



E Acquisitions, Inc., Preferred Choice Auto Club, Inc., Stewart Insurance, Ltd., J & J Insurance, Ltd., and John Ben Stewart, Jr., individually and as an officer of the corporate defendants, for engaging in unfair or deceptive acts or practices in violation of Section 5(a)(1) of the FTC Act, 15 U.S.C. § 45(a)(1), acts and practices in violation of the Commission's Trade Regulation Rule Concerning Credit Practices ("Credit Practices Rule"), 16 C.F.R Part 444, acts or practices in violation of the TILA, 15 U.S.C. §§ 1601-1666j, as amended, and the TILA's implementing Regulation Z, 12 C.F.R. § 226, as amended, and acts or practices in violation of the FCRA, 15 U.S.C. § 1681-1681u, as amended.

On April 1, 2004, the Commission filed its First Motion to Amend the Complaint And For Entry of A Consent Order Against Money To Lend, seeking, among other things, to amend its complaint to add as relief defendants John Benjamin Stewart III, individually and in his capacity as co-trustee of the Janice S. Stewart Trust and as limited partner of Stewart Family Investments LP, William Joseph Stewart, individually and in his capacity as co-trustee of the Janice S. Stewart Trust and as limited partner of Stewart Family Investments LP, the Janice S. Stewart Trust, and Stewart Family Investments LP (collectively, the "Relief Defendants").

The Commission and the Relief Defendants, as hereinafter defined, hereby stipulate to the entry of this Stipulated Final Judgment Order ("Order") to resolve all matters of dispute between them in this action.

**IT IS THEREFORE STIPULATED, AGREED, AND ORDERED AS  
FOLLOWS:**

**FINDINGS OF FACT**

1. The court has jurisdiction over this matter under 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 53(b).
2. Venue is proper in the United States District Court for the Northern District of Georgia under 28 U.S.C. §§ 1391(b-c) and 15 U.S.C. § 53(b).
3. The activities of the Relief Defendants are in or affecting “commerce,” as that term is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
4. The Commission’s First Amended Complaint states a claim upon which relief may be granted against Relief Defendants under Sections 5(a) and 13(b) of the FTC Act, 15 U.S.C. §§ 45(a) and 53(b).
5. Relief Defendants have entered into this Order freely and without coercion. Relief Defendants further acknowledge that they have read the provisions of this Order and are prepared to abide by them.
6. The undersigned, individually and by and through their counsel, have agreed that the entry of this Order resolves all matters of dispute between them arising from the Amended Complaint in this action, up to the date of entry of this Order.

7. Relief Defendants waive all rights to seek appellate review or otherwise challenge or contest the validity of this Order. Relief Defendants further waive and release any claim they may have against the Commission, its employees, representatives, or agents. The FTC further waives and releases any claim or claims it has against the Relief Defendants, and their employees, representatives, and agents, arising out of the matters alleged in the FTC's First Amended Complaint, **provided, however**, that this release and waiver shall not be construed to waive or release FTC's interest in the payment and enforcement of the contempt order entered by the Court in this action on April 16, 2004, Docket No. 106.
8. Relief Defendants agree that this Order does not entitle them to seek or to obtain attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended by Pub. L. No. 104-121, 110 Stat. 847, 863-64 (1996), and Relief Defendants further waive any right to attorneys' fees that may arise under said provision of law.
9. The parties have conferred through counsel and have agreed to settle this action without the Relief Defendants admitting fault or liability or any wrongdoing whatsoever in connection with the allegations in the

Commission's First Amended Complaint. By entry of this Order, the Relief Defendants do admit the jurisdictional facts alleged therein.

10. There being no just reason for delay, the Clerk is directed to enter judgment immediately.

### **DEFINITIONS**

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

1. "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Middle District of Florida.
2. "Chapter 11 Trustee" shall mean S. Gregory Hayes, the court-appointed Trustee in the jointly administered Chapter 11 bankruptcy cases of Debtors Stewart Finance Company, Stewart National Finance Company, and D & E Acquisitions, Inc. Case No. 03-30277-RFH (MD. Ga. 2003).
3. "Life Insurance Proceeds" shall mean funds directly or indirectly received or derived from Connecticut Mutual Life Policy No. 6156545, which policy is one of the subjects of a Complaint for Interpleader of Insurance Proceeds and for Related Declaratory Relief filed on August 19, 2004 in the United States Bankruptcy Court for the Middle District of Georgia, Adversary Proceedings 04-3044 and 04-3045 (Procedurally consolidated) and which funds, upon information and belief, are

interplead into the Registry of the United States Bankruptcy Court of the Middle District of Georgia.

4. "Relief Defendants" shall mean John Benjamin Stewart III, individually, and in his capacity as co-trustee of the Janice S. Stewart Trust and as limited partner in Stewart Family Investments LP; and William Joseph Stewart, individually, and in his capacity as co-trustee of the Janice S. Stewart Trust and as partner in Stewart Family Investments LP, the Janice S. Stewart Trust and Stewart Family Investments LP.

5. "Stewart Sons Bankruptcy Settlement" shall mean the Settlement Agreement and Mutual Release As Between S. Gregory Hays, Chapter 11 Trustee for the Debtors, William Flatau, Chapter 7 Trustee of John Benjamin Stewart, Jr., Debtor, and the Janice S. Stewart Trust, John Benjamin Stewart, III, and William Joseph Stewart in the case of *C.M. Life Insurance Company v. Estate of John Benjamin Stewart, Jr.*, Adv. Pro. No. 04-3044 (Bankr. M.D. GA August 19, 2004), a copy of which is attached hereto as Exhibit A.

## I. MONETARY JUDGMENT

**IT IS FURTHER ORDERED** that:

A. Judgment in the amount of \$423,592.91 is entered against Relief Defendants, jointly and severally.

B. Judgment against Relief Defendants shall be satisfied by the payment to the Commission of the following amounts, due and payable as follows:

(i) Payment to the Commission of \$316,666.66, by the Chapter 11 Trustee within ten (10) days of the entry of this Order, to be disbursed from the Settlement Payment received by the Chapter 11 Trustee pursuant to Section 4. c.

(i) of the Stewart Sons' Bankruptcy Settlement, a copy of which is attached hereto as Exhibit A.

(ii) Payment to the Commission of \$ 106,926.25, within ten (10) days of the Court's entry of an Order authorizing payment over to the FTC of monies held in that certain escrow fund established pursuant to this Court's April 16, 2004 Order [Docket No. 106] to hold compensatory sanctions awarded against John Benjamin Stewart, Jr., and William Joseph Stewart.

C. The Relief Defendants' agreement to the Monetary Judgment set forth above is conditioned upon the Bankruptcy Court's approval of the Joint Motion for Authority to Compromise and Settle Disputed Claims By S. Gregory Hays, Chapter 11 Trustee of the Debtors, and By William M. Flatau, Chapter 7 Trustee of John Benjamin Stewart, Jr., Debtor, as Against Janice S. Stewart Trust, John Benjamin Stewart, III, William Joseph Stewart, and Janice S. Stewart (the "Joint Motion"), which approval will authorize the release of the Life Insurance Proceeds to the Chapter 11 Trustee. If

the Bankruptcy Court denies the Joint Motion and fails to enter an order approving the Stewart Sons Bankruptcy Settlement and disbursing the payment, or any such order does not become final on or before August 31, 2005, then, unless otherwise agreed to by the Parties, this Final Judgment and Order shall terminate and be null and void and of no further force or effect, and the Parties shall be restored to their respective factual and legal positions, which existed immediately prior to the execution of the Final Judgment and Order.

D. If, upon motion by the Commission, this Court finds that Relief Defendants have failed to timely pay the judgment, then this Final Order shall be reopened to allow the FTC to modify and determine Relief Defendants' monetary liability, as outlined in Paragraph III below.

E. The Commission's agreement to this Final Order is expressly premised upon the truthfulness, accuracy, and completeness of John Benjamin Stewart III and William Joseph Stewart's individual sworn statement of net assets, liabilities, and other supporting financial documents submitted to the Commission on or about Monday, February 28, 2005, which include material information upon which the Commission relied in negotiating and agreeing to this Final Order. If, upon motion by the Commission, this Court finds that John Benjamin Stewart III or William Joseph Stewart have materially misstated their net assets in the financial statements and related

documents described above, or have made any other material misstatements or omissions in the financial statements and related documents described above, then this Final Order shall be reopened to allow the FTC to modify and determine Relief Defendants' monetary liability, as outlined in Paragraph III below.

F. In accordance with 31 U.S.C. § 7701, Relief Defendants are hereby required, unless they have done so already, to furnish to the Commission their respective taxpayer identifying numbers (social security number or employer identification number) which shall be used for purposes of collecting and reporting on any delinquent amount arising out of Relief Defendants' relationship with the government.

G. Individual Relief Defendants are further required, unless they have done so already, to provide the Commission with clear, legible and full-size photocopies of all valid driver's licenses they possess, which will be used for reporting and compliance purposes.

H. 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, Relief Defendants waive any right to contest any of the allegations in the Commission's First Amended Complaint.

I. Proceedings instituted under this Paragraph 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 Final Order.

## **II. COMMISSION'S USE OF MONETARY JUDGMENT**

**IT IS FURTHER ORDERED** that all funds paid pursuant to Paragraph I of this Final Order shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to, consumer redress and any attendant expenses for the administration of 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 Relief Defendants' practices alleged in the complaint. Any funds not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. Relief Defendants shall have no right to challenge the Commission's choice of remedies under this Paragraph.

## **III. RIGHT TO REOPEN**

**IT IS FURTHER ORDERED** that, within ten (10) business days after entry of this Order, Relief Defendants John Benjamin Stewart III and William Joseph Stewart shall submit to the FTC a truthful sworn statement that shall acknowledge receipt of

this Order and shall reaffirm and attest to the truth, accuracy, and completeness of their individual financial statements submitted to the FTC prior to the date of entry of this Order. The FTC's agreement to this Order is expressly premised on the truthfulness, accuracy and completeness of such financial statements. If the FTC determines that either financial statement contains any material misrepresentation or omission, the FTC may request that this Order be reopened to allow the FTC to modify and determine relief defendant's monetary liability; *provided, however*, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by this Court; and, *provided, further*, that proceedings instituted under this provision would be in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings that the FTC may initiate to enforce this Order. For purposes of this Section III, Relief Defendants waive any right to contest any of the allegations in the FTC's First Amended Complaint.

#### **IV. 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.

**V. ENTRY OF THIS FINAL JUDGMENT**

**IT IS FURTHER ORDERED** pursuant to Fed. R. Civ. P. 54(b), that there is no just reason for delay of entry of this judgment and the Clerk immediately shall enter this Order as a final judgment as to Relief Defendants John Benjamin Stewart III and William Joseph Stewart, individually, and in their capacity as Co-Trustees of the Janice S. Stewart Trust and as limited partners in Stewart Family Investments LP, the Janice S. Stewart Trust, and Stewart Family Investments LP.

**VI. COMPLETE SETTLEMENT**

The parties hereby consent to entry of the foregoing Final Order which shall constitute a final judgment and order in this matter. The parties further stipulate and agree that the entry of the foregoing Final Order shall constitute a full, complete, and final settlement of this action against the Relief Defendants named herein.

**SO ORDERED**, this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
Jack T. Camp  
United States District Judge

For the Commission:

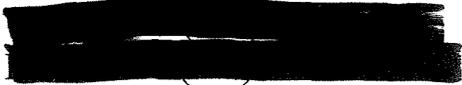
  
\_\_\_\_\_  
Anne M. McCormick

For Proposed Relief Defendants:

  
\_\_\_\_\_  
H. Michael Dever

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and in their capacity as Co-trustees of  
the Janice S. Stewart Trust and as  
limited partners of Stewart Family  
Investments, the Janice S. Stewart  
Trust, and Stewart Family Investments  
LP*



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John Benjamin Stewart III  
*Individually and in his capacity as Co-  
Trustee of the Janice S. Stewart Trust  
and as a limited partner of Stewart  
Family Investments*

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William Joseph Stewart  
*Individually and in his capacity as Co-  
Trustee of the Janice S. Stewart Trust  
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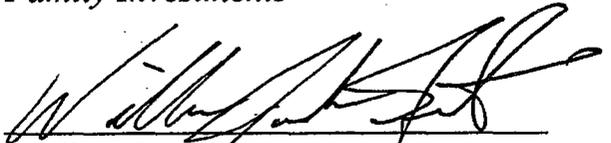
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*Individually and in his capacity as Co-  
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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

FEDERAL TRADE COMMISSION, )

Plaintiff, )

vs. )

STEWART FINANCE COMPANY )  
HOLDINGS, INC., et al., )

Defendants. )  
/

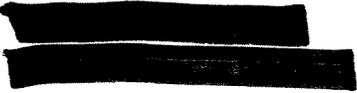
Civil Action No. 1:03-CV 2648-JTC

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing **STIPULATED  
FINAL JUDGMENT AND ORDER** was served by overnight mail on November

4<sup>th</sup>, 2005, to the following:

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Chapter 7 Trustee for Ben Stewart,  
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LLC  
William Flatau, Chapter 7 Trustee  
Wes Boyer, Attorney Chapter 7 Trustee  
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