowing the Commission to modify Defendants' monetary liability. A finding of material misrepresentation or omission as to the financial statement of any Defendant will render immediately due and payable the entire suspended judgment against such Defendant of ONE MILLION EIGHT HUNDRED THOUSAND Dollars (\$1,800,000), less the sum of EIGHT HUNDRED THIRTEEN THOUSAND AND FORTY-NINE Dollars (\$813,049) previously frozen; *provided, however*, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by the Court and that Defendants waive their right to contest any of the allegations in the complaint filed in this matter in any proceedings brought pursuant to this Paragraph; and, *provided further*, that proceedings instituted under this provision would be in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

VIII. ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that, within five (5) business days after receipt by each Defendant of this Order as entered by this Court, each Defendant and the Relief Defendant shall submit to the Commission a truthful sworn statement, in the form shown on Appendix A-1, Appendix A-2, and Appendix A-3, that shall acknowledge receipt of this Order.

IX. DISTRIBUTION OF ORDER BY DEFENDANTS

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

- A. Provide a copy of this Order to, and obtain a signed and dated acknowledgment of receipt of same from, each officer or director, each individual serving in a management capacity, all personnel involved in responding to consumer complaints or inquiries, and all sales personnel, whether designated as employees, consultants, independent contractors or otherwise, immediately upon employing or retaining any such persons, for any business where: (1) Defendant Jeffrey Burton or Defendant Lawrence Blocker is the majority owner of the business or directly or indirectly manages or controls the business, and (2) the business is engaged in the promotion, advertising, marketing, offering for sale, or sale, of any investment in an on-line gaming entity, including, but not limited to, investments in entities owning or operating, or seeking to own or operate Internet casinos, or assisting others engaged in such activity;
- B. Maintain for a period of three (3) years after creation, and upon reasonable notice, make available to representatives of the Commission, the original signed and dated acknowledgments of the receipt of copies of this Order, as required in Subsection A. of this Paragraph.

X. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that Defendant Jeffrey Burton and Defendant Lawrence Blocker, in connection with any business where (1) Defendant Jeffrey Burton or Defendant Lawrence

Blocker is the majority owner of the business or directly or indirectly manages or controls the business, and (2) the business is engaged in the promotion, advertising, marketing, offering for sale or sale of any investment in an on-line gaming entity, including, but not limited to, investments in entities owning or operating, or seeking to own or operate Internet casinos, or assisting others engaged in such activity, 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 Paragraph I. of this Order. Such steps shall include adequate monitoring of sales presentations or other calls with customers, 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; *provided* that this Paragraph does not authorize or require the Defendants to take any steps that violate any federal, state, or local laws;

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

C. Failing to take corrective action with respect to any sales person whom Defendant Jeffrey Burton or Defendant Lawrence Blocker determines is not complying with this Order, including, but not limited to, training, disciplining, and/or terminating such individual.

XI. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, Defendants Jeffrey Burton and Lawrence Blocker, their agents, employees, officers, and servants, corporations, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, in connection with any business where: (1) Defendant Jeffrey Burton or Defendant Lawrence Blocker is the majority owner of the business or directly or indirectly manages or controls the business, and (2) the business is engaged in the promotion, advertising, marketing, offering for sale, or sale, of any investment in an on-line gaming entity, including, but not limited to, investments in entities owning and operating, or seeking to own or operate Internet casinos, or assisting others engaged in such activities, are hereby restrained and enjoined from failing to create, and from failing to retain for a period of three (3) years following the date of such creation, unless otherwise specified:

- A. Books, records and accounts that, in reasonable detail, accurately and fairly reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- B. 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. Any business subject to this Paragraph shall retain such records for any terminated employee for a period of two (2) years following the date of termination;

- C. Records containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, for all consumers to whom such business has sold, invoiced, or shipped any goods or services;
- D. Records that reflect, for every consumer complaint or refund request, whether received directly, indirectly, or through any third party:
1. the consumer's name, address, telephone number and the dollar amount paid by the consumer;
 2. the written complaint or refund request, if any, and the date of the complaint or refund request;
 3. the basis of the complaint, including the name of any salesperson complained against, and the nature and result of any investigation conducted concerning any complaint;
 4. each response and the date of the response;
 5. any final resolution and the date of the resolution; and
 6. in the event of a denial of a refund request, the reason for the denial.
- E. Copies of all sales scripts, training materials, advertisements, or other marketing materials utilized; *provided that* copies of all sales scripts, training materials, advertisements, or other marketing materials utilized shall be retained for three (3) years after the last date of dissemination of any such materials.

XII. COMPLIANCE REPORTING BY DEFENDANTS

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, each of the Defendants shall notify the Commission of the following:
1. Any changes in such Defendant's residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;
 2. Any changes in such Defendant's employment status (including self-employment) within ten (10) days of such change. Such notice shall include the name and address of each business that such Defendant is affiliated with or employed by, a statement of the nature of the business, and a statement of such Defendant's duties and responsibilities in connection with the business or employment; and
 3. Any proposed change in the structure of any business entity, including Defendant World Interactive Gaming Corp., owned or controlled by Defendant Jeffrey Burton or Defendant Lawrence Blocker, such as creation, incorporation, dissolution, assignment, sale, merger, creation or dissolution of subsidiaries, proposed filing of a bankruptcy petition, or change in the corporate name or address, or any other change that may affect compliance obligations arising out of this Order, thirty (30) days prior to the effective date of any proposed change; *provided, however*, that with respect to any

proposed change in the corporation about which such Defendant learns less than thirty (30) days prior to the date such action is to take place, Defendant shall notify the Commission as soon as is practicable after learning of such proposed change.

- B. One hundred eighty (180) days after the date of entry of this Order, each individual Defendant shall provide a written report to the Commission, sworn to under penalty of perjury, setting forth in detail the manner and form in which the Defendant has complied and is complying with this Order. This report shall include, but not be limited to:
1. Such Defendant's then current residence or mailing address and telephone number;
 2. Such Defendant's then current employment, business addresses and telephone numbers, a description of the business activities of each such employer, and such Defendant's title and responsibilities for each employer;
 3. A copy of each acknowledgment of receipt of this Order obtained by such Defendant pursuant to Paragraph VIII;
 4. A statement describing the manner in which such Defendant has complied and is complying with Paragraphs I. through IV. of this Order; and
 5. A statement indicating whether any performance bond has been obtained by the individual Defendant pursuant to Paragraph III. of the Order, and attaching a copy of any such bond so obtained.

- C. Upon written request by a representative of the Commission, each Defendant shall submit additional written reports (under oath, if requested) and produce documents on fifteen (15) days notice with respect to any conduct subject to this Order.
- D. For the purposes of this Order, each Defendant shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Barbara Anthony, Regional Director
Northeast Region
Federal Trade Commission
One Bowling Green, Suite 318
New York, NY 10004

Re: FTC v. World Interactive Gaming, Corp. et. al.,
Civil Action No. CV-98-5115 (JS)

- E. For the purposes of this Paragraph, "employment" includes the performance of services as an employee, consultant, or independent contractor; and "employers" include any individual or entity for whom Defendant Jeffrey Burton or Defendant Lawrence Blocker performs services as an employee, consultant, or independent contractor;
- F. For purposes of the compliance reporting required by this Paragraph, the Commission is authorized to communicate directly with Defendant Jeffrey Burton and Defendant Lawrence Blocker.

XIII. COMMISSION'S AUTHORITY TO MONITOR COMPLIANCE

IT IS FURTHER ORDERED that the Commission is authorized to monitor the Defendants' compliance with this Order by all lawful means, including but not limited to the following:

- A. The Commission is authorized, without further leave of court, to obtain discovery from any person in the manner provided by Chapter V of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 26 - 37, including the use of compulsory process pursuant to Fed. R. Civ. P. 45, for the purpose of monitoring and investigating any Defendant's compliance with any provision of this Order;
- B. The Commission is authorized to use representatives posing as consumers and as suppliers to Defendant World Interactive Gaming Corp., Defendant's employees, or any other entity managed or controlled in whole or in part by Defendant Jeffrey Burton and/or Defendant Lawrence Blocker, without the necessity of identification or prior notice; and
- C. 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 investigate whether each or all of the Defendants have violated any provision of this Order or Section 5 of the FTC Act, 15 U.S.C. § 45.

XIV. ACCESS TO BUSINESS PREMISES

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, for the purpose of further determining compliance with this Order, Defendant Jeffrey Burton and Defendant Lawrence Blocker shall permit representatives of the Commission, within three (3) business days of receipt of written notice from the Commission:

- A. Access during normal business hours to any office or facility storing documents, of any business where: (1) Defendant Jeffrey Burton or Defendant Lawrence Blocker is the majority owner of

the business or directly or indirectly manages or controls the business, and (2) the business is engaged in the promotion, advertising, marketing, offering for sale, or sale, of any investment in an on-line gaming entity, including, but not limited to, investments in entities owning or operating, or seeking to own or operate Internet casinos, or assisting others engaged in such activities. In providing such access, Defendants shall permit representatives of the Commission to inspect and copy all documents relevant to any matter contained in this Order; and shall permit Commission representatives to remove documents relevant to any matter contained in this Order for a period not to exceed five (5) business days so that the documents may be inspected, inventoried, and copied; and *provided further that*, upon application of the Commission and for good cause shown, the Court may enter an *ex parte* order granting immediate access to such Defendant's business premises for the purposes of inspecting and copying all documents relevant to any matter contained in this Order; and

B. To interview the officers, directors, and employees, including all personnel involved in responding to consumer complaints or inquiries, and all sales personnel, whether designated as employees, consultants, independent contractors or otherwise, of any business to which Subsection A. of this Paragraph applies, concerning matters relating to compliance with the terms of this Order. The person interviewed may have counsel present.

XV. RECEIVERSHIP PROVISIONS

IT IS FURTHER ORDERED that:

A. Hernan Serrano, Jr., the Court-appointed Receiver of Defendant World Interactive Gaming, Corp., ("Receiver") shall, no later than 5 days after the entry of this order, transfer all frozen funds and all other assets of the Receivership Defendants to Plaintiff Federal Trade Commission.

B. Upon the Receiver's transfer of such funds, the Receiver, together with the attorneys and accountants retained by the Receiver, are hereby deemed to have withdrawn from their respective appointments and representations pursuant to Paragraph III. of the Stipulation and Order for Preliminary Injunction entered into by the parties, and so ordered by the Court in this action, on or about September 9, 1998, are immediately released and discharged from any further liabilities, duties, responsibilities, or obligations that they otherwise might have in connection with Defendant World Interactive Gaming Corp., and any affiliates or subsidiaries of this corporation, including Golden Chips Casinos, Inc.

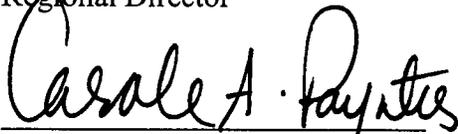
XVI. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for all purposes.

The parties agree and stipulate to entry of the foregoing Order as a Final Judgment in this action.

FOR THE
FEDERAL TRADE COMMISSION:

Barbara Anthony
Regional Director



Carole A. Paynter (CP 4091)
Alan B. Loughnan (AL 3393)
Attorneys
Northeast Region
Federal Trade Commission
One Bowling Green, Suite 318
New York, New York 10004
(212) 607-2813; 2815

FOR DEFENDANTS WORLD INTERACTIVE:
GAMING CORP., JEFFREY BURTON,
LAWRENCE BLOCKER and CYNTHIA J. BURTON:

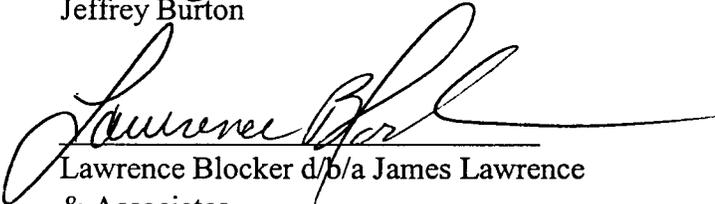
 (PM 8232)

Patrick J. Mielo, Esq.
43 Conklin Road
Farmingdale, New York 11735

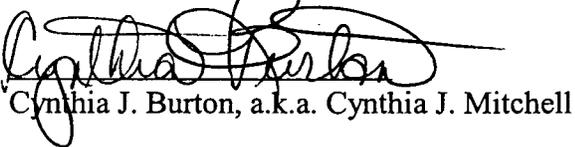
FOR DEFENDANT WORLD INTERACTIVE
GAMING CORP.:


Jeffrey Burton, President and CEO


Jeffrey Burton


Lawrence Blocker d/b/a James Lawrence
& Associates

FOR RELIEF DEFENDANT:


Cynthia J. Burton, a.k.a. Cynthia J. Mitchell

SO ORDERED, this 13th day of NOV., 2000


UNITED STATES DISTRICT JUDGE