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## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

FEDERAL TRADE COMMISSION,	) )
Plaintiff,	) ) Civil No. 09 C 3159
v.	) Judge Blanche M. Manning
6654916 CANADA INC., a Canadian corporation, d/b/a NATIONAL YELLOW PAGES ONLINE INC., et al.,	) ) Magistrate Judge Susan E. Cox ) )
Defendants.	) ) )

# DEFAULT JUDGMENT AND ORDER FOR PERMANENT INJUNCTION AND MONETARY RELIEF

On May 27, 2009, Plaintiff Federal Trade Commission ("Commission" or "FTC"), filed its Complaint for Permanent Injunction and Other Equitable Relief against Defendants 6654916 Canada Inc., d/b/a National Yellow Pages Online; 9187-4131 Québec Inc., d/b/a Sharing Telecom Solutions; National Yellow Pages Online, LLC; DRS Without Prejudice, Inc.; Riaz A. Butt; Faheem Ahmed Mughal; Nabeel Azmat; Sohail Azmat; Bilal Ahmed Malik, a/k/a Bobby Malik, and also d/b/a Online National Yellow Pages, pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b).

The Court, having found all Defendants in default, and the Commission, having moved for entry of default judgment on all counts of the Complaint against Defendants, IT IS

THEREFORE ORDERED, ADJUDGED, AND DECREED as follows:

#### **FINDINGS**

1. This is an action by the Commission under Sections 5 and 13(b) of the FTC Act,

15 U.S.C. §§ 45 and 53(b). The Commission's Complaint seeks permanent injunctive relief against Defendants in connection with the offering for sale or sale of Internet directory listings in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and seeks equitable monetary relief in the form of consumer redress and/or disgorgement. Pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), the Commission has the authority to seek the relief contained herein.

- 2. This Court has jurisdiction over the subject matter of this case and has jurisdiction over all parties hereto.
  - 3. Venue is proper as to all parties in the Northern District of Illinois.
- 4. The Commission's Complaint states a claim upon which relief may be granted against Defendants under Sections 5 and 13(b) of the FTC Act, 15 U.S.C. §§ 45 and 53(b).
- 5. The activities of Defendants, as alleged in the Complaint, are in or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
- 6. All Defendants were personally served with process in this matter on June 2, 2009, or June 3, 2009. Defendants 6654916 Canada Inc.; National Yellow Pages Online, LLC; and DRS Without Prejudice, Inc., thereafter failed to file an answer to the Complaint within the time set forth by Rule 12(a) of the Federal Rules of Civil Procedure, or to otherwise defend this action. On September 17, 2009, the Court entered an order of default as to these Defendants. The Commission now is entitled to a default judgment, pursuant to Rule 55(b) of the Federal Rules of Civil Procedure, as to Defendants 6654916 Canada Inc.; National Yellow Pages Online, LLC; and DRS Without Prejudice, Inc.
- 7. On July 21, 2010, the Court entered an order of default against Defendants Bilal Ahmed Malik, 9187-4131 Québec Inc., Riaz A. Butt, Faheem Ahmed Mughal, Sohail Azmat,

and Nabeel Azmat. The Commission also is now entitled to a default judgment, pursuant to Rule

55(b) of the Federal Rules of Civil Procedure, as to Defendants Bilal Ahmed Malik, 9187-4131 Québec Inc., Riaz A. Butt, Faheem Ahmed Mughal, Sohail Azmat, and Nabeel Azmat.

- 8. The factual allegations in the Commission's Complaint are taken as true against all Defendants. Those allegations and the evidence supporting them establish that Defendants violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).
- 9. The Court now finds that, in connection with the offering for sale or sale of Internet directory listings, Defendants have violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), by falsely representing to consumers, expressly or by implication, through, *inter alia*, telephone calls, that consumers have a preexisting business relationship with Defendants.
- 10. The Court further finds that, in connection with the offering for sale or sale of Internet directory listings, Defendants have violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), by falsely representing to consumers, expressly or by implication, through, *inter alia*, telephone calls, invoices, or collection letters, that consumers have agreed to purchase listings in Defendants' Internet directory.
- 11. The Court further finds that, in connection with the offering for sale or sale of Internet directory listings, Defendants have violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), by falsely representing to consumers, expressly or by implication, through, *inter alia*, telephone calls, invoices, or collection letters, that consumers owe money to Defendants for listings in Defendants' Internet directory.
  - 12. Defendants are likely to continue to engage in the acts and practices alleged in the

Complaint unless they are permanently enjoined from such acts and practices.

- 13. Defendants' net sales (total sales minus refunds, returns, and chargebacks) amounted to \$1,239,211.15 United States Dollars from the conduct alleged in the Commission's Complaint. *See, e.g., FTC v. Trudeau*, 579 F.3d 754, 771 (7th Cir. 2009) ("Consumer loss is a common measure for civil sanctions in contempt proceedings and direct FTC actions.").
- 14. The Commission is therefore entitled to equitable monetary relief against Defendants in the amount of one million, two hundred thirty-nine thousand, two hundred eleven dollars and fifteen cents (\$1,239,211.15 USD), for which Defendants are jointly and severally liable.
- 15. This Order is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law.
  - 16. Entry of this Order is in the public interest.
- 17. Pursuant to Federal Rule of Civil Procedure 65(d), the provisions of this Order are binding upon Defendants, their officers, agents, servants, employees, attorneys, corporations, successors and assigns, and upon those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise.

## **DEFINITIONS**

- 1. "Plaintiff" means the Federal Trade Commission ("Commission" or "FTC").
- 2. "Individual Defendants" means Riaz A. Butt ("Butt"); Faheem Ahmed Mughal ("Mughal"); Nabeel Azmat; Sohail Azmat; and Bilal Ahmed Malik, a/k/a Bobby Malik, also doing business as Online National Yellow Pages ("Malik").
  - 3. "Corporate Defendants" means 6654916 Canada Inc., d/b/a National Yellow

Pages Online Inc. ("Canada Inc."); 9187-4131 Québec Inc., d/b/a Sharing Telecom Solutions ("Quebec Inc."); National Yellow Pages Online, LLC ("NYPO"); and DRS Without Prejudice, Inc. ("DRS"); and their successors and assigns.

- 4. "**Defendants**" means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.
- 5. "Asset" or "Assets" means any legal or equitable interest in, right to, or claim to, any real or personal property, including, but not limited to, "goods," "instruments," "equipment," "fixtures," "general intangibles," "inventory," "checks," or "notes," (as these terms are defined in the Uniform Commercial Code), lines of credit, chattels, leaseholds, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, and all cash, wherever located.
- 6. "Assisting others" includes, but is not limited to: (1) providing administrative services, including, but not limited to, (1) filing business registrations with federal, state, or local government entities; (2) acting as an officer, director, or registered agent of a business entity; (3) establishing bank and/or merchant accounts; (4) handling banking transactions; (5) establishing mail accounts and/or mail receiving boxes; (6) forwarding mail received from consumers; (7) performing customer service functions, including, but not limited to, receiving or responding to consumer complaints; (8) formulating or providing, or arranging for the formulation or provision of, any sales script or other marketing material; (9) providing names of, or assisting in the generation of, potential customers; (10) performing or providing marketing or billing services of any kind; or (11) providing telemarketing services.

- 7. "Commercial Mail Receiving Agency" ("CMRA") means any commercial mail receiving and/or forwarding agencies, commercial freight holding and/or forwarding agencies, customs brokers, or other parties holding, receiving, or forwarding mail and/or freight on behalf of Defendants.
- 8. "Consumer" means any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.
- 9. "Customer" means any person who has paid, or may be required to pay, for goods or services offered for sale or sold by any Defendant.
- 10. "**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 includes writings, drawings, graphs, charts, Internet sites, Web pages, Web sites, electronic correspondence, 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.
- 11. "**Financial Institution**" means any bank, savings and loan institution, credit union, or any financial depository of any kind, including, but not limited to, any brokerage house, trustee, broker-dealer, escrow agent, title company, commodity trading company, or precious metal dealer.
- 12. "Material" means likely to affect a person's choice of, or conduct regarding, goods or services.

- 13. "**Person**" or "**persons**" 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.
- 14. "**Telemarketing**" means a plan, program, or campaign (whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310) which is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones.
- 15. "**Web site**" means a set of electronic documents, usually a home page and subordinate pages, readily viewable on a computer by anyone with access to the World Wide Web, standard software, and knowledge of the Web site's location or address.
- 16. "World Wide Web" means a system used on the Internet for cross-referencing and retrieving information.

#### **ORDER**

I.

## **BAN ON CERTAIN ACTIVITIES**

IT IS THEREFORE ORDERED that Defendants, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, division, or other device, or any of them, are hereby permanently restrained and enjoined from engaging in, participating in, or assisting others in the marketing, advertising, promotion, telemarketing, offering for sale, sale, or distribution of Internet directories and/or listings in Internet directories in any format.

II.

## PROHIBITED BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, 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, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, in connection with the marketing, advertising, promotion, offering for sale, sale, or provision 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 consumers have a preexisting business relationship with Defendants;
  - 2. that consumers have agreed to purchase a listing in Defendants' Internet directory;
  - that consumers owe money to Defendants for a listing in Defendants'

    Internet directory;
  - 4. that Defendants are telephoning consumers to renew a directory listing previously authorized with Defendants;
  - 5. the nature of Defendants' relationship with consumers, and the purpose of their communications with consumers;
    - 6. the total cost to purchase, receive, or use the goods or services;
  - 7. any material restrictions, limitations, or conditions to purchase, receive, or use the goods or services;
    - 8. any material aspect of the nature or terms of a refund, cancellation,

exchange, or repurchase policy for the goods or services; or

- 9. any material aspect of the performance, efficacy, nature, or central characteristics of the goods or services;
- B. Failing to disclose in outbound telephone calls to consumers, promptly and in a clear and conspicuous manner:
  - 1. the identity of the seller;
  - 2. that the purpose of the call is to sell goods or services; and
  - 3. the nature of the goods or services; and
- C. Violating any provision of the Telemarketing Sales Rule, 16 C.F. R. Part 310, as currently promulgated or as hereafter it may be amended.

## III.

## MONETARY JUDGMENT

#### IT IS FURTHER ORDERED that:

- A. Judgment is hereby entered in favor of the Commission, and against Defendants, jointly and severally, in the amount of one-million, two-hundred thirty-nine thousand, two-hundred eleven United States Dollars and fifteen cents (\$1,239,211.15 USD), as equitable monetary relief for consumer injury.
- B. Upon entry of this Order, this monetary judgment shall become immediately due and payable by Defendants, and interest, computed pursuant to 28 U.S.C. § 1961(a), as amended, immediately shall begin to accrue upon the unpaid balance;
- C. All payments under this Section shall be made by certified check or other guaranteed funds payable to and delivered to the Commission, or by wire transfer in accord with

directions provided by counsel for the Commission;

D. All 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 such equitable relief fund. If the Commission determines, in is sole discretion, that 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 Defendants' practices alleged in the Complaint.

Defendants shall have no right to challenge the Commission's choice of remedies under this Section. This judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture; and

## IV.

## **TURNOVER OF ASSETS HELD BY THIRD PARTIES**

IT IS FURTHER ORDERED that, in order to partially satisfy the monetary judgment set forth in Section III above, any financial or brokerage institution, escrow agent, title company, commodity trading company, automated clearing house, network transaction processor, payment processor, business entity, or person that holds, controls, or maintains custody of any account or asset of any Defendant, or any account or asset held on behalf of, or for the benefit of, any Defendant, or any account or asset frozen pursuant to (a) the *Ex Parte* Temporary Restraining Order with Asset Freeze, Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue; (b) the Stipulated Preliminary Injunction Order as to Defendants Nabeel Azmat and Sohail Azmat; (c) the Stipulated Preliminary Injunction Order as to

Defendants 6654916 Canada Inc., 9187-4131 Québec Inc., and Bilal Ahmed Malik; and (d) the Preliminary Injunction Order with Asset Freeze and Other Equitable Relief as to Defendants National Yellow Pages Online, LLC; DRS Without Prejudice, Inc.; Riaz A. Butt; and Faheem Ahmed Mughal, previously entered in this matter, shall turn over such account or asset to the Commission, by wire transfer pursuant to directions provided by counsel for the Commission, or as otherwise agreed to in writing by counsel for the Commission, within ten (10) business days of receiving notice of this Order by any means, including, but not limited to, via facsimile.

The accounts and assets to be turned over to the Commission pursuant to this Section include, without limitation, the following: (1) the "National Yellow Pages Online, LLC," reserve account held by Elavon, Inc.; (2) the balance in the "Riaz A. Butt" account at JPMorgan Chase Bank; (3) any funds remaining in the "National Yellow Pages Online, LLC," account at JPMorgan Chase Bank; and (4) any funds remaining in the "Online National Yellow Pages, LLC," account at JPMorgan Chase Bank.

V.

## PROHIBITIONS REGARDING CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, 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, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, 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 the marketing, advertising, promotion, telemarketing, offering for sale, sale, or distribution of Internet directories and/or listings in Internet directories in any format; 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.

#### VI.

## PROHIBITION ON COLLECTING ACCOUNTS

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, 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, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, are hereby permanently restrained and enjoined from attempting to collect, collecting, selling, or assigning, or otherwise transferring any right to collect payment for any Internet directory and/or listing in any Internet directory in any format, directly or through any third party.

#### VII.

## RETURN OF UNCASHED CHECKS

IT IS FURTHER ORDERED that Defendants waive and release all rights, claims, and interests in all uncashed checks and other negotiable instruments sent by consumers in response to Defendants' telemarketing, invoices and/or collection activities related to Internet directories and/or listings in Internet directories. Said uncashed checks and negotiable instruments, held by the Commission pursuant to the Temporary Restraining Order and Preliminary Injunctions issued in this action, shall not be cashed, but shall be returned to their makers by the Commission or its agent; and the Commission or its agent is authorized for this purpose to open any mail addressed to any Defendant that is or has been forwarded to the Commission and to dispose of such mail as the Commission, in its sole discretion, determines to be appropriate. In the event that the makers of the uncashed checks or negotiable instruments cannot be located, or the Commission, in its sole discretion, determines that the return of checks or negotiable

instruments is otherwise impracticable, the Commission or its agent shall destroy the checks or negotiable instruments.

#### VIII.

#### **COMPLIANCE MONITORING**

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

A. Within ten (10) days of receipt of written notice from a representative of the Commission, Defendants each shall submit additional written reports, which are true and accurate and sworn to or affirmed 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 Defendant's 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 Defendants, their employees, or any other entity managed or controlled in whole or in part by any Defendant, without the necessity of identification or prior notice; and
- C. 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)).

#### IX.

## **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. Each Individual Defendant shall notify the Commission of the following:
  - a. Any changes in such Defendant's residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;
  - b. Any changes in such Defendant's employment status (including self-employment), and any change in such Defendant's 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 such Defendant 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 such Defendant's duties and responsibilities in connection with the business or employment; and
  - c. Any changes in such Defendant's name or use of any aliases or fictitious names within ten (10) days of the date of such change;
- 2. Defendants shall notify the Commission of any changes in structure of any Corporate Defendant or any business entity that any 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

Defendant learns less than thirty (30) days prior to the date such action is to take place, such 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, 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 each Individual Defendant:
  - a. such Defendant's then-current residence address, mailing addresses, and telephone numbers;
  - b. such Defendant's then-current employment status (including self-employment), including the name, addresses, and telephone numbers of each business that such Defendant is affiliated with, employed by, or performs services for; a detailed description of the nature of the business; and a detailed description of such Defendant'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 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 Defendant shall notify the Commission of the filing of a bankruptcy petition by such Defendant within fifteen (15) days of filing.
- D. For purposes of this Order, Defendants shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier (not the U.S. Postal Service) all reports and notifications to the Commission that are required by this Order to:

Associate Director for Enforcement Bureau of Consumer Protection Federal Trade Commission 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580

Re: FTC v. 6654916 Canada Inc., et al.; FTC Matter No. X090052

*Provided* that, in lieu of overnight courier, Defendants may send such reports or notifications by first-class mail, but only if 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 Defendant.

X.

#### **RECORD KEEPING**

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Corporate Defendants and Individual Defendants 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 or indirectly, such as through a 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."

## XI.

## **DISTRIBUTION OF ORDER**

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

of this Order, 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 related to the subject matter of the Order; and (3) any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting." For current personnel, delivery shall be within five (5) days of service of this Order upon such 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 Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.
- B. Individual Defendant as control person: For any business that an Individual Defendant controls, directly or indirectly, or in which such Defendant has a majority ownership interest, such Defendant 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 related to the subject matter of the Order; and (3) any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting." For current personnel, delivery shall be within five (5) days of service of this Order upon such 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 Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.
  - C. Individual Defendant as employee or non-control person: For any business where

an Individual Defendant is not a controlling person of a business but otherwise engages in conduct related to the subject matter of this Order, such Defendant must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.

D. 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.

#### XII.

## ACKNOWLEDGMENT OF RECEIPT OF ORDER

**IT IS FURTHER ORDERED** that each Defendant, 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. An example of such a statement is attached hereto as **Attachment A**.

#### XIII.

#### LIFTING OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on the assets of Defendants shall remain in effect until the Commission has received the total amount required by Section III above, provided, however, that Defendants may transfer funds to the extent necessary to make all payments required by Section III. Upon payment to the Commission of the total amount

required by Section III above, the freeze against the assets of Defendants shall be lifted permanently.

#### XIV.

## **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.

**JUDGMENT IS THEREFORE ENTERED** in favor of the Commission and against Defendants pursuant to all the terms and conditions recited above.

IT IS SO ORDERED, this 20<sup>th</sup> day of September, 2010.

Honorable Blanche M. Manning United States District Judge

# **ATTACHMENT A**

## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

FEDERAL TRADE COMMISSION,	
TEDERAL TRADE COMMISSION,	<i>)</i> )
Plaintiff,	) Civil No. 09 C 3159
v.	) Judge Blanche M. Manning )
6654916 CANADA INC., a Canadian corporation, d/b/a NATIONAL YELLOW PAGES ONLINE INC., et al.,	) Magistrate Judge Susan E. Cox )
Defendants.	) ) )
AFFIDAVIT ATTESTING TO RECEIN AND ORDER FOR PERMANENT INJUNO  I,, being dul  [Name of Defendant]	CTION AND MONETARY RELIEF
1. My name is	
and am over the ago	e of eighteen. I have personal knowledge of
the facts set forth in this Affidavit.	
2. I am a defendant in <i>FTC v. 6654916</i> (	Canada Inc., et al., Case No 09C 3159
(United States District Court for the Northern Distric	et of Illinois). I am also the president of
, a defendant in FTC [Name of corporate defendant]	Cv. 6654916 Canada Inc., et al., Case No

09C 3159 (U	Inited States	District (	Court for	the North	nern District	of Illinois
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3.	My current employer is	My current business
address is		My current
business teleph	none number is	My current residential address is
		My current residential
telephone num	ber is	·
4.	On	, I received a copy of the Default Judgment
and Order for I	Permanent Injunction and Monetary	Relief, which was signed by the Honorable
Blanche M. Ma	anning and entered by the Court on	A true and [Date of entry of the Order]
correct copy of	the Order I received is appended to	this Affidavit.
5.	On	, received a [Name of corporate defendant]
copy of the De	fault Judgment and Order for Perma	nent Injunction and Monetary Relief, which
was signed by	the Honorable Blanche M. Manning	and entered by the Court on
	A true and corre	ct copy of the Order it received is appended to

this Affidavit.	
I declare, under penalty of perjury under the	laws of the United States that the foregoing
is true and correct. Executed on	, at
[City, state or province, and country]	·
	[Defendant's signature]
	individually and as an officer of
	[Name of corporate defendant if acknowledging a corporate defendant's receipt of the order]
State of, City of _	
Subscribed and sworn to before me this day of, 2010.	

Notary Public My Commission Expires: