

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

RESIDENTIAL RELIEF FOUNDATION,
INC., *et al.*,

Defendants.

Case No. 1:10-cv-3214-JFM

STIPULATED FINAL ORDER FOR PERMANENT INJUNCTION AND SETTLEMENT OF
CLAIMS AS TO DEFENDANTS MITIGATION AMERICA, LLC AND DENNIS
STRZEGOWSKI

Plaintiff Federal Trade Commission ("FTC") commenced this civil action on November 15, 2010, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. § 6101 *et seq.*, to obtain preliminary and permanent injunctive and other equitable relief for Defendants' alleged violations of Section 5 of the FTC Act, 15 U.S.C. § 45, and the Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310, in connection with the marketing and sale of mortgage assistance relief services and debt relief services. On November 15, 2010, the Court entered an *ex parte* Temporary Restraining Order ("TRO") that, among other things, appointed a temporary receiver over the corporate defendants. The FTC, the Temporary Receiver, and Defendants Mitigation America, LLC and Dennis Strzegowski hereby stipulate to the entry of this Final Order for Permanent Injunction and Settlement of Claims ("Order").

FINDINGS

By stipulation of the parties and being advised of the premises, the Court finds:

1. This is an action by the FTC instituted under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b. The Complaint seeks both permanent injunctive relief and equitable monetary relief for the Settling Defendants' alleged deceptive acts or practices as alleged therein.
2. The FTC has the authority under Sections 13(b) and 19 of the FTC Act to seek the relief it has requested, and the Complaint states a claim upon which relief can be granted against the Settling Defendants.
3. This Court has jurisdiction over the subject matter of this case and has jurisdiction over the Settling Defendants. Venue in the District of Maryland is proper.
4. The activities of the Settling 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.
5. The FTC and the Settling Defendants stipulate and agree to entry of this Order, without trial or final adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising from the conduct alleged in the Complaint to the date of entry of this Order. This settlement does not settle and resolve any matters not alleged in the Complaint. The Settling Defendants do not admit any of the allegations set forth in the Complaint, other than the jurisdictional facts, merely by stipulating and agreeing to the entry of this Order.
6. The Settling Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order. The Settling Defendants also waive any claim that they may have held under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the date of this Order. Each settling party shall bear its own costs and attorneys fees.

7. This action and the relief awarded herein are in addition to, and not in lieu of, other remedies as may be provided by law, including both civil and criminal remedies.
8. Entry of this Order is in the public interest.

DEFINITIONS

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

1. **“Assisting others”** includes, but is not limited to:
 - A. performing customer service functions, including, but not limited to, receiving or responding to consumer complaints;
 - B. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including, but not limited to, any telephone sales script, direct mail solicitation, or the design, text, or use of images of any Internet website, email, or other electronic communication;
 - C. formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including but not limited to, web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services;
 - D. providing names of, or assisting in the generation of, potential customers;
 - E. performing marketing, billing, or payment services of any kind; and
 - F. acting or serving as an owner, officer, director, manager, or principal of any entity.
2. **“Competent and reliable evidence”** means tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been conducted and

evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

3. **“Consumer”** means any natural person.
4. **“Customer”** means any person who has paid, or may be required to pay, for products, services, plans, or programs offered for sale or sold by any other person.
5. **“Debt relief product or service”** means any product, service, plan, or program represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt or obligation, including but not limited to a tax debt or obligation, between a person and one or more unsecured creditors or debt collectors, including but not limited to, a reduction in the balance, interest rate, or fees owed by a person to an unsecured creditor or debt collector.
6. **“Document”** is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which the information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.
7. **“Federal homeowner relief or financial stability program”** means any program (including its sponsoring agencies, telephone numbers, and Internet websites) operated or endorsed by the United States government to provide relief to homeowners or stabilize the economy, including but not limited to:
 - A. the Making Home Affordable Program;

- B. the Financial Stability Plan;
 - C. the Troubled Asset Relief Program and any other program sponsored or operated by the United States Department of the Treasury;
 - D. the HOPE for Homeowners program, any program operated or created pursuant to the Helping Families Save Their Homes Act, and any other program sponsored or operated by the Federal Housing Administration; or
 - E. any program sponsored or operated by the United States Department of Housing and Urban Development ("HUD"), the HOPE NOW Alliance, the Homeownership Preservation Foundation, or any other HUD-approved housing counseling agency.
8. **"Financial related product or service"** means any product, service, plan, or program represented, expressly or by implication, to:
- A. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit, debit, or stored value cards;
 - B. improve, or arrange to improve, any consumer's credit record, credit history, or credit rating;
 - C. provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer's credit record, credit history, or credit rating;
 - D. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit; or
 - E. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving any service represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt or obligation, including but

not limited to a tax debt or obligation, between a consumer and one or more secured creditors, servicers, or debt collectors.

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. **“Settling Defendants”** means the Individual Settling Defendant and the Corporate Settling Defendant, individually, collectively, or in any combination. **“Individual Settling Defendant”** means Dennis Strzegowski. **“Corporate Settling Defendant”** means Mitigation America, LLC, and its successors and assigns.

BAN ON DEBT RELIEF PRODUCTS AND SERVICES

- I. **IT IS THEREFORE ORDERED** that the Settling Defendants, whether acting directly or through any other person, are permanently restrained and enjoined from:
 - A. Advertising, marketing, promoting, offering for sale, or selling any debt relief product or service; and
 - B. Assisting others engaged in advertising, marketing, promoting, offering for sale, or selling any debt relief product or service.

PROHIBITED MISREPRESENTATIONS RELATING TO FINANCIAL RELATED PRODUCTS OR SERVICES

- II. **IT IS FURTHER ORDERED** that the Settling Defendants and their officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission,

email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale or sale of any financial related product 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. The terms or rates that are available for any loan or other extension of credit, including but not limited to:

a. closing costs or other fees;

b. the payment schedule, the monthly payment amount(s), or other payment terms, or whether there is a balloon payment; interest rate(s), annual percentage rate(s), or finance charge; the loan amount, the amount of credit, the draw amount, or outstanding balance; the loan term, the draw period, or maturity; or any other term of credit;

c. the savings associated with the credit;

d. the amount of cash to be disbursed to the borrower out of the proceeds, or the amount of cash to be disbursed on behalf of the borrower to any third parties;

e. whether the payment of the minimum amount specified each month covers both interest and principal, and whether the credit has or can result in negative amortization;

- f. that the credit does not have a prepayment penalty or that no prepayment penalty and/or other fees or costs will be incurred if the consumer subsequently refinances; and
 - g. that the interest rate(s) or annual percentage rate(s) are fixed rather than adjustable or adjustable rather than fixed;
- 2. Any person's ability to improve or otherwise affect a consumer's credit record, credit history, or credit rating or ability to obtain credit;
 - 3. That any person can improve any consumer's credit record, credit history, or credit rating by permanently removing negative information from the consumer's credit record, credit history, or credit rating, even where such information is accurate and not obsolete; and
 - 4. That a consumer will receive legal representation;
- B. Advertising or assisting others in advertising credit terms other than those terms that actually are or will be arranged or offered by a creditor or lender.

PROHIBITED MISREPRESENTATIONS RELATING TO ANY PRODUCTS OR SERVICES

III. IT IS FURTHER ORDERED that the Settling Defendants and their officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale or sale of any product, service, plan, or program 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. Any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy, including, but not limited to, the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted to the consumer;
 2. That any person is affiliated-with, endorsed or approved by, or otherwise connected to any other person; government entity; any federal homeowner relief or financial stability program; public, non-profit, or other non-commercial program; or any other program;
 3. That they themselves provide the product, service, plan, or program;
 4. That any person providing a testimonial has purchased, received, or used the product, service, plan, or program;
 5. That the experience represented in a testimonial of the product, service, plan, or program represents the person's actual experience resulting from the use of the product, service, plan, or program under the circumstances depicted in the advertisement;
 6. The total costs to purchase, receive, or use, or the quantity of, the product, service, plan, or program;
 7. Any material restriction, limitation, or condition on purchasing, receiving, or using the product, service, plan, or program;

8. That any person has implemented reasonable and appropriate measures to protect consumers' non-public personal information against unauthorized access; or
 9. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; and
- B. failing to dispose properly of consumer information, maintained or otherwise possessed for a business purpose, by taking reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal, 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.

SUBSTANTIATION FOR BENEFIT, PERFORMANCE, AND EFFICACY CLAIMS

IV. IT IS FURTHER ORDERED that the Settling Defendants and their officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale, or sale of any financial related product or service are hereby permanently restrained and enjoined from making any representation or assisting others in making any representation, expressly or by implication, about the benefits, performance, or efficacy of any financial related product or service, unless at the time such representation is made, the Settling Defendants possess and rely upon competent and reliable evidence that substantiates that the representation is true.

PROHIBITED TELEMARKETING ACTIVITIES

- V. **IT IS FURTHER ORDERED** that the Settling Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and 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, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the telemarketing, advertising, marketing, promotion, offering for sale or sale of any good or service, are hereby permanently restrained and enjoined from violating, or assisting others in violating, any provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310, including, but not limited to:
- A. Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii), by misrepresenting, directly or by implication, any material aspect of the performance, efficacy, nature, or central characteristic of any good or service; and
 - B. Section 310.3(a)(2)(vii) of the TSR, 16 C.F.R. § 310.3(a)(2)(vii), by misrepresenting, directly or by implication, affiliation with, or endorsement by, any government or third-party organization.

PROHIBITION ON DISCLOSING CUSTOMER INFORMATION

- VI. **IT IS FURTHER ORDERED** that the Settling Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, 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 that any Settling Defendant obtained prior to entry of this Order in connection with the advertising, marketing, promotion, offering for sale or sale of any mortgage assistance relief service or any debt relief service, and
- B. failing to dispose of such customer information in all forms in his 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.

MONETARY JUDGMENT

VII. IT IS FURTHER ORDERED that:

- A. Judgment is hereby entered against the Settling Defendants, jointly and severally, in the amount of FIVE HUNDRED NINE THOUSAND AND THREE HUNDRED SIX DOLLARS (\$509,306); *provided, however,* that this judgment shall be suspended, subject to Section VIII of this Order, upon the completion of the following: Bank of America shall transfer to the FTC or its designated agent the amount of \$5,000 currently being held in account number xxx7457 in the name of Dennis and Anne Strzegowski;

- B. Any funds received by the FTC pursuant to this Section or Section X shall be deposited into a fund administered by the FTC or its agent to be used for equitable relief, including but not limited to consumer redress and any attendant expenses for the administration of any redress funds. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the FTC may apply any remaining funds for such other equitable relief, including but not limited to consumer information remedies, as the FTC determines to be reasonably related to the practices alleged in the Complaint. Any funds not used for such equitable relief shall be deposited to the U.S. Treasury as equitable disgorgement. The Settling Defendants shall have no right to challenge the FTC's choice of remedies or the manner of distribution.
- C. The Settling Defendants relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law. The Settling Defendants shall make no claim to or demand for return of the funds, directly or indirectly, through counsel or otherwise.
- D. The Settling Defendants agree that the facts as alleged in the Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the FTC 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. The Settling Defendants further stipulate and agree that the facts alleged in the Complaint establish all elements necessary to sustain an action by the FTC pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and that this Order shall have collateral estoppel effect for such purposes.

- E. The judgment entered pursuant to this Section is equitable monetary relief, solely remedial in nature, and not a fine, penalty, punitive assessment or forfeiture.
- F. Upon request, the Settling Defendants are hereby required, in accordance with 31 U.S.C. § 7701, to furnish to the FTC their tax identification numbers, which shall be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.
- G. Pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1), any consumer reporting agency may furnish a consumer report concerning any Settling Defendant to the FTC, which shall be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.

RIGHT TO REOPEN

VIII. IT IS FURTHER ORDERED that, the FTC's agreement to, and the Court's approval of, this Order is expressly premised on the truthfulness, accuracy and completeness of each Settling Defendant's financial statement previously submitted to the FTC. If, upon motion by the FTC, the Court finds that the financial statement of any Settling Defendant contains any material misrepresentation or omission, the judgment entered in Section VII of this Order shall be reinstated and become immediately due and payable as to that defendant, less any amounts turned over to the FTC or its designated agent pursuant to Sections VII or Section X of this Order; *provided, however*, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by the 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, the Settling Defendants waive any right to contest any of the allegations in the Complaint.

ASSET FREEZE

- IX. IT IS FURTHER ORDERED** that, upon entry of this Order and the transfer of all assets as required by Section VIII, the freeze of the Settling Defendants' assets shall be dissolved.

CONTINUATION OF RECEIVERSHIP

- X. IT IS FURTHER ORDERED** that Peter E. Keith, Esq. shall continue as a permanent receiver over Mitigation America, LLC with full powers of a permanent receiver, including but not limited to those powers set forth in the Temporary Restraining Order issued in this matter, and including full liquidation powers. The Receiver is directed to wind up Mitigation America, LLC and liquidate all assets. Upon termination of the receivership and final payment to the Receiver of all approved fees, costs, and expenses, the Receiver shall turn over to the FTC or its designated agent all remaining assets in the receivership estate attributable to Mitigation America, LLC.

COMPLIANCE MONITORING

- XI. 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 Settling Defendants' financial statements upon which the FTC's agreement to this Order is expressly premised:
- A. Within ten (10) days of receipt of written notice from a representative of the FTC, the Settling 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 Settling Defendant's possession or direct or indirect control to inspect the business operation;

B. In addition, the FTC 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 Settling Defendants, their employees, or any other entity managed or controlled in whole or in part by any Settling Defendant, without the necessity of identification or prior notice; and

C. The Settling Defendants each shall permit representatives of the FTC to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order.

The person interviewed may have counsel present.

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

COMPLIANCE REPORTING

XII. 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. The Individual Settling Defendant shall notify the FTC 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. The Settling Defendants shall notify the FTC of any changes in structure of the Corporate Settling Defendant or any business entity that any Settling 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 Settling

Defendant learns less than thirty (30) days prior to the date such action is to take place, such Defendant shall notify the FTC 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, the Settling 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 the Individual Settling 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 Settling 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 Settling Defendant shall notify the FTC of the filing of a bankruptcy petition by such Defendant within fifteen (15) days of filing.
- D. For the purposes of this Order, the Settling Defendants shall, unless otherwise directed by the FTC's authorized representatives, send by overnight courier (not the U.S. Postal Service) all reports and notifications to the FTC 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. Residential Relief Foundation, X110004.

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

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

RECORDKEEPING

XIII. IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, the Corporate Settling Defendant, and the Individual Settling Defendant for any business for which he, individually or collectively, is the majority owner or directly or indirectly controls, 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."

DISTRIBUTION OF ORDER

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

- A. Corporate Defendant: The Corporate Settling 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 the Individual Settling 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 the Individual Settling 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. The Settling 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.

ACKNOWLEDGMENT OF RECEIPT OF ORDER

- XV. IT IS FURTHER ORDERED** that each Settling Defendant, within five (5) business days of receipt of this Order as entered by the Court, must submit to the FTC a truthful sworn statement acknowledging receipt of this Order.

RETENTION OF JURISDICTION

- XVI. IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

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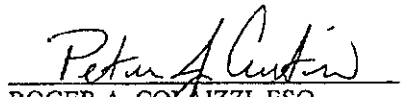
SO STIPULATED:



DENNIS STRZEGOWSKI, Defendant



MITIGATION AMERICA, LLC, Defendant
By: Dennis Strzegowski



ROGER A. COLAIZZI, ESQ.
PETER J. CURTIN, ESQ.
Venable, LLP
Attorneys for the Settling Defendants

PETER E. KEITH, ESQ.
Temporary Receiver for Defendant Mitigation America, LLC

MARK S. SAUDEK, ESQ.
Gallagher Evelius & Jones LLP
Attorney for the Temporary Receiver

GREGORY A. ASHE, ESQ.
ROBIN F. THURSTON, ESQ.
Federal Trade Commission
Attorneys for Plaintiff

IT IS SO ORDERED this _____ day of _____, 2011.

J. FREDERICK MOTZ
United States District Judge

SO STIPULATED:

DENNIS STRZEGOWSKI, Defendant

MITIGATION AMERICA, LLC, Defendant
By: Dennis Strzegowski

ROGER A. COLAIZZI, ESQ.
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Peter E. Keith, Temporary Receiver
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Temporary Receiver for Defendant Mitigation America, LLC

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Gregory A. Ashe
GREGORY A. ASHE, ESQ.
ROBIN F. THURSTON, ESQ.
Federal Trade Commission
Attorneys for Plaintiff

IT IS SO ORDERED this 29th day of Sept, 2011.

J. Frederick Motz
J. FREDERICK MOTZ
United States District Judge

FILED
U.S. DISTRICT COURT
DISTRICT OF MARYLAND

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