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

_____)
FEDERAL TRADE COMMISSION,)
) Case No. 07 C 0529
	Plaintiff,)
	v.) Judge Norgle
)
SELECT PERSONNEL MANAGEMENT, INC., <i>et al.</i> ,) Magistrate Judge Cole
)
	Defendants.)
_____)

ORDER FOR PERMANENT INJUNCTION AND FINAL DEFAULT JUDGMENT

Plaintiff Federal Trade Commission ("FTC" or "Commission") pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and Section 6(b) of the Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. § 6105(b), filed a Complaint ("Original Complaint") and Amended Complaint ("Amended Complaint") for injunctive and other relief, alleging that Defendants engaged in acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC's Trade Regulation Rule entitled "Telemarketing Sales Rule," 16 C.F.R. Part 310 ("Telemarketing Rule").

The FTC, having filed its Application for Entry of Order for Permanent Injunction and Final Default Judgment against Defendants Select Personnel Management, Inc.; 1402473 Ontario Limited; 1489841 Ontario Inc.; 2105635 Ontario Limited; Special T Services Group Inc.; United Registration Services, Inc.; James Stewart; Luigi Paulozza; and Philip J. Richards (collectively, "Defendants"), and this Court having considered the submissions of the parties,

and having granted the FTC's motion, it is now **HEREBY ORDERED, ADJUDGED, AND DECREED** as follows:

FINDINGS

1. The Amended Complaint is an action by the Commission instituted under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b). Pursuant to these Sections of the FTC Act and the Telemarketing Act, the Commission has the authority to seek the relief contained herein.
2. The Amended Complaint states a claim upon which relief may be granted against the Defendants under Sections 5(a), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b), and 57b, and Section 6 of the Telemarketing Act, 15 U.S.C. § 6105(b).
3. This Court has jurisdiction over the subject matter of this case and over the parties.
4. Venue in the United States District Court for the Northern District of Illinois is proper pursuant to 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b), (c), and (d).
5. The practices of Defendants are in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
6. Defendants are "sellers" or "telemarketers" engaged in "telemarketing," as those terms are defined in the Telemarketing Rule, 16 C.F.R. §§ 310.2(z), (bb), and (cc).
7. The factual allegations in the Original Complaint and Amended Complaint are deemed true for purposes of this Order for Permanent Injunction and Final Default Judgment.
8. Defendant James Stewart was properly served with the Original Complaint and summons on February 1, 2007.

9. Defendant Select Personnel Management, Inc., was properly served with the Original Complaint and summons on February 1, 2007.

10. On May 21, 2007, default was entered against Defendants James Stewart and Select Personnel Management, Inc., for failing to file any response, answer, or pleading.

11. Defendant Select Personnel Management, Inc., was properly served with the Amended Complaint on September 30, 2008.

12. On September 30, 2008, service of the Amended Complaint was attempted on James Stewart at his last known addresses, but the packages were returned.

13. Plaintiff is not required to serve Defendants James Stewart and Select Personnel Management, Inc., after they have been found in default for failing to appear because the Amended Complaint did not assert a new claim for relief against either James Stewart or Select Personnel Management, Inc. Fed. R. Civ. P. 5(a)(2).

14. Defendants James Stewart and Select Personnel Management, Inc., failed to serve an answer either within twenty (20) days of service of the Original Complaint, as required by Fed R. Civ. P. 12(a), or thereafter, or within ten (10) days of service of the Amended Complaint, as required by Fed. R. Civ. P. 15(a), or thereafter.

15. Defendant Select Personnel Management, Inc., has not appeared in this case and has failed to file any response, answer, pleading, or otherwise defend.

16. Defendant James Stewart has not appeared in this case and has failed to file any response, answer, pleading, or otherwise defend.

17. Defendant 1402473 Ontario Limited was properly served with the Amended Complaint and summons on September 30, 2008.

18. Defendant 1489841 Ontario Inc. was properly served with the Amended Complaint and summons on September 29, 2008.
19. Defendant 2105635 Ontario Limited was properly served with the Amended Complaint and summons on August 25, 2008.
20. Defendant Special T Services Group Inc. was properly served with the Amended Complaint and summons on August 25, 2008.
21. Defendant United Registration Services, Inc., was properly served with the Amended Complaint and summons on September 23, 2008.
22. Defendant Luigi Paulozza was properly served with the Amended Complaint and summons on September 6, 2008.
23. Defendant Philip J. Richards was properly served with the Amended Complaint and summons on August 25, 2008.
24. Defendants 1402473 Ontario Limited; 2105635 Ontario Limited; Special T Services Group Inc.; United Registration Services, Inc.; and Philip J. Richards failed to serve an answer within twenty (20) days of service of the Amended Complaint, as required by Fed R. Civ. P. 12(a), or thereafter.
25. On October 31, 2008, default was entered against Defendants 1402473 Ontario Limited; 1489841 Ontario Inc.; 2105635 Ontario Limited; Special T Services Group Inc.; United Registration Services, Inc.; Luigi Paulozza; and Philip J. Richards for failing to appear, plead, or otherwise defend.
26. On November 5, 2008, an attorney appearance and an answer to the Amended Complaint were filed on behalf of Defendants 1489841 Ontario Inc. and Luigi Paulozza.

27. On November 14, 2008, the Court vacated the order entering default against Defendants 1489841 Ontario Inc. and Luigi Paulozza, permitting their answer to the Amended Complaint to stand.

28. On January 13, 2009, Plaintiff filed its motion for preliminary injunction.

29. On February 19, 2009, the Court granted the motion by the attorney for Defendants 1489841 Ontario Inc. and Luigi Paulozza to withdraw.

30. No substitute attorney has appeared on behalf of Defendants 1489841 Ontario Inc. or Luigi Paulozza. Luigi Paulozza has not appeared on his own behalf *pro se*.

31. On March 6, 2009, the Court granted Plaintiff's motion for preliminary injunction.

32. On April 10, 2009, the Court ordered Defendant Luigi Paulozza to appear personally on May 1, 2009, and noted that Defendant 1489841 Ontario Inc., an unrepresented corporation, was not before the Court.

33. On May 1, 2009, Defendant Luigi Paulozza failed to appear as ordered by the Court. The Court found Defendants Luigi Paulozza and 1489841 Ontario Inc., an unrepresented corporation, to be in default for failing to appear at the hearing or otherwise defending this case and the default was entered by the clerk. (Docket Document No. 79 ("Dkt. 79")).

34. The FTC is not required to serve notice of the FTC's Application for Entry of Order for Permanent Injunction and Final Default Judgment on Defendants Select Personnel Management, Inc.; 1402473 Ontario Limited; 2105635 Ontario Limited; Special T Services Group Inc.; United Registration Services, Inc.; James Stewart; and Philip J. Richards because they are in default for failing to appear. Fed. R. Civ. P. 5(a)(2), 55(b)(2).

35. On May 11, 2009, Plaintiff properly served its Application for Entry of Order for Permanent Injunction and Final Default Judgment and proposed order on Defendants Luigi Paulozza and 1489841 Ontario Inc., an unrepresented corporation, because they previously had appeared in this case through an attorney. Neither Defendant Luigi Paulozza nor 1489841 Ontario Inc. appeared or otherwise defended this Application.

36. Defendants' net sales were seven million, eight hundred forty-five thousand, seven hundred ninety-five United States Dollars (\$7,845,795 (USD)) from the unlawful conduct alleged in the Amended Complaint.

37. Plaintiff is therefore entitled to equitable monetary relief against Defendants in the amount of seven million, eight hundred forty-five thousand, seven hundred ninety-five United States Dollars (\$7,845,795 (USD)), the amount of consumer injury caused by Defendant's practices alleged in the Original Complaint and Amended Complaint.

38. Defendants are jointly and severally liable for the payment of seven million, eight hundred forty-five thousand, seven hundred ninety-five United States Dollars (\$7,845,795 (USD)).

39. Defendants are likely to continue to engage in the deceptive acts or practices alleged in the Amended Complaint unless they are permanently enjoined from engaging in such acts and practices.

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

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

DEFINITIONS

1. **"Plaintiff"** means the Federal Trade Commission.
2. **"Individual Defendant"** or **"Individual Defendants"** means James Stewart, Luigi Paulozza, and Philip J. Richards.
3. **"Corporate Defendant"** or **"Corporate Defendants"** means Select Personnel Management, Inc.; 1402473 Ontario Limited; 1489841 Ontario Inc.; 2105635 Ontario Limited; Special T Services Group Inc.; and United Registration Services, Inc., and their successors and assigns.
4. **"Defendants"** means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.
5. **"Original Complaint"** means the Complaint filed January 29, 2007 (Dkt. 1).
6. **"Amended Complaint"** means the First Amended Complaint filed August 18, 2008 (Dkt. 38).
7. **"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 sales script or any other marketing material; (c) providing, or assisting in generating, names of potential customers; (d) performing marketing or billing services of any kind; (e) communicating with third parties on behalf of customers; (f) processing or arranging for the processing of sales; or (g) arranging for third-party sales personnel.

8. **“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, 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.

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

10. **“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.

11. **“Telemarketing”** means any plan, program, or campaign (whether or not covered by the Telemarketing Rule, 16 C.F.R. Part 310) that is conducted to induce the purchase of goods or services or the payment of money by means of the use of one or more telephones.

I. PERMANENT BAN ON TELEMARKETING

IT IS THEREFORE ORDERED that Defendants, their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, are hereby permanently restrained and enjoined from Telemarketing, or assisting others engaged in Telemarketing.

**II. PROHIBITED BUSINESS ACTIVITIES UNDER
THE FEDERAL TRADE COMMISSION ACT**

IT IS THEREFORE ORDERED that Defendants, their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, in connection with the advertising, marketing, promotion, offering for sale, sale, or provision of any product or service are hereby permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, either orally or in writing, expressly or by implication, any material fact, including, but not limited to:

- A. An affiliation with consumers' credit card companies;
- B. That consumers who pay a fee and receive services are likely to experience a reduction in their existing credit card interest rates, such as a reduction to rates between 4.75 percent and 9 percent;
- C. That consumers who pay a fee and receive services will save at least \$2500, or some other amount, in credit card interest charges;
- D. That consumers who pay a fee to purchase services will be provided a refund of the cost of those services if the consumers do not save the represented amount in credit card interest charges;
- E. The total cost to purchase, receive, or use any good or service;
- F. Any material restriction, limitation, or condition to purchase, receive, or use any good or service;

G. Any material aspect of the nature or terms of a refund, cancellation, exchange, or repurchase policy for any good or service; and

H. Any material aspect of the performance, efficacy, nature, or central characteristics of any good or service.

Provided, however, that nothing in this Section or in any other Section of this Order shall void the ban provision set forth in Section I of this Order.

III. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment is hereby entered in favor of Plaintiff, and against Defendants, jointly and severally, in the amount of seven million, eight hundred forty-five thousand, seven hundred ninety-five United States Dollars (\$7,845,795 (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 wire transfer in accord with directions provided by the Commission, or as otherwise agreed to by the Commission; and

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 its 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 Amended Complaint. Any funds not used for such equitable relief shall be deposited to the Treasury as disgorgement. 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.

IV. PROHIBITIONS REGARDING CONSUMER INFORMATION

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, are hereby permanently restrained and enjoined from:

A. Disclosing, using, or benefiting 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, mortgage, or other financial account), of any person which any Defendant obtained prior to entry of this Order in connection with the telemarketing of credit card interest rate reduction services; 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.

V. SUSPENSION OF COLLECTION ON ACCOUNTS

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly, or through any trust, corporation, subsidiary, division, or other device, or any of them, are hereby restrained and enjoined from attempting to collect, collecting, or assigning any right to collect payment for Defendants' credit card interest rate reduction services.

VI. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that, in connection with any business:

(1) where a Defendant is the majority owner of the business or directly or indirectly manages or controls the business; and (2) where the business is engaged in, or is assisting others engaged in, the advertising, marketing, promotion, offering for sale, sale, or provision of any product or service, such Defendant, and its or his officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, are hereby permanently restrained and enjoined from:

A. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged in sales or other customer service functions comply with Sections I and II of this Order. These steps shall include adequate monitoring of

sales presentations and telephone calls with consumers, and shall also include, at a minimum, the following: (1) listening to the oral representations made by persons engaged in sales or other customer service functions; (2) establishing a procedure for receiving and responding to consumer complaints; and (3) ascertaining the number and nature of consumer complaints regarding transactions in which each employee or independent contractor is involved;

B. Failing promptly to investigate fully any consumer complaint received by any business to which this Section applies; and

C. Failing to take adequate corrective action with respect to any employee or independent contractor whom such Defendant determines is not complying with this Order. This corrective action may include training, disciplining, and/or terminating such employee or independent contractor.

VII. 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 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. posing 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)).

VIII. 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;

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

Associate Director for Enforcement
Federal Trade Commission
600 Pennsylvania Avenue, N.W., Room NJ-2122
Washington, DC 20580
RE: *FTC v. Select Personnel Management, Inc.*

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; and

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

IX. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, in connection with any business: (1) where a Defendant is the majority owner of the business or directly or indirectly controls the business; and (2) where the business is engaged in, or is assisting others engaged in, the advertising, marketing, promotion, offering for sale, sale, or provision of any product or service to consumers, such Defendant and its or his agents, employees, servants, 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 person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, 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, telephone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;

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

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

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

X. 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; and

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.

XI. 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.

XII. SEVERABILITY

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

XIII. 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 Plaintiff and against Defendants, pursuant to all the terms and conditions recited above.

IT IS SO ORDERED.

Dated: _____

5-15-09

Charles R. Norgle

HONORABLE CHARLES R. NORGLER
United States District Judge

ATTACHMENT A

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

_____)	
FEDERAL TRADE COMMISSION,)	
)	
Plaintiff,)	Case No. 07 C 0529
v.)	
)	Judge Norgle
SELECT PERSONNEL MANAGEMENT, INC., <i>et al.</i> ,)	
Defendants.)	Magistrate Judge Cole
_____)	

**AFFIDAVIT ATTESTING TO RECEIPT OF ORDER
FOR PERMANENT INJUNCTION AND FINAL DEFAULT JUDGMENT**

I, _____, being duly sworn, hereby state and affirm as follows:

1. My name is _____. I am a citizen of _____ and am over the age of eighteen. I have personal knowledge of the facts set forth in this Affidavit.

2. I am a Defendant in *FTC v. Select Personnel Management, Inc., et al.*, Case No. 07 C 0529 (United States District Court for the Northern District of Illinois).

3. My current employer is _____. My current business address is _____ My current business telephone number is _____ My current residential address is _____ My current residential telephone number is _____.

4. On _____, I received a copy of the Order for
[Date]
Permanent Injunction and Final Default Judgment, which was signed by the Honorable Charles R.

Norgle and entered by the Court on _____ . A true and correct copy of
[Date of entry of the Order]
Order I received is appended to this Affidavit.

5. On _____, _____ received a copy
[Date] [Name of Corporate Defendant]
of the Order for Permanent Injunction and Final Default Judgment, which was signed by the
Honorable Charles R. Norgle and entered by the Court on _____.
[Date of entry of the Order]
A true and correct 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 [_____].
[Date] [City, State or Province, and
Country]

[Defendant Signature]

State of _____, City of _____

Subscribed and sworn to before me
this _____ day of _____, 2009.

Notary Public
My Commission Expires: