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**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

GROUP ONE NETWORKS, INC., et al.,

Defendants.

Case: 8:09-cv-352-T-26-MAP

**AMENDED¹ STIPULATED FINAL JUDGMENT AND ORDER
FOR PERMANENT INJUNCTION AS TO DEFENDANTS GROUP ONE NETWORKS,
INC; US GOLD LINE, LLC; MY ONLINE CREDIT STORE, LLC; CREDIT FIRST
FINANCIAL SOLUTION, LLC; GROUP ONE ADMINISTRATIVE, INC.; TALL PINES
ADMINISTRATIVE SERVICES, LLC; SUNCOAST DATA SERVICES, LLC; AND
JAMES NICHOLSON**

On February 25, 2009, Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), filed its Complaint for permanent injunction and other relief pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101 *et seq.*, charging Defendants James Nicholson, Brett Fisher, Group One Networks, Inc., US Gold Line, LLC, and My Online Credit Store, LLC with violating Section 5 of the FTC Act, 15 U.S.C. § 45, and the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310. Thereafter, on April 14, 2009, the FTC filed its Amended Complaint, naming Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC as defendants; and alleging

¹ This final judgment and order is being amended solely to correct the date in the signature block of the earlier final judgment and order (dkt. 145).

several additional violations of Section 5 of the FTC Act and the TSR.

Plaintiff FTC and Defendants James Nicholson; Group One Networks, Inc.; US Gold Line, LLC; My Online Credit Store, LLC; Credit First Financial Solution, LLC; Group One Administrative, Inc.; Tall Pines Administrative Services, LLC; and Suncoast Data Services, LLC have agreed to the entry of this Stipulated Final Judgment and Order for Permanent Injunction (“Order”) by this Court to resolve all matters of dispute between them in this action.

NOW, THEREFORE, Plaintiff Federal Trade Commission and Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC 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 and the parties.
2. Venue is proper as to all parties in the Middle District of Florida.
3. The activities of Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC are or were in or affecting commerce, as defined in the FTC Act, 15 U.S.C. § 44.
4. Defendants Nicholson, Group One Networks, Inc., Group One Administrative, Inc., US Gold Line, LLC, Credit First Financial Solution, LLC, Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC are telemarketers or sellers for the purposes of the TSR.

5. The Amended Complaint states a claim upon which relief may be granted against Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC under Sections 5(a)(1), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a)(1), 53(b), and 57b; and under the TSR, 16 C.F.R. Part 310.

6. Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC have waived any and all rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, *amended by* Pub. L. 104-121, 110 Stat. 847, 863-64 (1996), pertaining to any claim by the FTC arising out of this case.

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

8. Plaintiff and Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC waive all rights to seek appellate review or otherwise challenge or contest the validity of this Order. Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC further waive and release any claim they may have against the Commission, its employees, agents, and representatives

arising out of this action and under the terms of this Order.

9. Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC waive their share of any and all claims to the assets of Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC, including any assets currently in possession of the Receiver appointed by the Court in this matter, Mark Bernet, Esq., and further stipulate that their share of any of these assets are to be transferred to the FTC to be used for equitable relief, as described in Section IV.

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

11. This Order is for settlement purposes only, and does not constitute and shall not be interpreted to constitute an admission by Defendants Nicholson, Group One Networks, Inc., US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC or a finding that the law has been violated as alleged in the Amended Complaint, or that the facts alleged in the Amended Complaint, other than jurisdictional facts, are true. Defendant Nicholson specifically denies the allegations in the Amended Complaint.

12. Nothing in this Order shall be construed to limit or restrict Defendant Nicholson's rights under the Fifth Amendment of the United States Constitution or under the Florida Constitution.

ORDER

DEFINITIONS

1. **“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, inventory, checks, notes, leaseholds, effects, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, and cash, wherever located, whether in the United States or abroad;

2. **“Assisting others”** includes, but is not limited to: (1) performing customer service functions, including, but not limited to, receiving or responding to consumer complaints; (2) developing or providing or arranging for the development or provision of sales scripts and other marketing materials; (3) providing names of, or arranging for the provision of, names of potential customers; or (4) performing marketing services of any kind.

3. **“Clear and Conspicuous” or “Clearly and Conspicuously”** means:

- a. in print communications, the message shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears;
- b. in communications disseminated orally, the message shall be delivered in a cadence sufficient for an ordinary consumer to hear and comprehend it;
- c. in communications made through an electronic medium (such as television, video, radio, and interactive media such as the Internet, online services and software), the message shall be presented simultaneously in both the audio and visual portions of the communication. In any

communication presented solely through visual or audio means, the message may be made through the same means in which the communication is presented. In any communication disseminated by means of an interactive electronic medium such as software, Internet, or online services, a disclosure must be unavoidable and presented prior to the consumer incurring any financial obligation. Any audio message shall be delivered in a volume and cadence sufficient for any ordinary consumer to hear and comprehend it. Any visual message shall be of a size and shade, with a degree of contrast to the background against which it appears and shall appear on the screen for a duration and in a location sufficiently noticeable for an ordinary consumer to read and comprehend it; and

- d. regardless of the medium used to disseminate it, the message shall be in understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the message shall be used in any communication.

4. **“Corporate Defendants”** means Group One Networks, Inc., also d/b/a Credit Line Gold Card, The USA Workers, TheUSAWork.com, and TheUSAWorkers.com; US Gold Line, LLC, also d/b/a USGoldLine.com, Gainesway Credit, and GaineswayCredit.com; My Online Credit Store, LLC, also d/b/a MyOnlineCreditStore.com, MYOnlinecr.com, Diamond Executive, NewECredit, and NewECredit.com; Credit First Financial Solution, LLC, also d/b/a Credit First Financial Solutions, LowerMyInterestToday.com; Group One Administrative, Inc.; Tall Pines Administrative Services, LLC; and Suncoast Data Services, LLC, and their successors

and assigns.

5. **“Credit-Related Goods or Services”** means any good or service that is marketed, advertised, offered for sale, or sold to consumers as a method by which consumers may directly or indirectly, establish or obtain any extension of credit or credit device, including, but not limited to, credit cards, merchandise buying club membership cards that offer an extension of credit, loans, or refinancing; or as a method to restore, repair, or improve derogatory information contained in consumers’ credit reporting files; or as a method to consolidate or liquidate debts. Furthermore, for the purposes of this Order, “credit-related goods and services” shall include: interest rate reduction, credit counseling, and debt negotiation.

6. **“Defendant(s)”** means James Nicholson, Brett Fisher, and the Corporate Defendants, individually, collectively, or in any combination.

7. **“Document” or “Documents”** is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and encompasses both paper documents and electronically stored information, including writings, drawings, graphs, charts, photographs, audio and video recordings, images, and other data compilations stored in any medium from which information can be obtained either directly or, if necessary, after translation by Defendant into a reasonably usable form. A draft or nonidentical copy is a separate document within the meaning of the term.

8. **“Leads”** shall mean personally identifying information about potential customers, including, but not limited to, name, address, telephone number, or financial account information.

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

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

11. **“Receiver”** means Mark J. Bernet, Esq., the Receiver appointed by the Court in this matter over Corporate Defendants.

12. **“Seller”** means any person who, in connection with a telemarketing transaction, provides, offers to provide, or arranges for others to provide goods or services to the customer in exchange for consideration.

13. **“Stipulating Defendants”** means individual defendant James Nicholson and the Corporate Defendants, individually, collectively, or in any combination.

14. **“Telemarketer”** means any person who, in connection with telemarketing, initiates or receives telephone calls to or from a customer or donor.

15. **“Telemarketing”** means a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call. For the purposes of this Order, telemarketing includes, but is not limited to, all telemarketing activities exempted from the TSR under Section 310.6 of the TSR, 16 C.F.R. § 310.6. *However*, for purposes of this Order the term does not include the solicitation of sales through the mailing of a catalog which: contains a written description or illustration of the goods or services offered for sale; includes the business address of the seller; includes multiple pages of written material or illustrations; and has been issued not less frequently than once a year, when the person making the solicitation does not solicit customers by telephone but only receives calls initiated by customers in response to

the catalog and during those calls takes orders only without further solicitation. For purposes of the previous sentence, the term “further solicitation” does not include providing the customer with information about, or attempting to sell, any other item included in the same catalog which prompted the customer’s call or in a substantially similar catalog.

I.

PERMANENT BAN

IT IS THEREFORE ORDERED that:

Defendant James Nicholson, whether acting directly or through any corporation, limited liability company, subsidiary, division or other device, is hereby permanently restrained and enjoined from:

- A. engaging or participating in telemarketing, or assisting others who are engaging or participating in telemarketing; and
- B. requesting or receiving payment of any fee or consideration in advance of obtaining a loan or other extension of credit when Defendant Nicholson, or any third-party sellers or marketers acting on behalf of or in concert with Defendant Nicholson, have guaranteed or represented a high likelihood of success in obtaining or arranging a loan or other extension of credit for a person, or assisting others in the same.

Nothing in this Order shall be construed as an exception to this Section I.

II.

PROHIBITED BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that:

- A. **IT IS FURTHER ORDERED** that in connection with the advertising,

promoting, offering for sale, or sale of any product or service, including, but not limited to, any Credit-Related Goods or Services, Stipulating Defendants and their agents, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, 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 trust, corporation, subsidiary, division, or other device are hereby restrained and enjoined from:

1. Making or assisting others in making, expressly or by implication, any false or misleading oral or written statement or representation of material fact;
2. Misrepresenting, either orally or in writing, expressly or by implication, that:
 - a. consumers will receive a general-purpose credit card;
 - b. consumers will or are likely to be able to secure cash advances against a credit card's line of credit;
 - c. Stipulating Defendant, or any third-party that Stipulating Defendants are in active participation with, will report consumers' credit histories to any credit bureaus;
 - d. consumers will receive a reduction in the interest rate on their outstanding debts;
 - e. consumers will obtain a minimum amount of savings;
 - f. Stipulating Defendants, or any third-party that Stipulating Defendants are in active participation with, will provide

consumers a full refund; and

- g. the length of time Stipulating Defendants, or any third-party that Stipulating Defendants are in active participation with, have been in business and that they have a working relationship with any lending institutions;

3. Failing to disclose Clearly and Conspicuously:

- a. any Material term or condition, including, but not limited to:
 - (1) all fees and expenses;
 - (2) any restrictions on use of a credit card or credit device, including any required down payment prior to making purchases, and any requirement that the credit card or credit device can be used only to make purchases from a limited catalog of items; and
 - (3) any restrictions on use of vouchers provided to consumers by Stipulating Defendants, or any third-party that Stipulating Defendants are in active participation with;
- b. any Material aspect of the nature or terms of a refund, cancellation, exchange, or repurchase policy for the goods or services; and
- c. the total cost to purchase, receive, or use, and the quantity

of, any goods or services that are subject of the sales offer;

and

4. Debiting a consumer's bank, credit, or other financial account, or otherwise assessing charges to a consumer, without first obtaining the consumer's express verifiable authorization as defined by Section 310.3(a)(3) of the TSR, 16 C.F.R. § 310.3(a)(3).

B. Stipulating Defendants and their agents, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, 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 trust, corporation, subsidiary, division, or other device are hereby restrained and enjoined from making or assisting others in making, expressly or by implication, any false or misleading oral or written statement or representation of Material fact in obtaining, using, or conveying for consideration Leads.

C. In connection with the advertising, promoting, offering for sale, or sale of any product or service, including, but not limited to, any Credit-Related Goods or Services, Corporate Defendants and their agents, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, 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 trust, corporation, subsidiary, division, or other device are hereby restrained and enjoined from violating, or assisting others in violating, as defined by Section 310.3(b) of the TSR, 16 C.F.R. § 310.3(b), any provision of the TSR, 16 C.F.R. Part 310, including, but not limited to:

1. Section 310.3(a)(1)(i) of the TSR, 16 C.F.R. § 310.3(a)(1)(i), by failing to disclose truthfully, in a Clear and Conspicuous manner, before a consumer pays for the goods or services offered, the total cost to purchase, receive, or use the goods or services that are the subject of the sales offer;
2. Section 310.3(a)(1)(ii) of the TSR, 16 C.F.R. § 310.3(a)(1)(ii), by failing to disclose truthfully, in a Clear and Conspicuous manner, before a consumer pays for the goods or services offered, all Material restrictions, limitations, or conditions to purchase, receive, or use the goods or services that are the subject of the sales offer;
3. Section 310.3(a)(1)(iii) of the TSR, 16 C.F.R. § 310.3(a)(1)(iii), by failing to disclose truthfully, in a Clear and Conspicuous manner, before a consumer pays for the goods or services offered, if the seller has a policy of not making refunds, cancellations, exchanges, or repurchases;
4. Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii), by misrepresenting, directly or by implication, Material aspects of the performance, efficacy, nature, or central characteristics of goods or services that are the subject of the sales offer;
5. Section 310.3(a)(2)(iv) of the TSR, 16 C.F.R. § 310.3(a)(2)(iv), by misrepresenting, directly or by implication, any Material aspect of the nature or terms of the seller's refund, cancellation, exchange, or repurchase policies;
6. Section 310.3(a)(4) of the TSR, 16 C.F.R. § 310.3(a)(4), by making a false

or misleading statement to induce any person to pay for goods or services or to induce a charitable contribution;

7. Section 310.4(b)(1)(iii)(A) of the TSR, 16 C.F.R. § 310.4(b)(1)(iii)(A), by engaging in or causing others to engage in initiating any outbound telemarketing call to a person when that person has previously stated that he or she does not wish to receive an outbound telephone call made by or on behalf of Defendant;
8. Section 310.4(b)(1)(iii)(B) of the TSR, 16 C.F.R. § 310.4(b)(1)(iii)(B), by engaging in or causing others to engage in initiating an outbound telephone call to a person's telephone number that is on the National Do Not Call Registry;
9. Section 310.8 of the TSR, 16 C.F.R. § 310.8, by failing to pay the required annual fee for access to the telephone numbers within that area code that are included in the National Do Not Call Registry; and
10. Section 310.4(a)(5) of the TSR, 16 C.F.R. § 310.4(a)(5), by disclosing or receiving, for consideration, unencrypted consumer account numbers for use in telemarketing, including, but not limited to: (1) encrypted consumer account numbers along with a key to unencrypt the data; and (2) a portion of an unencrypted consumer account number, such as the last four digits of the account number, and entrusting the remainder of the account number to a third party, such as an escrow agent; *provided, however,* that this provision shall not apply to the disclosure or receipt of a

customer's or donor's billing information to process a payment for goods or services or a charitable contribution pursuant to a transaction.

III.

PROHIBITION ON SELLING OF CUSTOMER LISTS

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

A. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), of any person which any Defendant obtained prior to entry of this Order in connection with any Credit-Related Goods or Services offered for sale by Defendants; and

B. Failing to dispose of such customer information in all forms in their possession, custody, or control within thirty (30) days after entry of this Order. Disposal shall be by means that protect against unauthorized access to the customer information, such as by burning, pulverizing, or shredding any papers, and by erasing or destroying any electronic media, to ensure that the customer information cannot practicably be read or reconstructed.

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

IV.

EQUITABLE MONETARY RELIEF

IT IS FURTHER ORDERED that monetary judgment is entered in favor of the Commission and against Stipulating Defendants, jointly and severally, in the amount of Seventeen Million Two Hundred and Twenty-Six Thousand Four Hundred and Eighty-Six Dollars and Sixty-Eight Cents, (\$17,226,486.68); *provided however*, that based on the sworn representations in the financial statements of Defendants Nicholson; Group One Networks, Inc.; US Gold Line, LLC; and My Online Credit Store, LLC, dated March 3, 2009, and the sworn financial statements of Credit First Financial Solution, LLC, Group One Administrative, Inc., Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC, dated November 19, 2009, full payment of the foregoing amount shall be suspended upon satisfaction of the obligations set forth in paragraphs A through C of this Section, and subject to the conditions set forth in paragraphs E, F, and G of this Section:

A. For each bank or brokerage account listed in Attachment A of this Order; the financial institution identified on Attachment A to this Order shall, within five (5) days of entry of this Order, remit the entire balance of each account to the Commission by certified check(s) or other guaranteed funds payable to the Federal Trade Commission, Financial Management Office, or by wire transfer in accordance with directions provided by the Commission. The check(s) or written confirmation of the wire transfer(s) shall be delivered to: Associate Director, Division of Marketing Practices, 600 Pennsylvania Avenue, NW, H-286, Washington, DC 20580. Defendant Nicholson shall cooperate in good faith with the FTC to effectuate these transfers, and shall, if needed, execute such documents as is necessary to remit the entire balance of each

account to the Commission;

B. For all other non-liquid assets listed in Attachment B, Defendant Nicholson shall, within ten (10) days of entry of this Order, execute such documents as necessary to transfer title of those assets to the Commission or its designated transferee, and Defendant Nicholson shall, within five (5) days of entry of this Order, deliver physical custody of such assets to the Receiver. Upon execution of this Order, Defendant Nicholson shall have no further obligations for insuring or preserving those assets listed;

C. The Receiver shall, as soon as practicable upon receipt of such assets and transfer of titles pursuant to Section IV. B, commence their liquidation upon a commercially reasonable procedure, and Stipulating Defendants shall have no right to challenge said liquidation if done in a commercially reasonable procedure. Any transfer fees, taxes, or other payments mandated from the transferor under state law shall be paid from the proceeds of each sale at the time each such asset is sold. Following liquidation of such assets, the Receiver shall forward the net proceeds to the Commission within 30 days, as the Commission may direct;

D. Any funds paid pursuant to this Section shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to, consumer redress and any attendant expenses for the administration of any redress fund. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Stipulating Defendants' practices alleged in the Amended Complaint. Any funds not used for such equitable relief shall be deposited in the United States Treasury as

disgorgement. Stipulating Defendants shall have no right to challenge the Commission's choice of remedies under this Section;

E. The Commission's agreement to this Order is expressly premised upon the truthfulness, accuracy, and completeness of Stipulating Defendants' sworn financial statement and supporting documents submitted to the Commission, as well as all subsequent addenda thereto, all of which Stipulating Defendants assert are truthful, accurate, and complete at the time they were submitted. Stipulating Defendants and the Commission stipulate that these financial disclosures provide the basis for the assets listed in Attachments A and B to this Order and include material information upon which the Commission relied in negotiating and agreeing to this Order. Stipulating Defendants and the Commission stipulate that the Commission has relied on the truthfulness, accuracy, and completeness of these financial disclosures in agreeing to the terms of this Order and that the Commission would not have entered into this Order but for the truthfulness, accuracy, and completeness of these financial disclosures;

F. If, upon motion by the Commission, this Court finds that a Stipulating Defendant has failed to disclose any material asset or materially misstated the value of any asset in the financial statements or related documents described above, or has made any other material misstatement or omission in the financial statements or related documents described above, then as to that Stipulating Defendant, and only that Stipulating Defendant, this Order shall be reopened and suspension of the judgment shall be lifted for the purpose of requiring payment of monetary relief in the amount of Seventeen Million Two Hundred and Twenty-Six Thousand Four Hundred and Eighty-Six Dollars and Sixty-Eight Cents, (\$17,226,486.68), less the sum of any amounts paid to the Commission pursuant to paragraphs A through C of this Section and any

other payments made by other Defendants. *Provided, however*, that in all other respects this Order shall remain in full force and effect, unless otherwise ordered by the Court;

G. Upon any reinstatement of the monetary judgement, the Court shall make an express determination that the monetary judgment shall be immediately due and payable as to that Stipulating Defendant. The Commission shall be entitled to interest on the judgment, computed from the day of entry of this Order, at the rate prescribed by 18 U.S.C. § 1961, as amended, on any outstanding amounts not paid. The Commission shall be permitted to execute on the judgment immediately after the suspension is lifted and engage in discovery in aid of execution;

H. Stipulating Defendants relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law. Stipulating Defendants shall make no claim to or demand return of the funds, directly or indirectly, through counsel or otherwise;

I. Stipulating Defendants agree that the facts as alleged in the Amended Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Commission to enforce its rights to any payment or money judgment pursuant to this Order, including, but not limited to, a nondischargeability complaint in any bankruptcy case. Stipulating Defendants further stipulate and agree that the facts alleged in the Amended Complaint establish all elements necessary to sustain an action pursuant to, and that this Order shall have, collateral estoppel effect for purposes of, Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S. C. § 523(a)(2)(A); and

J. Proceedings instituted under this Section are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other

proceedings the Commission may initiate to enforce this Order.

V.

LIFTING OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze against the assets of the Stipulating Defendants pursuant to Part V of the Consent Order for Preliminary Injunction entered by this Court on March 25, 2009, shall be lifted for the sole purpose of transferring funds to the Commission pursuant to paragraphs A and B of Section IV of this Order, and the asset freeze shall be dissolved upon transfer of all such funds.

VI.

COMPLETION OF RECEIVERSHIP

IT IS ORDERED that Mark Bernet, the Receiver appointed by this Court's Preliminary Injunction entered on March 25, 2009, is hereby appointed Receiver for the Corporate Defendants for the purpose of taking the necessary steps to wind down the businesses of the Corporate Defendants, liquidate their assets, and pay any net assets to the FTC to satisfy the monetary judgment entered by this Order. The Receiver shall be the agent of this Court and shall be accountable directly to this Court. In carrying out these duties, the Receiver is authorized and directed to:

A. Take any and all steps that the Receiver concludes are appropriate to wind down the Corporate Defendants;

B. Take any and all steps necessary or advisable to locate and liquidate all assets of the Corporate Defendants, cancel the Corporate Defendants' contracts, collect on amounts owed to the Corporate Defendants, and take such other steps as may be necessary to terminate and

dissolve the Corporate Defendants efficiently;

C. Provide the FTC, upon request, with any business records of the Corporate Defendants that (i) identify customers from whom the Corporate Defendants collected payments, including the most recent known address, telephone number, and the amount of any fees paid by such customers; and (ii) identify customers who received refunds from the Corporate Defendants and the amount of the refunds;

D. Continue to exercise full control of the Corporate Defendants and continue to collect, marshal, and take custody, control and possession of all the funds, property, premises, accounts, documents, mail and other assets of, or in the possession or under the control of, the Corporate Defendants, wherever situated, the income and profits therefrom, and all sums of money now or hereafter due or owing to the Corporate Defendants, with full power to collect, receive and take possession of all goods, chattels, rights, credits, monies, effects, lands, leases, books and records, limited partnership records, work papers, and records of accounts, including computer-maintained information, contracts, financial records, monies on hand in banks and other financial institutions, and other papers and documents of other individuals, partnerships or corporations whose interests are now held by or under the direction, possession, custody or control of the Corporate Defendants collectively, the "Receivership Estate");

E. Dispose of, or arrange for the disposal of, the records of the Corporate Defendants no later than six months after the Court's approval of the Receiver's final report, except that:

1. To the extent that such records are reasonably available, the Receiver shall arrange for records sufficient to ascertain the funds that an individual consumer paid to the Corporate Defendants, and any refunds provided to

individual consumers, to be retained for a minimum of one year from the entry of this Order, and

2. If state or local law regulating the Corporate Defendants' business requires the retention of particular records for a specified period, the Receiver shall arrange for such records to be disposed of after the specified period has expired.

To safeguard the privacy of consumers, records containing personal financial information shall be shredded, incinerated, or otherwise disposed of in a secure manner. For records that must be retained, the Receiver may elect to retain records in their original form, or to retain photographic or electronic copies;

F. Continue to perform all acts necessary or advisable to complete an accounting of the assets, and prevent unauthorized transfer, withdrawal, or misapplication of assets;

G. Make payments and disbursements from the Corporate Defendants' estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by the Corporate Defendants prior to the date of entry of the temporary restraining order in this action, except payments that the Receiver deems necessary or advisable to secure and liquidate assets of the Corporate Defendants, such as rental payments or payment of liens;

H. Enter into contracts and purchase insurance as advisable or necessary;

I. Perform all incidental acts that the Receiver deems to be advisable or necessary, which include retaining, hiring, or dismissing any employees, independent contractors, and

agents as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the statutory authority granted by this Order;

J. Continue to institute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings in state, federal or foreign courts or arbitration proceedings as the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order, including but not limited to, actions challenging fraudulent or voidable transfers;

K. Continue to defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings instituted in the past or in the future against the Receiver in his role as Receiver, or against the Corporate Defendants, as the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;

L. Issue subpoenas to obtain documents and records pertaining to the Receivership, and conduct discovery in this action on behalf of the Receivership estate;

M. Continue to maintain one or more bank accounts as designated depositories for funds of the Corporate Defendants not disbursed to the FTC pursuant to Section IV of this Order, and make all payments and disbursements from the Receivership Estate from such an account. The Receiver shall serve copies of monthly account statements on all parties;

N. Continue to maintain accurate records of all receipts and expenditures that he makes as Receiver; and

O. Continue to cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency.

VII

COMPENSATION OF RECEIVER

IT IS FURTHER ORDERED that the Receiver and all personnel hired by the Receiver, including counsel to the Receiver and accountants, are 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 them, from the assets now held by, in the possession or control of, or which may be received by, the Corporate Defendants. The Receiver must not increase the hourly rates used as the bases for such fee applications without prior approval of the Court.

VIII.

**RECEIVER'S FINAL REPORT AND DISBURSEMENT
OF ASSETS OF THE CORPORATE DEFENDANTS**

IT IS FURTHER ORDERED that:

A. The Receiver shall, as directed in Section VI of this Order, liquidate the assets of the Corporate Defendants as soon as practicable. No later than sixty (60) days from the date of the entry of this Order, the Receiver shall file and serve on the parties a report (the "Final Report") to the Court that details the steps taken to dissolve the Receivership Estate. The Final Report must include an accounting of the Receivership Estate's finances and total assets and a description of what other actions, if any, must be taken to wind-down the Receivership. Promptly thereafter, but no later than thirty (30) days after submission of the Final Report, the Receiver shall file an application for payment of compensation and expenses associated with his performance of duties as Receiver under this Order and under the Temporary Restraining Order and the Stipulated Preliminary Injunction entered in this proceeding. The Receiver shall mail copies of the Final Report to all known creditors of the Corporate Defendants with a notice

stating that any objections to paying any assets of the Corporate Defendants to satisfy the Receiver's costs and expenses and the monetary judgment set forth in this Order must be submitted to the Court and served by mail upon the Receiver and the parties within thirty days of the mailing of the Final Report. If subsequent actions (such as the completion of tax returns or further actions to recover funds for the Receivership) are appropriate, the Receiver shall file an additional report or reports ("Supplemental Reports") describing the subsequent actions and a subsequent application for the payment of fees and expenses related to the subsequent acts.

B. The Court will review the Final Report and any objections to the report and, absent a valid objection, will issue an order directing the Receiver to:

1. Pay the reasonable costs and expenses of administering the Receivership, including compensation of the Receiver and the Receiver's personnel authorized by Section VII of this Order or other orders of this Court, and the actual out-of-pocket costs incurred by the Receiver in carrying-out his duties;
2. Pay all remaining funds to the FTC, as directed in Section VI of this Order as partial satisfaction of the judgment; and

C. With Court approval, the Receiver may hold back funds for a specified period as a reserve to cover additional fees and costs related to actions to be addressed in a Supplemental Report. If the Receiver does not make a supplemental application for fees and expenses within the specified period, or if funds remain in the reserve fund after the payments of fees and expenses approved by the Court in response to such a supplemental application, all funds remaining in the reserve fund shall be immediately paid to the FTC or its designated agent.

IX.

TERMINATION OF THE RECEIVERSHIP

IT IS FURTHER ORDERED that upon completion by the Receiver of the tasks set forth in this Order, the Receivership over the Corporate Defendants in this matter be dissolved and the Receiver discharged.

X.

COMPLIANCE MONITORING

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

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

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

1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, 45 and 69;
2. having its representatives pose as consumers and suppliers to Stipulating

Defendants, their employees, or any other entity managed or controlled in whole or in part by Stipulating Defendant, without the necessity of identification or prior notice; and

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

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

XI.

COMPLIANCE REPORTING BY STIPULATING 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:
 1. Defendant Nicholson shall notify the Commission 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), and any change in his ownership in any business

entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that Defendant Nicholson is affiliated with, employed by, creates or forms, or performs services for; a detailed description of the nature of the business; and a detailed description of Defendant Nicholson's duties and responsibilities in connection with the business or employment; and

c. Any changes in Defendant Nicholson's name or use of any aliases or fictitious names within ten (10) days of the date of such change; and

2. Stipulating Defendants shall notify the Commission of any changes in structure of any Corporate Defendant or any business entity that any Stipulating Defendant directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Order, including but not limited to: incorporation or other organization; a dissolution, assignment, sale, merger, or other action; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; or a change in the business name or address, at least thirty (30) days prior to such change, *provided* that, with respect to any such change in the business entity about which a Stipulating Defendant learns less than thirty (30) days prior to the date such action is to take place, such Stipulating Defendant shall notify the Commission as

soon as is practicable after obtaining such knowledge;

B. One hundred eighty (180) days after the date of entry of this Order and annually thereafter for a period of five (5) years, Stipulating Defendants each shall provide a written report to the FTC, which is true and accurate and sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Order.

This report shall include, but not be limited to:

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

this Section.

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

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

Associate Director for Enforcement
Federal Trade Commission
600 Pennsylvania Avenue, N.W., Room NJ-2122
Washington, D.C. 20580
Re: United States v. Group One Networks, Inc., et al.
Case No. 8:09-cv-352-T-26-MAP.

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

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

XII.

RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Corporate Defendants, and Defendant Nicholson for any business for which they, individually or collectively, are the majority owner or directly or indirectly control, are hereby restrained and enjoined from failing to create and retain the following records:

A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;

B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;

C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;

D. Complaints and refund requests (whether received directly, indirectly, or through any third party) and any responses to those complaints or requests;

E. Copies of all sales scripts, training materials, advertisements, or other marketing materials; and

F. All records and documents necessary to demonstrate full compliance with each provision of this Order, including, but not limited to, copies of acknowledgments of receipt of this Order required by the Sections titled "Distribution of Order" and "Acknowledgment of Receipt of Order" and all reports submitted to the FTC pursuant to the Section titled "Compliance Reporting By Stipulating Defendants."

XIII.

DISTRIBUTION OF ORDER

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

A. Corporate Defendant: Each Corporate Defendant must deliver a copy of this Order to (1) all of its principals, officers, directors, and managers; (2) all of its employees,

agents, and representatives who engage in conduct relating to the subject matter of this Order; and (3) any business entity resulting from any change in structure set forth in sub-paragraph A.2 of the Section titled “Compliance Reporting By Stipulating Defendants.” For current personnel, delivery shall be within five (5) days of service of this Order upon such Corporate Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in sub-paragraph A.2 of the Section titled “Compliance Reporting By Stipulating Defendants,” delivery shall be at least ten (10) days prior to the change in structure.

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

C. Defendant Nicholson as employee or non-control person: For any business where Defendant Nicholson is not a controlling person of a business but otherwise engages in conduct

relating to the subject matter of this Order, Defendant Nicholson must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.

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

XIV.

ACKNOWLEDGMENT OF RECEIPT OF ORDER

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

XV.

COOPERATION WITH FTC COUNSEL

IT IS FURTHER ORDERED that Stipulating Defendants shall, in connection with this action or any subsequent investigations related to or associated with the transactions or the occurrences that are the subject of the FTC's Amended 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, Stipulating Defendants 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 Amended Complaint, without the service of a subpoena.

XVI.

FEES AND COSTS

IT IS FURTHER ORDERED that each party to this Order hereby agrees to bear and pay its own costs and attorneys' fees incurred in connection with this action.

XVII.

SEVERABILITY

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

XVIII.

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.

The parties, and their respective counsel, hereby consent to the terms and conditions of the Order as set forth above and consent to the entry thereof.

FOR STIPULATING DEFENDANTS

James L. Nicholson,
Individually and as President of Group One Networks, Inc.; Officer of Group One Administrative, Inc.; and Manager of US Gold Line, LLC, My Online Credit Store, LLC, Credit First Financial Solution, LLC, Tall Pines Administrative Services, LLC, and Suncoast Data Services, LLC

Robert D. Eckard, Esq.
Counsel for Stipulating Defendants
3110 Alternate U.S. 19 North, Suite A
Palm Harbor, FL 34683
727-772-1941

FOR THE FEDERAL TRADE COMMISSION

J. Ronald Brooke, Jr.

Stephen L. Cohen
Federal Trade Commission
600 Pennsylvania Ave., N.W.
Washington, D.C. 20580
202-326-3484; 326-3222 (phone); 202-326-3295 (fax)

IT IS SO ORDERED, this 19th day of March, 2010.

s/Richard A. Lazzara

RICHARD A. LAZZARA
UNITED STATES DISTRICT JUDGE

Attachment A
(Financial Accounts)

Receivership Accounts

1. Group One Networks – Suntrust Bank Account ending in 3752
Money Market Account
2. Group One Networks – Suntrust Bank Account ending in 3760
Checking Account
3. Group One Administrative, Inc. – Suntrust Bank Account ending in 3364
Money Market Account
4. Credit First Financial Solutions – Suntrust Bank Account ending in 0939
Money Market Account
5. Credit First Financial Solutions – Suntrust Bank Account ending in 1200
Checking Account
6. Tall Pines Administrative Services, Inc. – Suntrust Bank Account ending in 3596
Money Market Account
7. U S Gold Line, LLC – Suntrust Bank Account ending in 1358
Checking Account
8. Suncoast Data Services, LLC – Suntrust Bank Account ending in 3588
Checking Account

Defendant James Nicholson

1. Nicholson – Bank of America Account ending in 7301
Checking Account
2. Nicholson – Bank of America Account ending in 6151
Money Market Account

Attachment B
(Defendant Nicholson Non-Liquid)

- | | |
|--------------------------------|---|
| 1. 2001 Sea Ray Sundancer Boat | Identified in Financial Statement
Hull ID # SERT7818J001 |
| 2. 1994 Nissan Pathfinder | Identified in Financial Statement
VIN# JN8HD17S1RW201375 |
| 3. Jewelry valued at \$3,000 | Identified in Financial Statement |
| 4. Artwork valued at \$7,000 | Identified in Financial Statement |