

1. This is an action by the FTC instituted pursuant to Section 13(b) of the FTC Act, 15 U.S.C. §§ 53(b). The Complaint seeks both permanent injunctive relief and consumer redress for Defendants' alleged deceptive acts or practices in connection with the marketing and sale of employment goods or services programs.

2. The FTC has the authority pursuant to Section 13(b) of the FTC Act to seek the relief it has requested, and the Complaint states a claim upon which relief can be granted against Defendant Daniell.

3. This Court has jurisdiction over the subject matter of this case and has personal jurisdiction over Defendant Daniell. Venue in the Western District of Michigan is proper.

4. The activities of Defendant Daniell, as alleged in the Complaint, are in or affecting commerce, as defined in the FTC Act, 15 U.S.C. § 44.

5. Defendant Daniell waives all rights that may arise 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 party shall bear its own costs and attorneys' fees. Defendant Daniell also waives all rights to seek judicial review of, or otherwise challenge or contest the validity of, this Order.

6. By entering into this Order, Defendant Daniell does not admit to the allegations set forth in the Complaint, other than the jurisdictional facts.

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 purposes of this Order, the following definitions shall apply:

1. **"Defendants"** means Success Express, Inc., also d/b/a Success Express; Exam Resource Center, Inc., also d/b/a Exam Resource; Occupational Advancement Center, Inc., also d/b/a

Occupational Advancement and OAC; Employment Resource, LLC, also d/b/a Employment Resources; David James Daniell a/k/a David James; Wanda J. Taugner; and Kathy L. Stafford.

2. **“Receivership Defendants”** means Success Express, Inc., also d/b/a Success Express; Exam Resource Center, Inc., also d/b/a Exam Resource; Occupational Advancement Center, Inc., also d/b/a Occupational Advancement and OAC; and Employment Resource, LLC, also d/b/a Employment Resources.

3. **“Defendant Daniell”** means David James Daniell, a/k/a David James.

4. **“Employment goods or services”** means any item, product, good or service represented to assist consumers in obtaining employment—including, but not limited to, preparation or other training for any employment examination.

5. **“Assets”** means any legal or equitable interest in, right to, or claim to, any real and personal property—including, but not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, premises, contracts, mail or other deliveries, shares of stock, lists of consumer names, inventory, checks, notes, accounts, credits, receivables, funds, and all cash, wherever located.

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

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

9. **“Plaintiff”** means the Federal Trade Commission (“Commission” or “FTC”).

10. **“Receiver or Permanent Receiver”** means Phillip S. Stenger pursuant to the orders of appointment including the Stipulated Preliminary Injunction with Appointment of Permanent Receiver, Asset Freeze and Accounting dated November 28, 2005.

11. **“Record”** means any document, as document is defined in definition 6, above, relating to the business or business practices of any Defendant.

12. The terms **“and”** and **“or”** shall be construed conjunctively or disjunctively as necessary to make the applicable phrase or sentence inclusive rather than exclusive.

O R D E R

I. BOND REQUIREMENT

IT IS THEREFORE ORDERED that Defendant Daniell, whether acting directly or through any person or entity, is permanently restrained and enjoined from marketing or selling employment goods or services, unless Defendant Daniell first obtains a performance bond in the principal sum of ONE MILLION DOLLARS (\$1,000,000).

A. The bond required by this Paragraph I shall be conditioned upon compliance with Section 5 of the FTC Act, 15 U.S.C. § 45(a) and with this Order. The bond shall be deemed continuous and remain in full force and effect as long as Defendant Daniell continues to engage in conduct that requires the posting of the bond, and for at least three years after Defendant Daniell has ceased to engage in such conduct. 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, the provisions of this Order, or to any other violation of law.

B. The performance bond required pursuant to this Paragraph I shall be in the form of 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 Daniell does business and that holds a Federal Certificate of Authority As Acceptable Surety On Federal Bond and Reinsuring. 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 violation of Section 5 of the FTC Act, or the provisions of this Order made by Defendant Daniell, his agents, or any persons acting in concert with his; and (2) any consumer so injured.

C. The bond required pursuant to this Paragraph I 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.

D. At least ten business days before the commencement of any activity covered by subsection A above, Defendant Daniell shall provide the bond required by this Paragraph I to the Associate Director for Enforcement at the address specified in Paragraph XII of this Order.

E. Defendant Daniell shall not disclose the existence of the performance bond required by this Paragraph I to any consumer without also disclosing clearly and prominently, at the same time, the following phrase: "This bond is required by order of the U.S. District Court, in the case *FTC v. Success Express Inc., et al.*, Case No. 1:05CV0714 (W.D. Mich.), in settlement of allegations of false and misleading representations in the promotion and sale of employment goods or services." The disclosure shall be set forth in a clear and conspicuous manner, separated from all other text, in 100 percent black ink against a light background, in print at least as large as the main text of the sales material or document, and enclosed in a box containing only the required disclosure.

F. If, upon motion by the FTC, the Court finds that Defendant Daniell or any business in which Defendant Daniell engages or participates, has violated Section 5 of the FTC Act or this Order, the FTC may execute against the performance bond required by this Paragraph I. Proceedings instituted under this subsection F 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 FTC may initiate to enforce this Order.

II. PROHIBITED BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that Defendant Daniell, and his officers, agents, employees, and all those persons or entities in active concert or participation with his who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, in connection with the advertising, promoting, marketing, offering for sale, sale, or distribution of any good or service, are hereby 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. That Defendants are connected with or endorsed by the United States Postal Service (USPS).
2. That postal positions are currently available in the geographic areas where the Defendants' advertisements appear.
3. That Defendants assist consumers in registering for and obtaining employment with the USPS.
4. That consumers who obtain a score of 90 percent or above on the postal examination are assured a postal job.

III. CONSUMER LISTS

IT IS FURTHER ORDERED that Defendant Daniell and any person or entity through which he does business, and his successors, assigns, officers, agents, servants, employees, attorneys, and those other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are permanently restrained and enjoined from:

A. Selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, billing information (any data that enables any person to access another person's account, such as a credit card, checking, savings, share or similar account, utility bill, mortgage loan account, or debit card), e-mail address, or other identifying information of any person who submitted such information to any of the Defendants, at any time prior to entry of this Order, in connection with the purchase of any employment good or service.

B. Using or benefitting from, for commercial purposes, the name, address, telephone number, billing information (any data that enables any person to access another person's account, such as a credit card, checking, savings, share or similar account, utility bill, mortgage loan account, or debit card), e-mail address, or other identifying information of any person who submitted such information to any of the Defendants, at any time prior to entry of this Order, in connection with the purchase of any employment good or service.

C. ***Provided, however,*** that Defendant Daniell may disclose such identifying information (i) with the express written consent of the person whose information is disclosed, (ii) to a law enforcement agency, or (iii) as required or authorized by any law, regulation, or court order.

IV. MONETARY RELIEF AS TO DEFENDANT DANIELL

IT IS FURTHER ORDERED that:

A. Judgment is hereby entered in the amount of Seven Million Dollars (\$7,000,000) in favor of the FTC and against Defendant Daniell, who is jointly and severally liable with the other named Defendants, for the payment of equitable monetary relief—including, but not limited to, consumer redress and or/disgorgement, and for paying any attendant expenses of administration of any redress fund.

B. *Provided, however*, that the judgment described in Paragraph A shall be suspended:

1. Upon the timely transfer of the following assets to the FTC or its designated agent and taking the following actions:

a. Bank One, or J.P. Morgan Chase shall, within ten (10) business days of the date of entry of this Order, transfer to the FTC or its designated agent all assets held in Account #1 and Account #2, identified in the “Daniell Reference List” filed with the Court under seal.

b. Defendant David James Daniel shall deliver to the FTC or its designated transferee or agent, at a location in Charlevoix, Michigan, possession of the following vehicles listed in Defendant Daniell’s financial disclosure statement of October 27, 2005: (1) GMC Yukon, model year 2005 and (2) Victory Vegas motorcycle, model year 2004. Defendant Daniell shall promptly transfer title to each of these vehicles to the FTC or its designated transferee. Any transfer fees, taxes, or other payments mandated from transferor under Michigan law shall be paid from the proceeds of each sale at the time each vehicle is sold. Defendant Daniell waives any interest therein. Defendant Daniell shall file all required tax returns for Occupational Advancement, Inc., within fourteen (14) days after entry of this Order and provide copies of such returns to the Commission. The proceeds of the sale set forth above will be held by the Receiver and may be used to satisfy tax obligations owing for Occupational Advancement, Inc. No other funds described in this Order shall

be used to pay Occupational Advancement's or Defendant Daniell's tax liability. If Occupational Advancement's tax liability exceeds the amount received from proceeds of the sale of the vehicles described in this subsection b., Defendant Daniell is liable for the balance owed. Defendant Daniell shall provide to the Commission copies of all instruments used to pay such owed taxes, interest, and penalties within ten (10) days of each such payment.

Provided however, in the event that the amount paid in final satisfaction of Occupational Advancement's owed taxes, interest, and/or penalties is less than the proceeds of the sale of the vehicles described in this subsection c., all remaining funds shall be transferred to the Commission pursuant to Paragraph IV of this Order. Provided further, if any tax refund is received, said refund shall be transferred to the Commission pursuant to Paragraph IV of this Order.

c. To secure the payment of the amounts as set forth in this Paragraph IV.B, Defendant Daniell and his spouse, Jane Libby, shall execute a security and pledge agreement, in a form acceptable to counsel for the FTC, (1) relinquishing Jane Libby's rights to or claim of title to any of the property or assets contemplated by this Paragraph IV. B, and (2) giving the FTC a lien in the property located at 3933 Quick Road, Harbor Springs, Michigan 49740, to be effective as of the date of entry of this Order. The security and pledge agreement shall be attached to this Order as Appendix A. Within ten days of the final payment required by this Paragraph IV. B, the FTC shall cancel and return to Defendant Daniell and Jane Libby the security and pledge agreement.

d. Defendant Daniell and Jane Libby shall be responsible for any federal, state or local income tax on the sale or transfer of the property as set forth in this Paragraph IV, and

2. As long as the Court makes no finding, as provided in Paragraph VI of this Order, that Defendant Daniell (a) materially misrepresented or omitted the nature, existence, or value of any asset, or (b) fail to make the payments required by Paragraph IV.B. within the time periods specified therein.

C. Any monies collected under this paragraph are subject to the conditions described in Paragraph VIII.

V. ASSET FREEZE

IT IS FURTHER ORDERED that, (1) upon entry of this Order the asset freeze of Defendant Daniell's assets pursuant to Paragraphs II and III of the Preliminary Injunction shall be lifted to permit the transfer of assets and property as contemplated by Paragraph IV. B above, and (2) upon payment of the amount set forth in Paragraph IV.B above, the freeze of the Defendant Daniell's assets pursuant to Paragraphs II and III of the Preliminary Injunction shall be dissolved.

VI. 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 financial statement and all attachments and supplemental financial records, including income tax returns, provided by Defendant Daniell to the Commission on October 27, 2005. Said financial statements contain material information upon which the FTC has relied in negotiating and agreeing to the terms of this Order. The Commission is authorized to verify all information provided in the financial statement and with all appropriate third parties—including, but not limited to, financial institutions. If, upon motion by the Commission to the Court, the Court finds that Defendant Daniell failed to disclose any material asset, or materially misrepresented the value of any asset, or made any other material misrepresentation in or omission from his financial statement, the suspension of the monetary judgment will be terminated as to Defendant Daniell and the entire judgment amount of Seven Million Dollars (\$7,000,000), less any amounts paid to the Commission by Defendant Daniell pursuant to Paragraph IV of this Order and any amounts paid to the Commission by the receiver pursuant to Paragraph VII of this Order, will be immediately due and payable by Defendant Daniell. For purposes of this Paragraph, and any subsequent proceedings to enforce payment—including, but

not limited to, a non-dischargeability complaint filed in a bankruptcy proceeding, Defendant Daniell stipulates to all of the allegations in the Commission's Complaint.

VII. RECEIVERSHIP

IT IS FURTHER ORDERED that:

A. The receivership imposed in the Preliminary Injunction entered in this proceeding shall be continued.

B. The corporate funds from any of the Receivership Defendants which may have been under Defendant Daniell's ownership and/or control are hereby deemed permanently part of the estate of the Receivership Defendants subject to the Receiver's control. These assets include, but are not limited to, Account #3, or the proceeds thereof, in the name of Occupational Advancement Center, OAC Inc., and/or David James Daniell. This account is identified in the "Daniell Reference List" filed with the Court under seal. Defendant Daniell hereby forever waives, releases, discharges and disclaims any and all rights, title and interest to any and all assets in the Receivership Defendants' estate.

C. Defendant Daniell, his partners, employees, agents, present and former attorneys, representatives, and their respective predecessors, successors, assigns and affiliates, release and discharge the permanent receiver and the law firm of Stenger & Stenger, P.C., and their partners, employees, agents, present and former attorneys, and representatives, from any and all claims, demands, actions, causes of actions, or suits that now exist or may hereafter accrue, whether known or unknown that relate to this Court Order or to the lawsuit that is the subject of this Court Order.

D. Defendant Daniell shall cooperate with the Receiver in the performance of his duties.

VIII. USE OF CONSUMER REDRESS AND DISGORGEMENT FUNDS

IT IS FURTHER ORDERED that:

A. Any funds received by the FTC pursuant to Paragraphs IV and VII of this Order shall be deposited into a fund administered by the FTC or its agent to be used for equitable relief—including, but not limited to, consumer redress and any attendant expenses for the administration of any redress funds. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the FTC may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any funds not used for such equitable relief shall be deposited to the U.S. Treasury as equitable disgorgement. Defendant Daniell shall have no right to challenge the FTC's choice of remedies or the manner of distribution.

B. While Defendant Daniell does not admit any of the facts alleged in the Complaint other than jurisdictional facts, Defendant Daniell agrees that the facts as alleged in the Complaint shall be taken as true in the event of any subsequent litigation to collect amounts due pursuant to this Order—including, but not limited to, a non-dischargeability complaint in any bankruptcy proceeding.

C. Defendant Daniell acknowledges and agrees that the judgment entered pursuant to Paragraph IV is equitable monetary relief, solely remedial in nature, and not a fine, penalty, punitive assessment or forfeiture.

D. Defendant Daniell acknowledges and agrees that any money paid pursuant to this Order is irrevocably paid to the FTC for purposes of settlement between the FTC and Defendant Daniell, and he relinquishes all rights, title, and interest to such money.

E. Defendant Daniell is hereby required, in accordance with 31 U.S.C. § 7701, to furnish to the FTC his taxpayer identification number, which shall be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.

IX. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that, within five (5) business days after entry of this Order, Defendant Daniell shall submit to the Commission a truthful sworn and notarized statement, in the form shown on Appendix B, that shall acknowledge receipt of this Order as entered.

X. DISTRIBUTION OF ORDER

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

A. Defendant Daniell, in connection with any business where (1) he controls, directly or indirectly, the business or has a majority ownership interest, and (2) the business engages in, or assists others engaged in, telemarketing or the advertising, promoting, marketing, offering for sale, sale, or distribution of any employment good or service, shall each deliver (1) a copy of this Order to all principals, officers, directors, and managers of that business, and (2) a copy of this Order to all employees, agents, and representatives who engage in conduct related to the subject matter of the Order.

B. For any business where Defendant Daniell is not a controlling person but otherwise engages in, or assists others engaged in, telemarketing or the advertising, promoting, marketing, offering for sale, sale, or distribution of any employment good or service, he shall deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.

C. For current personnel, delivery required by this Paragraph X shall be within five (5) days of service of this Order upon Defendant Daniell. For new personnel, delivery shall occur prior to them assuming their responsibilities. Defendant Daniell must secure a signed and dated statement acknowledging receipt of the Order, within thirty (30) days of delivery, from all persons receiving a copy of the Order pursuant to this Paragraph X.

XI. RECORDKEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Defendant Daniell, in connection with any business where (1) he is the majority owner or otherwise controls, directly or indirectly, the business and (2) the business is engaged in or assists others engaged in telemarketing or the advertising, promoting, marketing, offering for sale, sale, or distribution of any employment good or service, and his agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with him who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from failing to create and retain the following records:

A. Accounting records that reflect the cost of employment goods or services, 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, telephone numbers, dollar amounts paid, quantity of goods or services purchased, and description of goods or services purchased, to the extent such information is obtained in the ordinary course of business.

D. Complaint 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, or other marketing materials, and records that accurately reflect the time periods during which such materials were used and the persons and business entities that used such materials.

F. Copies of each acknowledgment of receipt of Order required to be obtained pursuant to Paragraph IX of this Order.

XII. 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. Defendant Daniell shall notify the FTC of the following:

a. Any changes in his residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change.

b. Any changes in his employment status (including self-employment) within ten (10) days of the date of such change, and any change in her ownership of any business activity, within ten (10) days of such change. Such notice shall include the name and address of each business that he is affiliated with, employed by, creates or forms, or performs services for; a statement of the nature of the business; and a statement of his duties and responsibilities in connection with the business or employment; and

c. Any changes in his name or use of any aliases or fictitious names.

B. One hundred eighty (180) days after the date of entry of this Order, Defendant Daniell shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which he has complied and is complying with this Order. This report shall include, but not be limited to:

1. Any changes required to be reported pursuant to subsection A above.

2. A copy of each acknowledgment of receipt of this Order obtained pursuant to Paragraph IX.

3. A copy of any bond obtained pursuant to Paragraph I.

C. For the purposes of this Order, Defendant Daniell shall, unless otherwise directed by the FTC's authorized representatives, mail all written notifications to the FTC to:

Associate Director for Enforcement
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington D.C. 20580
Re: *FTC v. Success Express, Inc., et al.*

D. For purposes of the compliance reporting required by this Paragraph XII, the FTC is authorized to communicate directly with Defendant Daniell.

XIII. COMPLIANCE MONITORING

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

A. Within fifteen (15) days of receipt of written notice from a representative of the FTC, Defendant Daniell shall submit additional written reports, sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in his possession or direct or indirect control to inspect the business operation.

B. In addition, the FTC is authorized to monitor compliance with this Order by all other lawful means—including, but not limited to, the following:

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, and 45.

2. Posing as consumers and suppliers to: Defendant Daniell, his employees, or any other entity managed or controlled in whole or in part by Defendant Daniell, without the necessity of identification or prior notice.

C. Defendant Daniell shall permit representatives of the FTC 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 FTC's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

XIV. COOPERATION WITH FTC COUNSEL

IT IS FURTHER ORDERED that Defendant Daniell 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, Defendant Daniell shall appear and provide truthful testimony in any trial, deposition, or other proceeding related to or associated with the transactions or the occurrences that are the subject of the Complaint, without the service of a subpoena.

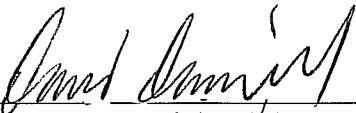
XV. RETENTION OF JURISDICTION

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 this 14th day of September, 2006.

GORDON J. QUIST
UNITED STATES DISTRICT JUDGE

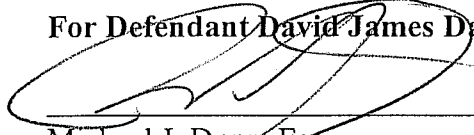
STIPULATED AND AGREED TO BY:



David James Daniell, a/k/a David James

Agreed As to Form:

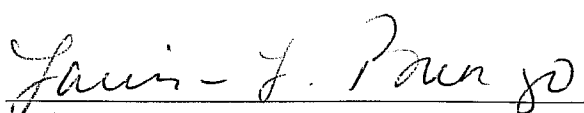
For Defendant David James Daniell



Michael J. Dunn, Esq.
Dunn/Gibbons, P.L.C.
1303 McKay Tower, 146 Monroe Center
Grand Rapids, Michigan 49503
Phone 616-458-5297 / Fax 616-454-3068

Date: 3/3/, 2006

For Plaintiff Federal Trade Commission




Larissa L. Bungo, Esq.
Federal Trade Commission
1111 Superior Avenue, Suite 200
Cleveland, Ohio 44114
Phone 216-263-3403 / Fax 216-263-3426

Date: 5/3, 2006

Local Counsel For Plaintiff

JENNIFER L. MCMANUS
Assistant U.S. Attorney
Western District of Michigan
P.O. Box 208
Grand Rapids, MI 49501-0208
Phone 616-456-2404/Fax 616-456-2510

For the Receiver



Phillip S. Stenger, Esq.
Stenger & Stenger, P.C.
4095 Embassy Drive, S.E., Suite A
Grand Rapids, Michigan 49546
Phone 616-940-1190 / Fax 616-940-1192

Date: 5/9, 2006

Security Agreement
Between David James Daniell and Jane Libby and the Federal Trade Commission

Whereas David James Daniell and the Federal Trade Commission ("FTC" or "Commission") have agreed to settle all of the Commission's charges against David James Daniell in the matter of *FTC v. Success Express, et al.* (Case No. 1:05 CV 0714), by entering into a Stipulated Final Order for Permanent Injunction and Other Equitable Relief against Defendant David James Daniell ("Order"), to which this Agreement is to be attached;

Whereas David James Daniell, has agreed to pay to the Commission monetary relief as described in Paragraph IV. of the Order (hereinafter the "Payment"); and

Whereas Jane Libby relinquishes all rights to or claim or title to any of the property or assets contemplated by Paragraph IV. of the Order; and

Whereas the Commission has agreed to settle its charges against David James Daniell and to accept the Payment on the condition of David James Daniell's obligation to pay this amount be secured by real property located at 3933 Quick Road, Harbor Springs, Michigan 49740, together with all dwelling houses, other structures, improvements, appurtenances, hereditaments, and other rights appertaining or belonging thereto, or which hereafter may be added or attached thereto, and all replacements, substitutions therefore or thereto, and all proceeds thereof, whether presently existing or hereafter arising (collectively, hereinafter the "Collateral");

Whereas David James Daniell and Jane Libby represent that they own the Collateral; and

Whereas David James Daniell and Jane Libby have consented to secure the Payment with the Collateral;


NOW, THEREFORE, David James Daniell and Jane Libby, and the Commission hereby agree as follows:

1. Upon approval of the Order by the Court, David James Daniell and Jane Libby, individually and as owners of the Collateral, hereby grant to the Commission a voluntary lien on and security interest in the Collateral.

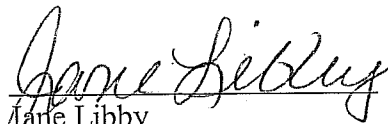
2. David James Daniell and Jane Libby represent and acknowledge that the Commission is relying on the material representations that (a) they are the owners of the collateral; (b) title to the Collateral is marketable; and (c) the collateral is currently not encumbered by any other lien, mortgage, deed of trust, assignment, pledge, security interest or other interest, except (1) mortgage on the property by *****, loan number 4800293913, and (2) restrictions and encumbrances of record subject to which they originally acquired the property.

3. David James Daniell and Jane Libby agree to cooperate fully with the Commission, and to be responsible (at their expense) for preparing, executing and recording the necessary documents and taking any other actions necessary to perfect the Commission's voluntary lien on and security interest in the Collateral. David James Daniell shall deliver to the Commission copies of all recording documents used to perfect the Commission's voluntary lien on the Collateral within fourteen (14) days after entry of this Order.

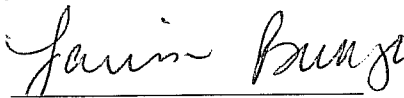
4. Neither David James Daniell nor Jane Libby will grant any other security interest in the Collateral to any other person or entity prior to perfecting the lien granted to the Commission herein.


David James Daniell

Date: 3/22, 2006


Jane Libby

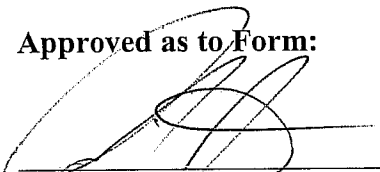
Date: 3/22, 2006


Larissa L. Bungo, Esq.

Date: 5/3, 2006

Counsel for Plaintiff
Federal Trade Commission
1111 Superior Avenue, Suite 200
Cleveland, OH 44114
Phone: 216-263-3403/Fax: 216-263-3426

Approved as to Form:


Michael J. Dunn, Esq.

Date: 3/27, 2006

Dunn/Gibbons, P.L.C.
1303 McKay Tower
146 Monroe Center
Grand Rapids, MI 49503
Telephone: 616-458-5297/Fax: 616-454-3068