

GEKP

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FEDERAL TRADE COMMISSION, *et al.*,

v.

CLICK4SUPPORT, LLC, *et al.*

CIVIL ACTION NO. 15-5777

FILED

MAY 10 2017

KATE BASKMAN, Clerk
Dep. Clerk

STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY JUDGMENT
AS TO DEFENDANTS INNOVAZION RESEARCH PRIVATE LIMITED,
INNOVAZION INC., ABHISHEK GAGNEJA, AND RISHI GAGNEJA

Plaintiffs the Federal Trade Commission (“FTC”), the State of Connecticut, Office of Attorney General, and the Commonwealth of Pennsylvania, Office of Attorney General (collectively, “Plaintiffs”), filed their Complaint, subsequently amended as Amended Complaint for Permanent Injunction and Other Equitable Relief (“Amended Complaint”), pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, Section 42-110a, *et seq.* of the Connecticut Unfair Trade Practices Act (“CUTPA”), and Section 201-4 of the Pennsylvania Unfair Trade Practices and Consumer Protection Law (“Pa UTPCPL”). Plaintiffs and Defendants Innovazion Research Private Limited, Innovazion Inc., Abhishek Gagneja, and Rishi Gagneja (collectively, the “Innovazion Defendants”) stipulate to the entry of this Stipulated Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Amended Complaint alleges that the Innovazion Defendants participated in deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, the FTC's Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310, CUTPA, Conn. Gen. Stat. § 42-110b(a), and Pa UTPCPL, 73 Pa. Cons. Stat. § 201-2(4)(i)-(xxi), in connection with the advertising, marketing, offering for sale, and sale of computer security or technical support products and services.
3. Only for purposes of this action, the Innovazion Defendants admit the facts necessary to establish jurisdiction.
4. The Innovazion Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.
5. The parties hereto waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

For the purpose of this Order, the following definitions apply:

- A. "**Innovazion Defendants**" means Innovazion Individual Defendants and Innovazion Corporate Defendants, individually, collectively, or in any combination.
 1. "**Innovazion Corporate Defendants**" means Innovazion Research Private Limited and Innovazion Inc. and their successors, assigns, or subsidiaries.

2. **“Innovazion Individual Defendants”** means Abhishek Gagneja and Rishi Gagneja and by whatever names they are known.
- B. **“Merchant”** means a Person who is authorized under a written contract with an acquirer to honor or accept credit cards, or to transmit or process for payment credit card payments, for the purchase of goods or services or a charitable contribution.
- C. **“Person”** means a natural person, organization, or other legal entity, including a corporation, limited liability company, partnership, proprietorship, association, cooperative, government or governmental subdivision or agency, or any other group or combination acting as an entity.
- D. **“Receiver”** means the receiver appointed in Section XIV of the Court’s Order entered on November 24, 2015 (Document 57) and any deputy receivers that shall be named by the receiver.
- E. **“Receivership Defendants”** means individually, collectively, or in any combination, Click4Support, LLC, iSourceUSA LLC, Innovazion Inc., Spanning Source LLC, and their successors, assigns, or subsidiaries.
- F. **“Tech Support Product or Service”** means any plan, program, or software, marketed to repair, maintain, or improve a computer’s performance or security, including, but not limited to, registry cleaners, anti-virus programs, virus and malware removal, and computer or software diagnostic services.
- G. **“Telemarketing”** means any plan, program, or campaign that is conducted to induce the purchase of goods or services by use of one or more telephones and which involves a telephone call, whether or not covered by the TSR.

ORDER

I. BAN ON TECH SUPPORT PRODUCTS OR SERVICES

IT IS HEREBY ORDERED that the Innovazion Defendants are permanently restrained and enjoined from:

- A. Advertising, marketing, promoting, offering for sale, selling, providing, or assisting or providing consulting services for others engaged in advertising, marketing, promoting, offering for sale, selling, or providing, any Tech Support Product or Service; and
- B. Owning, controlling or serving as an officer, director, or manager of any business entity advertising, marketing, promoting, offering for sale, selling, providing, or assisting or providing consulting services for others engaged in advertising, marketing, promoting, offering for sale, selling, or providing, any Tech Support Product or Service.

II. PROHIBITION AGAINST DECEPTIVE TELEMARKETING

IT IS FURTHER ORDERED that the Innovazion Defendants, the Innovazion Defendants' officers, agents, employees, and attorneys, and all other Persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the Telemarketing of any product or service, are permanently restrained and enjoined from, or assisting others in, directly or indirectly, expressly or by implication:

- A. Making a false or misleading statement to induce any Person to pay for goods or services;
- B. Violating the TSR, 16 C.F.R. Part 310, attached as **Attachment A**;
- C. Violating Section 42-110b(a) of CUTPA, attached as **Attachment B**; or
- D. Violating Section 201-2(4)(i) through (xxi) of Pa UTPCPL, attached as **Attachment C**.

III. PROHIBITION AGAINST MISREPRESENTATIONS

IT IS FURTHER ORDERED that the Innovazion Defendants, the Innovazion Defendants' officers, agents, employees, and attorneys, and all other Persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the marketing, advertising, promotion, offering for sale, sale, or providing of any goods or services, are hereby permanently restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication:

- A. That they are part of, affiliated with, contacting, or responding to consumers on behalf of any company other than the Innovazion Defendants' companies;
- B. That they have detected security or performance issues on consumers' computers, including, but not limited to, viruses, spyware, malware, or the presence of hackers;
- C. Any material aspect of the performance, efficacy, nature, or central characteristics of any goods and services;
- D. Any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policies; or
- E. Any other material fact.

IV. PROHIBITION AGAINST CREDIT CARD LAUNDERING

IT IS FURTHER ORDERED that the Innovazion Defendants, the Innovazion Defendants' officers, agents, employees, and attorneys, and all other Persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the marketing, advertising, promotion, offering for sale, sale, or providing of any goods or services, are hereby permanently restrained and enjoined from:

- A. Presenting to or depositing into, or causing or allowing another to present to or deposit into the credit card system for payment, a credit card sales draft generated by a transaction that is not the result of a credit card transaction between the cardholder and the Merchant;
- B. Employing, soliciting, or otherwise causing or allowing a Merchant, or an employee, representative, or agent of the Merchant, to present to or deposit into the credit card systems for payment, a credit card sales draft generated by a transaction that is not the result of a credit card transaction between the cardholder and the Merchant; or
- C. Obtaining, or allowing another to obtain, access to the credit card system through the use of a business relationship or an affiliation with a Merchant, when such access is not authorized by the Merchant agreement or the applicable credit card system.

V. PROHIBITION AGAINST ASSISTING AND FACILITATING

IT IS FURTHER ORDERED that the Innovazion Defendants, the Innovazion Defendants' officers, agents, and employees, and all other Persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, promotion, marketing, offering for sale, sale, or providing of any products or services, are permanently restrained and enjoined from providing substantial assistance or support to any Person that they know, or should know, is engaged in tactics to avoid fraud and risk monitoring programs established by any financial institution, acquiring bank, or the operators of any payment systems, including, but not limited to, balancing or distributing sales transaction volume or sales transaction activity among multiple Merchant accounts or Merchant billing descriptors; splitting a single sales transaction into multiple smaller transactions; or using shell companies to apply for additional Merchant accounts.

VI. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

- A. Judgment in the amount of Twenty-Seven Million Three Hundred Thousand Two Hundred Eighty-Four Dollars and Twenty-Eight Cents (\$27,300,284.28) is entered in favor of Plaintiffs against the Innovazion Defendants, jointly and severally, as equitable monetary relief.
- B. Defendant Rishi Gagneja is ordered to pay to Plaintiffs Five Thousand Dollars (\$5,000.00), which, as Defendant Rishi Gagneja stipulates, his undersigned counsel holds in escrow for no purpose other than payment to Plaintiffs. Such payment must be made within 7 days of entry of this Order. Defendant Abhishek Gagneja is ordered to pay to Plaintiffs Twenty-One Thousand Four Hundred Four Dollars (\$21,404.00). Defendant Abhishek Gagneja must make such payment as follows: (i) at least \$7,500.00 within 7 days of entry of this Order; (ii) at least \$4,635.00 within one month after the date of entry of this Order; (iii) at least \$4,635.00 within two months after the date of entry of this Order; and (iv) at least \$4,634.00, or the remaining unpaid portion of the \$21,404.00 payment amount, within three months after the date of entry of this Order. Such payments must be made by electronic fund transfer in accordance with instructions previously provided by a representative of Plaintiffs. Upon such payments, the remainder of the judgment is suspended as to the Innovazion Defendants, subject to the Subsections below.
- C. Plaintiffs' agreement to this Order is expressly premised upon the promise by Innovazion Individual Defendants to timely make payments as described in Subsection B above. If, upon motion by any Plaintiff, the Court finds that an Innovazion Individual Defendant has defaulted on any obligation to make a payment as required by this Order, then the judgment becomes

immediately due as to that Innovazion Defendant in the amount specified in Subsection A above, less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

D. The Innovazion Defendants are ordered to surrender to the Receiver all control, title, dominion, and interest in all assets of Defendant Innovazion Inc. and Complete Technology Corporation, including all of Defendant Innovazion Inc.'s and Complete Technology Corporation's assets in the possession of the Receiver.

E. The Innovazion Defendants shall, within ten (10) days of entry of this Order, execute such documents as necessary to transfer titles or possession of all of Defendant Innovazion Inc.'s and Complete Technology Corporation's assets in the possession of the Receiver. The Receiver is hereby directed to market and sell Defendant Innovazion Inc.'s and Complete Technology Corporation's assets. The Innovazion Defendants shall take all steps necessary to assist the Receiver in the sale of Defendant Innovazion Inc.'s and Complete Technology Corporation's assets and shall not add any encumbrances on Defendant Innovazion Inc.'s and Complete Technology Corporation's assets. This includes but is not limited to assisting the Receiver's efforts to remove encumbrances or clouds on title. Any transfer fees, taxes, or other payments mandated from the transferor under law shall be paid from the proceeds of each sale at the time such asset is sold.

F. Plaintiffs' agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of the Innovazion Defendants' representations regarding their financial condition, as set forth in the sworn financial statements and related documents submitted to Plaintiffs (collectively, "financial representations"), namely:

1. The Financial Statement of Individual Defendant Abhishek Gagneja signed on September 14, 2016, including the attachments;
 2. The Financial Statement of Individual Defendant Rishi Gagneja signed on September 15, 2016, including the attachments;
 3. The Financial Statement of Corporate Defendant Innovazion Inc. signed by Defendant Abhishek Gagneja on November 4, 2015, including the attachments;
 4. The Financial Statement of Corporate Defendant Innovazion Research Private Limited signed by Defendant Rishi Gagneja on September 1, 2016, including the attachments;
 5. The Financial Statement of Complete Technology Corporation signed by Defendant Abhishek Gagneja on December 2, 2016; and
 6. The Financial Statement of Conceptol Technologies LLC signed by Defendant Abhishek Gagneja on December 2, 2016.
- G. The suspension of the judgment will be lifted as to any Innovazion Defendant if, upon motion by any Plaintiff, the Court finds that the Innovazion Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations identified in Subsection F, above.
- H. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Innovazion Defendant in the amount specified in Subsection A above (which the parties stipulate only for purposes of this Section represents the consumer injury alleged in the Amended Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.
- I. The Innovazion Defendants relinquish dominion and all legal and equitable right, title, and

interest in all assets transferred pursuant to this Order and in all assets of the receivership estate, the estate established by the Receiver pursuant to the Court's Order entered on November 24, 2015 (Document 57), and may not seek the return of any assets.

J. The facts alleged in the Amended Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of Plaintiffs, including in a proceeding to enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

K. The facts alleged in the Amended Complaint establish all elements necessary to sustain an action by Plaintiffs pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

L. The Innovazion Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which the Innovazion Defendants previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

M. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the FTC or its designee on behalf of Plaintiffs to be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Plaintiffs decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, Plaintiffs may apply any remaining money for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the practices alleged in the Amended Complaint. Any money not used for such equitable relief is to be deposited to an account or accounts pursuant to instructions

provided by Plaintiffs State of Connecticut, Office of Attorney General, and Commonwealth of Pennsylvania, Office of Attorney General. This money may be used for purposes that may include, but are not limited to, reimbursement of attorneys' fees and costs of investigation and litigation, placement in or application to any consumer protection law enforcement fund, including future consumer protection or privacy enforcement, consumer education, litigation, local consumer aid or revolving funds, defraying the costs of the inquiry leading to this Order, or for other uses permitted by state law, and all at the sole discretion of Plaintiffs State of Connecticut, Office of Attorney General, and Commonwealth of Pennsylvania, Office of Attorney General. The Innovazion Defendants have no right to challenge any actions Plaintiffs or their representatives may take pursuant to this Subsection.

N. The asset freezes ordered in this case in the Preliminary Injunction Orders dated November 24, 2015, and September 13, 2016 are modified as to the Innovazion Corporate Defendants to permit the payments and transfers identified in the Monetary Judgment Section. Upon completion of those payments and transfers, the asset freeze is dissolved as to the Innovazion Corporate Defendants.

VII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that the Innovazion Defendants, the Innovazion Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, are permanently restrained and enjoined from directly or indirectly:

A. Failing to provide sufficient customer information to enable Plaintiffs to efficiently administer consumer redress. If a representative of Plaintiffs requests in writing any information

related to redress, the Innovazion Defendants must provide it, in the form reasonably prescribed by Plaintiffs, within 14 days.

B. 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), that any Innovazion Defendant obtained prior to entry of this Order in connection with the Innovazion Defendants' Tech Support Products or Services; and

C. Failing to destroy such customer information in all forms in their possession, custody, or control within 30 days after either entry of a stipulated final order against the last remaining defendant or receipt of written direction to do so from a representative of Plaintiffs.

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 law, regulation, or court order.

VIII. COOPERATION

IT IS FURTHER ORDERED that the Innovazion Defendants must fully cooperate with representatives of Plaintiffs and the Receiver in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Amended Complaint. The Innovazion Defendants must provide truthful and complete information, evidence, and testimony. The Innovazion Individual Defendants must appear and the Innovazion Corporate Defendants must cause their officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that Plaintiffs' representatives or the Receiver's representatives may reasonably request upon 5 days written

notice, or other reasonable notice, at such places and times as a representative of Plaintiffs or the Receiver may designate, without the service of a subpoena. If the presence of any person described in this paragraph is required outside of the State of Connecticut and the Commonwealth of Pennsylvania, as well as beyond 100 miles of the person's residence, the FTC agrees to arrange and pay for the person's reasonable travel expenses.

IX. RECEIVERSHIP

IT IS FURTHER ORDERED that:

- A. The receivership established by the Court's Order entered on November 24, 2015 (Document 57) shall be continued. The Receiver is authorized to submit interim requests for payment of reasonable compensation for the performance of receivership duties.
- B. After entry of this Order, and as soon as practicable, the Receiver shall take all steps necessary to liquidate and dissolve Defendant Innovazion Inc. and marshal and liquidate receivership assets. To the extent the Receiver is unable to obtain necessary governmental or regulatory approvals to effectuate dissolution, the Receiver may petition the Court to be discharged from further responsibility concerning and to abandon the entity, detailing the reasons preventing dissolution. The Receiver will cause the preparation of the final tax return for Defendant Innovazion Inc., which return shall be signed by Defendant Abhishek Gagneja and filed upon written authorization from the Receiver. The Innovazion Defendants shall cooperate with the Receiver in identifying and liquidating assets, dissolving Defendant Innovazion Inc., and filing the tax return.
- C. Defendant Abhishek Gagneja shall pay all federal, state, and local income taxes associated with Defendant Innovazion Inc. The Receiver shall not be liable or responsible for the payment

of federal, state, or local income taxes of the Defendant Innovazion Inc. The Innovazion Defendants shall cooperate with the Receiver in any tax audit or tax litigation and shall defend, indemnify, and hold harmless the Receiver in connection with same.

D. Within thirty (30) days of completion of the requirements identified in Section IX(B), above, the Receiver shall move this Court to order termination of this receivership. At such time, the Receiver shall also make a final request for payment of compensation for the performance of receivership duties and submit a final report (1) that details the steps taken to dissolve the Receivership Defendants and terminate the receivership and (2) that accounts for the receivership's finances and total assets.

E. Within five (5) days of receipt of the Court's decision regarding final compensation for the Receiver, the Receiver shall transfer all remaining funds of the receivership to the Federal Trade Commission. Such payment shall be remitted to the Federal Trade Commission by electronic fund transfer in accordance with instructions previously provided by a representative of Plaintiffs. The reference information must be: *FTC v. Click4Support, LLC, et al.*, Matter Number X160004.

F. Within five (5) days of termination of the receivership, the Receiver will promptly turn over to the FTC all records containing the customer information described in Section VII of this Order. The Receiver shall have no obligation to retain other records of the Receivership Defendants and, at her option, may return all such records to a principal of the respective Receivership Defendants who shall be obligated to preserve and maintain the records for all purposes required by law.

G. All persons and entities, the Innovazion Defendants, their partners, employees, agents,

present and former attorneys, and representatives, and their respective predecessors, successors, assigns, and affiliates, release and discharge the Receiver and her partners, employees, agents, present and former attorneys, representatives, from any and all claims, demands, actions, causes of actions, or suits that now exist or may hereafter accrue, whether known or unknown that relate to this Order or to the lawsuit that is the subject of this Order.

X. ORDER ACKNOWLEDGMENTS

IT IS FURTHER ORDERED that the Innovazion Defendants obtain acknowledgments of receipt of this Order:

- A. Each Innovazion Defendant, within 7 days of entry of this Order, must submit to Plaintiffs an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. For 15 years after entry of this Order, the Innovazion Individual Defendants for any business that they, individually or collectively with any other defendants, is the majority owner or controls directly or indirectly, and the Innovazion Corporate Defendants, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees, agents, and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.
- C. From each individual or entity to which an Innovazion Defendant delivered a copy of this Order, that Innovazion Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

XI. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that the Innovazion Defendants make timely submissions to Plaintiffs:

A. One year after entry of this Order, each Innovazion Defendant must submit a compliance report, sworn under penalty of perjury:

1. Each Innovazion Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of Plaintiffs may use to communicate with the Innovazion Defendant; (b) identify all of that Innovazion Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other defendant (which the Innovazion Individual Defendants must describe if he knows or should know due to his own involvement); (d) describe in detail whether and how that Innovazion Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to Plaintiffs.

2. Additionally, the Innovazion Individual Defendants must: (a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which he performs services whether as an employee or otherwise and any entity in which he has any ownership interest; and (c) describe in detail his involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For 15 years after entry of this Order, each Innovazion Defendant must submit a

compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Innovazion Defendant must report any change in: (a) any designated point of contact; or (b) the structure of the Innovazion Corporate Defendants or any entity that Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

2. Additionally, the Innovazion Individual Defendants must report any change in: (a) name, including aliases or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which he performs services whether as an employee or otherwise and any entity in which he has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

C. Each Innovazion Defendant must submit to Plaintiffs notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Innovazion Defendant within 14 days of its filing.

D. Any submission to Plaintiffs required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____" and supplying the date, signatory's full name, title (if applicable), and signature.

E. Unless otherwise directed by a representative of Plaintiffs in writing, all submissions to Plaintiffs pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer

Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580; Sandra G. Arenas, Office of the Attorney General, 110 Sherman Street, Hartford, CT 06105; and Nicole R. DiTomo, Pennsylvania Office of Attorney General, Bureau of Consumer Protection, 15th Floor, Strawberry Square, Harrisburg, Pennsylvania 17120. The subject line must begin: *FTC v. Click4Support, LLC, et al.*, Matter Number X160004.

XII. RECORDKEEPING

IT IS FURTHER ORDERED that the Innovazion Defendants must create certain records for 15 years after entry of the Order, and retain each such record for 5 years. Specifically, the Innovazion Defendants for any business that they, individually or collectively with any other defendants, is a majority owner or controls directly or indirectly, must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold;
- B. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
- D. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to Plaintiffs; and
- E. A copy of each unique advertisement or other marketing material.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring the Innovazion Defendants' compliance with this Order, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets as required by this Order:

A. Within 14 days of receipt of a written request from a representative of Plaintiffs, each Innovazion Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. Plaintiffs are also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69, provided that each Innovazion Defendant, after attempting to resolve a dispute without court action and for good cause shown, may file a motion with this Court seeking an order for one or more of the protections set forth in Rule 26(c).

B. For matters concerning this Order, Plaintiffs are authorized to communicate directly with each Innovazion Defendant. The Innovazion Defendants must permit representatives of Plaintiffs to interview any employee or other person affiliated with any Innovazion Defendant who has agreed to such an interview. The person interviewed may have counsel present.

C. Plaintiffs may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to the Innovazion Defendants or any individual or entity affiliated with the Innovazion Defendants, without the necessity of identification or prior notice. Nothing in this Order limits Plaintiffs' lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

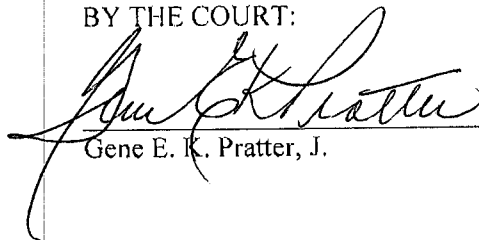
D. Upon written request from a representative of Plaintiffs, any consumer reporting agency must furnish consumer reports concerning the Innovazion Individual Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XIV. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED this 10th day of May, 2017.

BY THE COURT:


Gene E. K. Pratter, J.

ENTERED

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5/10/17 mail
McGowan