

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

FEDERAL TRADE COMMISSION,)	
)	
Plaintiff,)	
)	
v.)	Civil No. 1:03-CV-2648-JTC
)	
STEWART FINANCE COMPANY)	
HOLDINGS, INC., et al.)	
)	
Defendants.)	
	/	

STIPULATED FINAL JUDGMENT AND ORDER

Plaintiff, the Federal Trade Commission (“Plaintiff,” “FTC” or “Commission”), has filed a First Amended Complaint for permanent injunctive and other equitable relief against Defendants John Ben Stewart, Jr., Stewart Finance Company Holdings, Inc., Stewart Finance Company, Inc., Stewart National Finance Company Inc., D & E Acquisitions, Inc., Preferred Choice Auto Club, Inc., Stewart Insurance Ltd., and J & J Insurance Ltd. (“Defendants”) and against Relief Defendants Janice Stewart, John Benjamin Stewart III, William Joseph Stewart, the Janice S. Stewart Trust, and Stewart Family Investments (“Relief Defendants”), pursuant to Sections 5(a) and 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 45(a) and

53(b); Section 108(c) of the Truth in Lending Act (“TILA”), 15 U.S.C. §§ 1601-1666j as amended; under the Federal Reserve Board Regulation Z; Section 621(a) of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681s(a); and the Commission’s Trade Regulation Rule Concerning Credit Practices (“Credit Practices Rule”), 16 C.F.R Part 444.

The First Amended Complaint charges the Defendants with unfair or deceptive acts or practices in the course of making small personal loans to consumers. The First Amended Complaint charges that the Relief Defendants have received money or property unlawfully derived from consumers as a consequence of the deceptive acts and practices of the Defendants. The First Amended Complaint and related legal action are pending under the above caption (the “FTC Action”).

On or about February 10, 2003, Defendants Stewart Finance Company (“SFC”) and Stewart National Finance Company (“SNFC”) filed voluntary petitions for relief under the reorganization provisions of Chapter 11 of title 11 of the United States Code (as amended, modified, or supplemented, the “Bankruptcy Code”) in the United States Bankruptcy Court for the Middle District of Georgia (the “Bankruptcy Court”), Case Nos. 03-30277-RFH and 03-30278-RFH, respectively. On or about February 23, 2003, Defendant D & E Acquisitions, Inc. (“D & E”) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court, Case No.

03-30398-RFH. On September 9, 2003, the Bankruptcy Court approved the appointment of S. Gregory Hayes (“Chapter 11 Trustee”) to serve as the Chapter 11 Trustee on behalf of SFC, SNFC, and D & E. The bankruptcy cases of SFC, SNFC, and D & E (collectively, the “Debtors”) are jointly administered under Case No. 03-30277 RFH (the “Jointly Administered Chapter 11 Bankruptcy Case”).

On March 24, 2004, Defendant John Benjamin Stewart, Jr. (“Ben Stewart”) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. On April 14, 2004, Ben Stewart converted his case to one for relief under the liquidation provisions of Chapter 7 of the Bankruptcy Code, in the Bankruptcy Court, Case No. 04-30528 RFH (the “Chapter 7 Bankruptcy Case”). Also on April 14, 2004, the Bankruptcy Court appointed William Flatau (the “Chapter 7 Trustee”) to serve as the Chapter 7 Trustee on behalf of Ben Stewart. On May 13, 2004, Ben Stewart died.

On May 10, 2004, this Court appointed Kevin O’Halloran as Receiver for Defendant Stewart Finance Company Holdings, Inc. (“SFC Holdings”), Defendant Preferred Choice Auto Club (“PCAC”), Defendant Stewart Insurance, Ltd. (“Stewart Insurance”), and Defendant J & J Stewart Reinsurance, Ltd. (“J & J Insurance”) (collectively, the “Receivership Defendants”), and entered an Order for Appointment of a Receiver to Preserve and Manage Assets Subject to Consent Order for Preliminary Injunction on May 20, 2005.

The Plaintiff, the Defendants, and Janice Stewart, having been represented by counsel and acting by and through such counsel and counsel for the Chapter 11 Trustee, the Chapter 7 Trustee, and the Receiver, have consented to the entry of this Order without trial or adjudication of any issue of fact or law. This Order settles only the FTC's claims against the Defendants and Relief Defendant Janice Stewart and shall not act as a bar to any claim by the FTC nor preclude the FTC from seeking any remedy against any non-settling Relief Defendants or other persons, corporations, or entities, including persons who may be subject to portions of this Order as persons acting in active concert or participation with Defendants, or persons who are party to any indemnification agreement with Defendants or Relief Defendants.

NOW, THEREFORE, the Plaintiff, the Defendants and Relief Defendant Janice Stewart (collectively referred to as the "Consenting Parties") having requested the Court to enter this Order,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

FINDINGS

1. This Court has jurisdiction of the subject matter and the Consenting Parties. Venue in the Northern District of Georgia is proper.
2. The First Amended Complaint states a claim upon which relief may be granted against the Defendants under Sections 5(a)(1) and 13(b) of the FTC Act, 15

U.S.C. §§ 45(a)(1), and 53(b); under the TILA, 15 U.S.C. §§ 1601-1666j as amended; under the Federal Reserve Board Regulation Z, 12 C.F.R. Part 226; under the Commission's Credit Practices Rule, 16 C.F.R. § 444; and under the FCRA, 15 U.S.C. §§ 1681-1681t, as amended.

3. The activities of the Defendants are in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

4. The Commission's action against the Debtors and Ben Stewart, including the entry of this Order and enforcement of the terms of this Order other than enforcement of the monetary judgment as to the Debtors and Ben Stewart, is not stayed by 11 U.S.C. § 362 (a)(1), (2), (3) or (6) because it is an exercise of the Commission's police or regulatory power as a governmental unit pursuant to 11 U.S.C. § 362(b)(4) and thus, falls within an exception to the automatic stay. The FTC acknowledges that the collection of the monetary judgment against the Debtors and Ben Stewart in Paragraph III below is subject to the automatic stay and the FTC will collect that monetary judgment against the Debtors and Ben Stewart only by asserting the stipulated unsecured non-priority claim as set forth in Paragraph III in the Jointly Administered Chapter 11 Bankruptcy Case and the Chapter 7 Bankruptcy Case.

5. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order. Defendants also waive all rights that

may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412.

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

DEFINITIONS

As used in this Consent Decree:

A. “AD&D” shall mean accidental death and dismemberment insurance.

B. “Ancillary products” shall mean any goods or services sold in connection with a loan, including but not limited to automobile club memberships, accidental death and dismemberment insurance, credit life insurance, accident and health insurance, property insurance, and automobile insurance.

C. “Annual percentage rate” or “APR,” “credit,” “creditor,” and “finance charge” are defined as provided in Sections 103 and 128 of the TILA, 15 U.S.C. §§ 1602 and 1638, and Sections 226.2, 226.4, and 226.18 of Regulation Z.

D. “Atlanta Legal Aid Plaintiffs” shall mean the following SFC consumers who are plaintiffs in the cases of *Arthur Favors, et al., v. SFC*, Case No. 2002-CV-55526 (Super. Ct., Fulton County, Ga., July 9, 2002) and *Janey Mae Sigmon, et al., v. SFC, et al.*, Case No. 2003-CV-70877 (Super. Ct., Fulton County, Ga., June 6, 2003): Arthur Favors and the Estate of Arthur Favors, Elsie Williams, Booker Scarborough, Kellysteen Ruffin, Betty O’Neal, Malessa Pinkard, Evelyn

Gibson, Gloria Whifers, Solomon Barnett, III, Petite Hammonds, Janey May Sigmon, Estella Andrews, Thelma Greene, and Brendalene Young.

E. “Bankruptcy Code” shall mean 11 U.S.C. § 101, *et seq.*, as amended, modified, or supplemented.

F. “Bankruptcy Court” shall mean the United States Bankruptcy Court for the Middle District of Georgia, Athens Division.

G. “Bankruptcy Estates” shall mean the respective estates created upon the commencement of the Debtors’ Jointly Administered Chapter 11 Bankruptcy Case and Ben Stewart’s Chapter 7 Bankruptcy Case, pursuant to Section 541(a) of the Bankruptcy Code, 11 U.S.C. § 541(a).

H. “Borrower” shall mean any individual with a consumer loan originated by the Defendants after July 31, 1998.

I. “Car Club” shall mean roadside assistance club memberships.

J. “Clear and conspicuous” or “clearly and conspicuously” shall mean that the information is displayed in a manner that is readily noticeable, readable, and understandable to the audience to whom it is disseminated if the information is conveyed in writing, and stated in a manner that is readily noticeable and understandable to the audience to whom it is disseminated if the information is conveyed orally.

K. “Chapter 7 Liquidation” shall mean a liquidation pursuant to 11 U.S.C. §§ 701 et seq., of Ben Stewart’s Chapter 7 Bankruptcy Estate.

L. “Chapter 11 Liquidating Plan” or “Liquidating Plan” shall mean a plan of liquidation to be filed by the Chapter 11 Trustee and confirmed by a final order in the Jointly Administered Chapter 11 Bankruptcy Case, the provisions of which shall not be inconsistent with the terms of this Order. The Liquidating Plan shall provide for the liquidation and cessation of business by the Debtors, and the payment of FTC’s claims in a manner consistent with the terms of this Order.

M. The “Commission” or “FTC” or “Plaintiff” shall refer to the Federal Trade Commission.

N. The terms “consumer,” “consumer report,” and “consumer reporting agency” are defined as provided in Sections 603(c), (d), and (f) respectively of the FCRA, 15 U.S.C. §§ 1681a(c), (d), and (f).

O. The “Credit Practices Rule” shall mean the FTC Trade Regulation Rule Concerning Credit Practices, 16 C.F.R. Part 444.

P. “Debtors” shall mean SFC, SNFC, and D & E, debtors in the Jointly Administered Chapter 11 Bankruptcy Case pending in the Bankruptcy Court.

Q. “Defendants” shall mean Ben Stewart, SFC Holdings, SFC, SNFC, D & E, PCAC, Stewart Insurance, and J & J Insurance.

R. “Direct deposit” shall mean any program in which Borrowers regularly deposit their income checks into accounts at financial institutions designated by Defendants, either directly or through the service of Directo or any other service provider the Defendants select, in connection with the extension of credit.

S. “District Court” shall mean the United States District Court for the Northern District of Georgia, Atlanta Division.

T. “Document” is synonymous in meaning and equal in scope to the usage of the term in Rule 34(a) of the Federal Rules of Civil Procedure 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 other non-identical copy is a separate document within the meaning of the term.

U. The “FCRA” shall mean the Fair Credit Reporting Act, 15 U.S.C. §§ 1681-1681t, as amended.

V. The “Federal Trade Commission Act” or the “FTC Act” shall mean 15 U.S.C. §§ 41 - 58, as amended.

W. “Household goods” and “obligation” are defined as provided in

the Credit Practices Rule, 16 C.F.R. § 444.1.

X. “John Benjamin Stewart, Jr.,” “John Ben Stewart, Jr.” or “Ben Stewart” shall mean John Ben Stewart, Jr., the Bankruptcy Estate of John Ben Stewart, Jr., by and through the Chapter 7 Trustee, and the Probate Estate of John Ben Stewart, Jr., by and through the Permanent Administrator, C.T.A., Gale Farlow.

Y. “Loan records” shall mean records reflecting the Borrowers’ names, addresses, telephone numbers, source of income, the security taken on the loan, and the amount of each loan originated by the Defendants, the date each loan was originated, the products purchased in connection with each loan, whether the loan is a Renewal Loan, and whether the customer participates in the Direct Deposit program.

Z. “Malpractice Action” shall mean the civil malpractice cases and action instituted by the Chapter 11 Trustee on behalf of investors in the Debtors against Miller and Martin, LLC, Pechter & Associates, P.C., and other named Defendants.

AA. “Probate Estate” shall mean the probate estate of John Ben Stewart, Jr., by and through the Permanent Administrator, C.T.A., Gale Farlow.

BB. “Receivership Estate” shall mean the receivership estate pursuant to the District Court’s Order for Appointment of a Receiver to Preserve and Manage

Assets Subject to Consent Order for Preliminary Injunction entered on May 20, 2005, as modified by orders of the District Court in the FTC Action incident to the Receiver's administration of the receivership estate.

CC. "Redress Program" shall mean a program to be established and administered by the FTC for the purpose of providing consumer redress to Borrowers.

DD. "Regulation Z" shall mean the Federal Reserve Board Regulation Z, 12 C.F.R. Part 226.

EE. "Relief Defendants" shall mean Janice Stewart, John Benjamin Stewart III, William Joseph Stewart, the Janice S. Stewart Trust, and Stewart Family Investments.

FF. "Renewal Loan" shall mean a loan that, in whole or in part, pays off the balance of a Borrower's prior existing loan.

GG. "Secretary of State" shall mean the Secretary of State and Commissioner of Securities of the State of Georgia, plaintiff in *State of Georgia ex rel Cathy Cox v. John Benjamin Stewart, Jr., et al.*, Case No. 03-CV-448 (Super. Ct., Greene County, Ga., Sept. 9, 2003).

HH. The "TILA" shall mean the Truth in Lending Act, 15 U.S.C. §§ 1601-1666j as amended.

II. "Transition Assistance" shall mean the Debtors' provision of

business records, loan records, account history/information and reconciliation accounting to purchasers of assets of the Debtors.

I. PROHIBITION ON FUTURE ACTIVITIES

IT IS FURTHER ORDERED that Defendants are hereby permanently restrained and enjoined from engaging in, participating in, or assisting others to engage or participate in the offering, solicitation, or making of any loan; the offering, solicitation or sale of ancillary products; and the offering, solicitation or enrollment of any person in a Direct Deposit program, **provided, however**, that this Order shall not be construed to prohibit the Chapter 11 Trustee's compliance with any Order of the Bankruptcy Court respecting the sale and transfer of the assets of the Debtors, including but not limited to the rendering of Transition Assistance to purchasers of such assets.

II. PROHIBITED BUSINESS ACTIVITIES

IT IS HEREBY ORDERED that the Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, are hereby permanently restrained and enjoined from:

- A. Violating Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), including but

not limited to:

1. failing to disclose clearly and conspicuously material terms pertaining to the extension of credit, such as: (a) that the quoted monthly payment amount includes premiums for AD&D and/or Car Club at a cost that is added to the loan amount, and the amount of those costs; (b) that the entire cost of the premiums for AD&D and Car Club is to be paid up front and financed with the loan, and the consumer will pay additional interest charges as a result; and (c) that the purchase of AD&D and Car Club is optional on the part of the consumer and not required to obtain the loan;

2. in conjunction with AD&D and Car Club, failing to disclose clearly and conspicuously that: (a) a new Car Club membership will provide no additional benefit to consumers who have already purchased a Car Club membership from Defendants that is in effect at the same time as the new Car Club membership; (b) AD&D will provide no benefit to consumers who are ineligible for the product because of age restrictions under the terms of the applicable insurance policy; and (c) a new AD&D policy will provide no additional benefit to consumers who have already purchased from Defendants the maximum amount of coverage allowable under the terms of the applicable insurance policy;

3. soliciting consumers to borrow a specific amount of money (including

“cash available” solicitations) without providing consumers with the option to borrow only the amount stated in the solicitation (plus mandatory credit costs) or without first presenting the consumer with a document comparing the cost of a new loan in the amount of the solicitation versus the cost of a Renewal Loan;

4. representing to consumers, in connection with extensions of credit, expressly or by implication, that the Direct Deposit program is a free service when, in truth and in fact, the consumers who participate in Stewart Finance’s Direct Deposit program must pay a monthly fee and/or must pay the cost of using an ATM to withdraw funds from the account into which their income payments have been deposited; and

5. in connection with any extension of credit, misrepresenting or failing to disclose clearly and conspicuously all material terms of any Direct Deposit program including but not limited to the costs, requirements, mandatory or optional nature.

B. Violating Sections 106, 107, and 128 of the TILA, 15 U.S.C. §§ 1605, 1606, and 1638, and Sections 226.4, 226.18(b),(d), and(e), and 226.22 of Regulation Z, 12 C.F.R. §§ 226.4, 226.18(b),(d), and (e), and 226.22.

C. Misrepresenting, directly or by implication, any person’s eligibility for credit insurance and/or ancillary products including, but not limited to, AD&D and

Car Club.

D. Misrepresenting, directly or by implication, that any person will benefit from concurrent AD&D coverages and/or multiple Car Club memberships.

E. Denying any person the extension of credit based solely upon their election not to purchase ancillary products or insurance, such as AD&D and Car Club.

F. Violating the Credit Practices Rule, 16 C.F.R. § 444.2(a)(4), or as the rule may hereafter be amended, including but not limited to, in connection with the offer, solicitation, or making of any loan, taking or receiving from a Borrower an obligation that constitutes or contains a non-possessory security interest in household goods (other than a purchase money security interest), in violation of the Credit Practices Rule, 16 C.F.R. Part 444.2(a)(4).

G. Violating Section 615(a) of the FCRA, 15 U.S.C. § 1681m, as amended, including but not limited to failing to provide to a consumer who has been denied credit, either in whole or in part because of information contained in a consumer report from a consumer reporting agency, all required information, including a statement that the consumer reporting agency did not take the adverse action and is unable to provide the consumer the specific reason reasons why the adverse action was taken.

III. MONETARY RELIEF

IT IS FURTHER ORDERED that:

A. Judgment is entered in favor of the Commission and against the Defendants and their successors and assigns, jointly and severally, in the amount of \$10,500,000.00. This monetary judgment shall constitute a general, non-priority unsecured claim against the Bankruptcy Estates of the Debtors and Ben Stewart, jointly and severally, in the amount of \$10,500,000, which claim shall be deemed an allowed claim against such Bankruptcy Estates under Section 502 of the Bankruptcy Code (the “FTC Bankruptcy Claim”); **provided, however**, that this amount shall not be binding in proceedings by Plaintiff against any non-settling persons or entities.

B. Judgment is entered in favor of the Commission and against Janice Stewart in the amount of \$250,000.00; **provided, however**, that subject to the conditions of this Paragraph the Judgment shall be suspended until further order of the Court; and **provided further** that this Judgment shall be subject to the conditions set forth in Paragraph IV of this Order.

The Jointly Administered Chapter 11 Bankruptcy Case

C. The Debtors shall file a Chapter 11 Liquidating Plan and the Chapter 11 Trustee shall use his best efforts to obtain confirmation of the Liquidating Plan. The Liquidating Plan shall not modify or otherwise supersede this Order, and the

collection of the FTC Bankruptcy Claim shall be subject to the exclusive jurisdiction of the Bankruptcy Court; **provided, however,** that nothing in this Order shall be construed to limit the District Court's exclusive jurisdiction to interpret and enforce this Order.

D. The Liquidating Plan shall provide for payment of a pro rata distribution on account of the FTC Bankruptcy Claim on the later of the effective date of the Liquidating Plan or the date of the first distribution of claims of the same priority as the FTC Bankruptcy Claim, or such other date as may be agreed to by the FTC. Other distributions, if any, on account of the FTC Bankruptcy Claim shall be made in accordance with the Liquidating Plan or with any Bankruptcy Court order authorizing the payment of an interim distribution to the FTC or claims of the same priority as the FTC. The Liquidating Plan shall provide that the FTC shall receive a pro rata share of any distribution to holders of allowed general, non-priority unsecured claims, and such other amounts as may be agreed to by holders of allowed claims having priority over the FTC Claim; **provided, however,** that the FTC shall not receive or participate in any distribution of funds generated, recovered, and returned to the Chapter 11 Bankruptcy Estates of the Debtors arising as a result of litigation, settlement, or entry of a judgment in the Malpractice Actions, whether currently pending or filed after entry of this Order. In consideration of the extent of duplicative claims against and

the limited funds in the Chapter 7 and Chapter 11 Bankruptcy Estates, the FTC agrees that in the event that the Chapter 7 Bankruptcy Estate makes a distribution to creditors before the Chapter 11 Bankruptcy Estates makes a distribution to creditors, amounts the FTC receives from the Chapter 7 Bankruptcy Estate will be credited against and reduce dollar for dollar the amount of the FTC's Bankruptcy Claim against the Chapter 11 Bankruptcy Estates; **provided, however,** that if the Bankruptcy Court determines that any other claimant receiving a distribution from the Chapter 7 Bankruptcy Estate on account of a duplicative claim is not required to credit such distribution against and reduce the amount of the creditor's claim against the Chapter 11 Bankruptcy Estates, then the FTC shall be treated similarly and the amount of the FTC Bankruptcy Claim and its distribution under the Liquidating Plan shall not be reduced by the amount received from the Chapter 7 Bankruptcy Estate. Amounts the FTC receives from the Receivership Estate, the Relief Defendants, or any other collateral source shall not be credited against or otherwise operate to reduce the distribution to the FTC from the Chapter 11 Bankruptcy Estates on account of the FTC Bankruptcy Claim pursuant to the Liquidating Plan.

The Chapter 7 Bankruptcy Case

E. The Chapter 7 Trustee shall liquidate Ben Stewart's Bankruptcy Estate pursuant to the Bankruptcy Code. In the course of the Chapter 7 Liquidation, the

Chapter 7 Trustee shall not seek to modify or otherwise supersede this Order, and the collection of the FTC Bankruptcy Claim shall be subject to the exclusive jurisdiction of the Bankruptcy Court; **provided, however**, that nothing in this Order shall be construed to limit the District Court's exclusive jurisdiction to interpret and enforce this Order.

F. The Chapter 7 Trustee shall distribute to the FTC a pro rata share of any distribution to holders of allowed general, non-priority unsecured claims, and such other amounts as may be agreed to by holders of allowed claims having priority over the FTC Bankruptcy Claim. Alternatively, upon thirty days' notice to the FTC, and with the agreement of the FTC, the Chapter 7 Trustee, and the Chapter 11 Trustee, and with the authorization of the Bankruptcy Court, the Chapter 7 Trustee may make a combined disbursement from the Chapter 7 Bankruptcy Estate on account of unsecured claims held jointly against the Debtors, to the Chapter 11 Bankruptcy Estates, such that the Chapter 11 Trustee shall, in turn, make disbursements to the FTC and such other claimants out of the Chapter 11 Bankruptcy Estates on account of the FTC Bankruptcy Claim in accordance with Paragraph III.D. of this Order. In consideration of the extent of duplicative claims against and the limited funds in the Chapter 7 and Chapter 11 Bankruptcy Estates, the FTC agrees that in the event that the Chapter 11 Bankruptcy Estates makes a distribution to creditors before the

Chapter 7 Bankruptcy Estate makes a distribution to creditors, amounts the FTC receives from the Chapter 11 Bankruptcy Estates will be credited against and reduce dollar for dollar the amount of the FTC's Bankruptcy Claim against the Chapter 7 Bankruptcy Estate; **provided, however**, that if the Bankruptcy Court determines that any other claimant receiving a distribution from the Chapter 11 Bankruptcy Estates on account of a duplicative claim is not required to credit such distribution against and reduce the amount of the creditor's claim against the Chapter 7 Bankruptcy Estate, then the FTC shall be treated similarly and the amount of the FTC Bankruptcy Claim and its distribution on account thereof shall not be reduced by the amount received from the Chapter 11 Bankruptcy Estates. Amounts the FTC receives from the Receivership Estate, the Relief Defendants, or any other collateral source shall not be credited against or otherwise operate to reduce the distribution to the FTC from the Chapter 7 Bankruptcy Estate on account of the FTC Bankruptcy Claim.

G. In the event assets of the Ben Stewart Probate Estate are remitted to the Chapter 7 Trustee pursuant to court order, consent order, settlement agreement or otherwise, then within fifteen (15) days after the assets of the Ben Stewart Probate Estate are received by the Chapter 7 Trustee, the FTC and the Chapter 11 Trustee shall dismiss their respective adversary proceedings in the Chapter 7 Bankruptcy Case against John Benjamin Stewart, Jr., to determine the dischargeability of their

respective debts.

H. As of entry of this Order, proceeds in the amount of \$85,000.00 (the “Hilton Head Proceeds”) generated from the disposition of certain real property located in Hilton Head, South Carolina are being held in the registry of the Superior Court of Greene County, Georgia pending transfer to the registry of the Bankruptcy Court. All parties to this Order hereby acknowledge, consent, and agree that the paramount right to the Hilton Head Proceeds is held by the Chapter 7 Trustee. The FTC, the Chapter 11 Trustee, the Receiver, Janice Stewart, the Secretary of State, and the Atlanta Legal Aid Plaintiffs hereby waive, release, and relinquish any and all claims or interests to or in the Hilton Head Proceeds other than as creditors of the Chapter 7 Bankruptcy Estate, if applicable.

The Receivership

I. The Receiver shall have all powers granted to it under the May 20, 2004 Order for the Appointment of a Receiver to Preserve and Manage Assets of the Estate Subject to Consent Order for Preliminary Injunction, except to the extent inconsistent with this Order. The Receiver shall liquidate the Receivership Estate and, after payment of approved administrative and professional claims, distribute the remaining proceeds of the Receivership Estate as follows:

1. Fifty percent (50%) to the FTC;

2. Twenty-five percent (25%) to the Secretary of State of Georgia in compensation of the claims set forth in *State of Georgia ex rel Cathy Cox v. John Benjamin Stewart, Jr., et al.*, Case No. 03-CV-448 (Super. Ct., Greene County, Ga., Sept. 9, 2003); and
3. Twenty-five percent (25%) to the Chapter 11 Bankruptcy Estates as compensation for claims asserted by the Chapter 11 Trustee on behalf of the Debtors against the Receivership Estate.

Provided, however, that amounts the FTC receives from the Chapter 11 Bankruptcy Estates, the Chapter 7 Bankruptcy Estate, the Relief Defendants, or any other collateral source shall not be credited against or otherwise operate to reduce the FTC's fifty percent (50%) distribution.

J. The FTC shall remit the first \$28,000.00 in proceeds received from the Receivership Estate to the Atlanta Legal Aid Plaintiffs in the amount of \$2,000.00 to each individual Atlanta Legal Aid plaintiff. Within fifteen (15) days after receipt of the payment set forth herein by the Atlanta Legal Aid Plaintiffs, counsel for the Atlanta Legal Aid Plaintiffs shall cause the cases of *Arthur Favors, et al., v. SFC*, Case No. 2002-CV-55526 (Super. Ct., Fulton County, Ga., July 9, 2002), and *Janey Mae Sigmon, et al., v. SFC, et al.*, Case No. 2003-CV-70877 (Super. Ct., Fulton County, Ga., June 6, 2003), to be dismissed with prejudice. For and in consideration

of the mutual covenants contained herein and other valuable consideration, the Atlanta Legal Aid Plaintiffs, and each of the foregoing's personal representatives, and assigns, hereby remise, release, and forever discharge the Chapter 11 Trustee, the Receiver, professionals retained by the Chapter 11 Trustee or the Receiver, personal representatives, assigns, agents, subsidiaries, employees, officers, directors, principals, indemnitors, and the Defendants, the Debtors' Bankruptcy Estates and their personal representatives, assigns, agents, subsidiaries, employees, officers, directors, principals, indemnitors, successors-in-interest, predecessors-in-interest, parent corporations, subsidiary corporations, affiliate corporations, and distributors (collectively, the "Released Parties") from all actions, causes of action, suits, liens, debts, damages, injuries, sums of money, claims, contracts and demands whatsoever which the Atlanta Legal Aid Plaintiffs may have against any or all of the Released Parties. Distribution of proceeds to the Atlanta Legal Aid Plaintiffs shall constitute full and final satisfaction of their claims, if any, against the Defendants. For and in consideration of the mutual covenants contained herein and other valuable consideration, Defendants, and each of the foregoing's personal representatives, assigns, agents, subsidiaries, employees, officers, directors, principals, indemnitors, successors-in-interest, predecessors-in-interest, parent corporations, subsidiary corporations, affiliate corporations, distributors, and insurers of Defendants, hereby

remise, release, and forever discharge the foregoing Atlanta Legal Aid Plaintiffs and all personal representatives, assigns, agents, heirs, successors, administrators, beneficiaries, indemnitors, attorneys, and insurers of the Atlanta Legal Aid Plaintiffs, from all actions, causes of action, suits, liens, debts, damages, injuries, sums of money, claims, contracts and demands whatsoever which Defendants (or any of the other Released Parties) may have against any or all of the Atlanta Legal Aid Plaintiffs or any of their personal representatives, assigns, agents, heirs, successors, administrators, beneficiaries, indemnitors, attorneys, and insurers, known or unknown to the date hereof. Nothing in this release shall affect the right of the Atlanta Legal Aid Plaintiffs or the Chapter 11 Trustee to enforce the terms and conditions of this agreement. The Atlanta Legal Aid Plaintiffs and the Defendants represent and warrant, understanding that the truth of said representation and warranty is material to the making of this agreement, that they have not assigned or transferred any claim or potential counterclaim that was asserted or could have been asserted in the civil action.

K. The Receiver shall wind up all activities and operations of the receivership entities, dissolve the receivership entities, and distribute the proceeds of the receivership in accordance with this Order. Defendants shall have no right to contest the distribution of proceeds set forth in this Order.

L. After entry of this Order, the Receiver shall file a final report and final accounting and make a distribution of proceeds in accordance with the final accounting and consistent with this Order, and the receivership shall terminate. Unless otherwise ordered by the Court, the Receiver will have no further responsibilities with respect to the FTC Action.

Administration of Redress Fund

M. All funds paid to the FTC pursuant to this Order shall be paid in cash by electronic funds transfer pursuant to instructions provided by the Commission and deposited into the Redress 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 the Redress Program. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the practices alleged in the First Amended Complaint. Any funds distributed to the FTC that are not used for such equitable relief shall be deposited as equitable disgorgement to the United States Treasury. No portion of any payment under the judgment herein shall be deemed a payment of any fine, penalty, punitive assessment, or forfeiture. The Defendants shall have no right to challenge

the FTC's choice of remedies under this Paragraph. Consumers' acceptance of redress payments made from the Commission's Redress Fund will be conditioned upon those consumers releasing the Debtors from all claims relating to the subject matter of the FTC's lawsuit against the Debtors occurring prior to the date of entry of this Order.

IV. TERMINATION OF SUSPENSION OF JUDGMENT

IT IS FURTHER ORDERED that:

A. The Commission's agreement to, and the Court's approval of, this Order as to Janice Stewart is expressly premised upon the truthfulness, accuracy, and completeness of Janice Stewart's financial condition, as represented in Janice Stewart's financial statement dated January 14, 2005 including any attachments, and in any other documents or testimony submitted by Janice Stewart, upon which the Commission relied in negotiating and agreeing to the terms of this Order. By agreeing to this Order, Janice Stewart reaffirms and attests to the truthfulness, accuracy, and completeness of sworn testimony provided by her on December 4, 2003, and her financial statement dated January 14, 2005.

B. If, upon motion by the Commission, this Court finds that Janice Stewart failed to disclose any material asset, or materially misrepresented the value of any asset, or made any other material misrepresentation in or omission from her sworn testimony or financial statement, the suspension of the monetary Judgment shall be

terminated and the amount of \$250,000.00, which Janice Stewart and the Commission stipulate is the amount of money or property received by Janice Stewart that was unlawfully derived from consumers as a consequence of the deceptive acts and practices of the Defendants, will immediately become due and payable. For the purposes of this Paragraph and any subsequent proceedings to enforce the Commission's rights against Janice Stewart under this Order, including but not limited to a non-dischargeability complaint filed in a bankruptcy case, Janice Stewart waives any right to contest any of the allegations in the First Amended Complaint filed in this action, which shall be taken as true without the necessity of further proof, or to contest the stipulated \$10,500,000.00 Judgment referenced in Paragraph III.A. above. **Provided, however,** that in all other respects this Stipulated Final Order remains in full force and effect unless otherwise ordered by the Court; and **provided further** that proceedings instituted under this Paragraph IV are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

C. The freeze on the assets of John Benjamin Stewart, Jr. imposed by Order of this Court dated May 20, 2004, at the request of the Commission is lifted with respect to the following assets: (1) the 401k account of John Benjamin Stewart, Jr. with Stewart Finance Company, which was paid to Janice Stewart by Stewart Finance

Company and deposited by her in her IRA account # [REDACTED] administered by Capital Bank and Trust; (2) the American Funds IRA account of John Benjamin Stewart, Jr. which has been paid to Janice Stewart and rolled over into her IRA account # [REDACTED] administered by Capital Bank and Trust; and (3) the Individual Retirement Account of John B. Stewart (Deceased) with Morgan Stanley, account # [REDACTED]. These accounts were all claimed as exempt property by John Benjamin Stewart, Jr. in the Chapter 7 Bankruptcy Case and Janice Stewart is the beneficiary of these accounts resulting from his death. The Commission makes no claim on these specifically described assets and agrees that they should no longer be subject to the asset freeze.

V. COOPERATION WITH GOVERNMENT COUNSEL

IT IS FURTHER ORDERED that so long as the Chapter 7 Trustee, the Chapter 11 Trustee and the Receiver continue to serve in such capacity for the respective Bankruptcy and Receivership Estates, or as liquidating agent under the Liquidating Plan, they shall, in connection with the FTC Action, cooperate in good faith with the FTC and appear, or, to the extent possible and within their powers as set forth and limited by applicable laws, cause Defendants' officers, employees, representatives or agents, subject to their supervision, oversight, and control to appear, at such places and times as the FTC shall reasonably request, after written

notice, for interviews, conferences, pretrial discovery, review of documents, and for other matters as may be reasonably requested by the FTC. If requested in writing by the FTC, the Chapter 7 Trustee, the Chapter 11 Trustee and the Receiver shall appear, or, to the extent possible and within their powers as set forth and limited by applicable laws, cause Defendants' officers, employees, representatives, or agents subject to their supervision, oversight, and control to appear, and provide testimony under oath in any trial, deposition, or other proceeding in connection with the FTC Action, without the service of a subpoena.

VI. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that the Chapter 7 Trustee, the Chapter 11 Trustee, the Receiver, and Janice Stewart, within five business days after receipt of this Order as entered by the Court, must each submit to the FTC a statement acknowledging receipt of this Order, in the form set forth in Attachment A.

VII. DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that, until the earlier of: (a) the termination of their respective appointed capacities as Chapter 7 Trustee with respect to John Benjamin Stewart, Jr., Chapter 11 Trustee with respect to the Debtors, and Receiver with respect to the receivership entities, or liquidating agent under the Liquidating Plan, or (b) for a period of five (5) years from the date of entry of this Order, the

Chapter 7 Trustee, the Chapter 11 Trustee, the Receiver, or liquidating agent under the Liquidating Plan for their respective entities shall deliver a copy of this Order to all current and future principals, officers, directors, managers and employees of the entities for which they are serving as a court appointed trustee, receiver, or liquidating agent under the Liquidating Plan, and shall secure from each such person a signed and dated statement acknowledging receipt of this Order. The Chapter 7 Trustee, the Chapter 11 Trustee, and the Receiver shall deliver this Order within thirty (30) days of the date of entry of this Order, to all current personnel of the entities for whom they serve as the court appointed trustee, receiver, or liquidating agent under the Liquidating Plan and to all new personnel within thirty (30) days after the person assumes such position at entities for whom they serve as the court appointed trustee, receiver, or liquidating agent under the Liquidating Plan.

VIII. RECORD KEEPING REQUIREMENT

IT IS FURTHER ORDERED that, until the earlier of: (a) the termination of their respective appointed capacities as Chapter 7 Trustee, Chapter 11 Trustee, Receiver, or liquidating agent under the Liquidating Plan for each of their respective entities; or (b) for a period of ten (10) years from the date of entry of this Order, the Chapter 7 Trustee, the Chapter 11 Trustee, the Receiver, or liquidating agent under the Liquidating Plan in connection with any business related to the extension of

credit, SFC Holdings, the Debtors, PCAC, Stewart Insurance and J & J Insurance and their agents, employees, officers, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from failing to create and retain the following records:

A. All loan records, whether stored electronically or otherwise, and loan files;

B. Where adverse action is taken, records of applications as required by Section 202.12(b) of Regulation B, 12 C.F.R. § 202.12(b).

C. Personnel records accurately reflecting: the name, address, telephone number, and social security number of each person employed in any capacity by the Defendants, 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;

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

E. Copies of all training materials and policy manuals.

Provided, however, that, for purposes of this Paragraph, the Chapter 11 Trustee, with

respect to the records of the Debtors, the Receiver, with respect to the records of SFC Holdings, PCAC, Stewart Insurance, and J & J Insurance, and the Chapter 7 Trustee, may, in the exercise of their business judgment, abandon or otherwise dispose of such records in their possession, pursuant to Section 554 of the Bankruptcy Code, and shall provide notice to the FTC of any proposed abandonment or disposition. Upon the FTC's request, the Chapter 11 Trustee, the Chapter 7 Trustee, and the Receiver shall transfer such records to the FTC. Any such records that are not transferred to the FTC and that contain personal identifiers, including the name, address, telephone number, account number(s) (including credit card, debit card and bank account numbers), e-mail address, social security or other tax identification number, or other identifying information of any consumer who paid any money to SFC Holdings, the Debtors, PCAC, Stewart Insurance, or J & J Insurance and any similar records in the possession of the Chapter 7 Trustee and the Receiver at any time prior to entry of this Order, shall be destroyed by shredding or similar means of destruction, and the Chapter 11 Trustee, the Chapter 7 Trustee, and the Receiver shall notify the FTC in writing upon completion of such destruction.

IX. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that, in order that compliance with the provisions of this Order may be monitored:

A. For a period of ten (10) years from the date of entry of this Order, the Chapter 11 Trustee, with respect to the Debtors, and the Receiver, with respect to SFC Holdings, PCAC, Stewart Insurance, and J & J Insurance, shall notify the FTC of any changes in corporate structure that may affect compliance obligations arising under this Order, including, but not limited to, dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation, or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the dismissal or conversion of the bankruptcy cases; or a change in corporate name or address, at least thirty (30) days prior to such change; **provided, however,** that, with respect to any proposed change in a corporation or other entity about which the Chapter 11 Trustee or the Receiver learns of less than thirty (30) days prior to the date such action is to take place, the Chapter 11 Trustee or the Receiver shall notify the FTC as soon as is practicable after obtaining such knowledge. **Provided further** that, thirty (30) days after the Chapter 11 Trustee notifies the FTC in writing that the Chapter 11 Liquidating Plan is fully administered and the Debtors have satisfied all of their obligations thereunder, and the Chapter 11 Trustee has been discharged as the liquidating agent, the Chapter 11 Trustee shall be relieved of all further reporting obligations under this Paragraph. **Provided further** that, thirty (30) days after the Receiver notifies the FTC in writing

that the Receivership Estate is fully administered and SFC Holdings, PCAC, Stewart Insurance, and J & J Insurance have satisfied all of their obligations under this Order, the Receiver shall be relieved of all further reporting obligations under this Paragraph.

B. One hundred eighty (180) days after the date of entry of this Order, the Chapter 11 Trustee, with respect to the Debtors, and the Receiver, with respect to SFC Holdings, PCAC, Stewart Insurance, and J & J Insurance, shall provide a written report to the FTC setting forth in detail the manner and form in which he has complied and is complying with this Order.

C. For purpose of the compliance reporting required by this Section, the FTC is authorized to communicate directly with the Chapter 7 Trustee, the Chapter 11 Trustee, and the Receiver.

X. COMPLIANCE MONITORING

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

A. During the period in which the Chapter 11 Trustee continues to serve in that appointed capacity, or as liquidating agent under the Liquidating Plan, the Chapter 11 Trustee, within twenty (20) days of receipt of written notice from a representative of the FTC, shall provide reasonable access to non-privileged business

records of the Debtors which the Chapter 11 Trustee maintains for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in the possession or direct or indirect control of the Debtors to inspect the business operation;

B. During the period in which the Chapter 7 Trustee continues to serve in that appointed capacity, the Chapter 7 Trustee, within twenty (20) days of receipt of written notice from a representative of the FTC, shall submit non-privileged business records of Ben Stewart which the Chapter 7 Trustee maintains and provide reasonable access to such business records for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in the Chapter 7 Trustee's possession or direct or indirect control to inspect the business operation;

C. During the period in which the Receiver continues to serve in that appointed capacity, the Receiver, within twenty (20) days of receipt of written notice from a representative of the FTC, shall submit non-privileged business records of SFC Holdings, PCAC, Stewart Insurance, and J & J Insurance which the Receiver maintains and provide reasonable access to such business records for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in possession or direct or indirect control of SFC Holdings,

PCAC, Stewart Insurance, or J & J Insurance to inspect the business operation;

D. In addition, the FTC is authorized to monitor compliance with this Order by all lawful means, and provided further 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 and 57b-1, to obtain 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)).

E. SFC Holdings, the Debtors, PCAC, Stewart Insurance, and J & J Insurance 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.

XI. NOTIFICATIONS

IT IS FURTHER ORDERED that, for purposes of this Order, all written notification shall be mailed to the following:

If to the FTC:

Associate Director, Division of Financial Practices
Federal Trade Commission
600 Pennsylvania Ave., N.W.
Washington, D.C. 20580
Re: FTC v. Stewart Finance Company, et al.

If to the Chapter 11 Trustee:

S. Gregory Hays
Hays Financial Consulting, LLC
3343 Peachtree Road, Suite 750
Atlanta, Georgia 30326

with a copy to:

James C. Frenzel
James C. Frenzel, P.C.
3343 Peachtree Road NE, Suite 155
Atlanta, GA 30326

If to Chapter 7 Trustee:

William M. Flatau
Katz, Flatau, Popson & Boyer
355 Cotton Avenue
Macon, GA 31201-2687

If to Receiver:

Kevin O'Halloran
Newbridge Management, LLC
PO Box 56584
Atlanta, GA 30343

with a copy to:

Robert T. Trammell, Jr.
Trammell, Camp & Lewis, LLC
P.O. Box 109
Luthersville, GA 30251

XII. COSTS AND ATTORNEYS FEES

IT IS FURTHER ORDERED that each Consenting Party to this Order

shall bear its own costs and attorneys fees incurred in connection with the FTC Action.

XIII. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes, including construction, modification and enforcement of this Order; **provided, however**, except to the extent inconsistent with this Court's exclusive jurisdiction, the Bankruptcy Court shall retain jurisdiction over all core bankruptcy proceedings pursuant to 28 U.S.C. § 157(b), including without limitation (a) the confirmation and implementation of the Liquidating Plan, and (b) the treatment of and distribution to allowed claims, including the FTC Bankruptcy Claim and the enforcement and collection of any monetary judgment against the Chapter 7 or Chapter 11 Bankruptcy Estates.

IT IS SO ORDERED.

Dated: _____

UNITED STATES DISTRICT COURT JUDGE

The parties hereby stipulate and agree to the terms and conditions set forth above and consent to the entry of this Stipulated Final Judgment and Order.

Dated this 3rd day of November, 2005.

**FOR THE FEDERAL TRADE
COMMISSION:**

Anne M. McCormick

Anne M. McCormick, Attorney
Ramona D. Elliott, Attorney
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Mailstop NJ-3158
Washington, D.C. 20580
(202) 326-3583

FOR THE DEFENDANTS:

Bankruptcy Estates of Stewart Finance
Company, Stewart National Finance
Company, Inc., and D & E Acquisitions,
Inc., Debtors.

By: _____
S. Gregory Hayes, in his capacity as
Chapter 11 Trustee for SFC, SNFC, and
D&E

Probate Estate of John Ben Stewart, Jr.

By: _____
Gail Farlow, Administrator

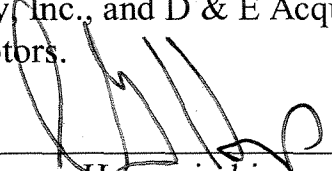
Dated this _____ day of _____, 2005.

**FOR THE FEDERAL TRADE
COMMISSION:**

Anne M. McCormick, Attorney
Ramona D. Elliott, Attorney
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Mailstop NJ-3158
Washington, D.C. 20580
(202) 326-3583

FOR THE DEFENDANTS:

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By: 
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D&E

Probate Estate of John Ben Stewart, Jr.

By: _____
Gail Farlow, Administrator

Dated this _____ day of _____, 2005.

**FOR THE FEDERAL TRADE
COMMISSION:**


Anne M. McCormick, Attorney
Ramona D. Elliott, Attorney
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600 Pennsylvania Avenue, N.W.
Mailstop NJ-3158
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By: _____
S. Gregory Hayes, in his capacity as
Chapter 11 Trustee for SFC, SNFC, and
D&E

Probate Estate of John Ben Stewart, Jr.

By:  _____
Gale Farlow, Permanent Administrator,
C.T.A.

Bankruptcy Estate of John Ben Stewart, Jr.

By: William M. Flatau
William Flatau, in his capacity as
Chapter 7 Trustee for John Ben
Stewart, Jr.

The Receivership Estate of Stewart Finance
Company Holdings, Inc., Preferred Choice
Auto Club, Inc., Stewart Insurance, Ltd.,
and J & J Insurance, Ltd.

By: _____
Kevin O'Halloran, in his capacity as
Receiver for SFC Holdings, Preferred
Choice Auto Club, Inc., Stewart
Insurance, Ltd., and J & J Insurance, Ltd.

**FOR THE RELIEF DEFENDANT
JANICE STEWART:**

Janice Stewart

By: _____
Ernest V. Harris, Esq.

FOR THE SECRETARY OF STATE:

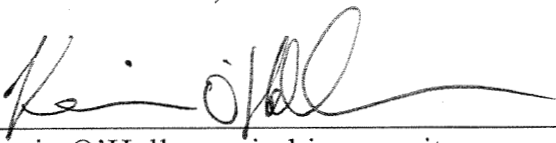
Secretary of State of Georgia

By: _____
Andrew J. Ekonomou, Esq.

Bankruptcy Estate of John Ben Stewart, Jr.

By: _____
William Flatau, in his capacity as
Chapter 7 Trustee for John Ben
Stewart, Jr.

The Receivership Estate of Stewart Finance
Company Holdings, Inc., Preferred Choice
Auto Club, Inc., Stewart Insurance, Ltd.,
and J & J Insurance, Ltd.

By: 
Kevin O'Halloran, in his capacity as
Receiver for SFC Holdings, Preferred
Choice Auto Club, Inc., Stewart
Insurance, Ltd., and J & J Insurance, Ltd.

**FOR THE RELIEF DEFENDANT
JANICE STEWART:**

Janice Stewart

By: _____
Ernest V. Harris, Esq.

FOR THE SECRETARY OF STATE:

Secretary of State of Georgia

By: _____
Andrew J. Ekonomou, Esq.

Bankruptcy Estate of John Ben Stewart, Jr.

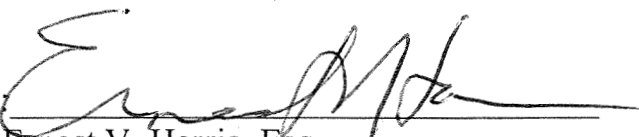
By: _____
William Flatau, in his capacity as
Chapter 7 Trustee for John Ben
Stewart, Jr.

The Receivership Estate of Stewart Finance
Company Holdings, Inc., Preferred Choice
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and J & J Insurance, Ltd.

By: _____
Kevin O'Halloran, in his capacity as
Receiver for SFC Holdings, Preferred
Choice Auto Club, Inc., Stewart
Insurance, Ltd., and J & J Insurance, Ltd.

**FOR THE RELIEF DEFENDANT
JANICE STEWART:**

Janice Stewart

By: 
Ernest V. Harris, Esq.

FOR THE SECRETARY OF STATE:

Secretary of State of Georgia

By: _____
Andrew J. Ekonomou, Esq.

Bankruptcy Estate of John Ben Stewart, Jr.

By: _____
William Flatau, in his capacity as
Chapter 7 Trustee for John Ben
Stewart, Jr.

The Receivership Estate of Stewart Finance
Company Holdings, Inc., Preferred Choice
Auto Club, Inc., Stewart Insurance, Ltd.,
and J & J Insurance, Ltd.

By: _____
Kevin O'Halloran, in his capacity as
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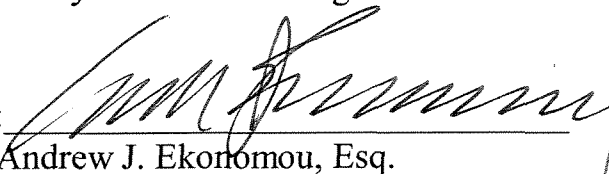
**FOR THE RELIEF DEFENDANT
JANICE STEWART:**

Janice Stewart

By: _____
Ernest V. Harris, Esq.

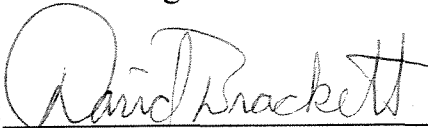
FOR THE SECRETARY OF STATE:

Secretary of State of Georgia

By: 
Andrew J. Ekonomou, Esq.

**FOR THE ATLANTA LEGAL AID
PLAINTIFFS**

The Atlanta Legal Aid Plaintiffs

By: 
David Brackett, Esq.

ATTACHMENT A

**AFFIDAVIT OF [NAME] ON BEHALF OF
DEFENDANT[S] [NAME],**

I, [Name], hereby state and affirm as follows:

1. My name is [Name]. My current residence address is [Address]. I am a citizen of the United States and am over the age of eighteen. I have personal knowledge of the facts set forth in this Affidavit.

2. I am the [title] of [Name(s)], defendant [s] in *Federal Trade Commission v. Stewart Finance Company Holdings, et al.*, Case No. 1:03-CV-2648-JTC (N.D. Ga. 2003).

3. On [date], I received a copy of the Stipulated Final Judgment and Order as to defendant[s], which was signed by the Honorable [judge] and entered by the Court on [date]. A true and correct copy of the order I 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 [date], at [city and state].

[Name]

State of _____, City of _____

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

FEDERAL TRADE COMMISSION,)

Plaintiff,)

vs.)

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

Defendants.)

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

CERTIFICATE OF SERVICE

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

4th, 2005, to the following:

James Cifelli, Esq.
Lamberth, Cifelli, Stokes and Stout, P.A.
Atlanta Financial Center
3343 Peachtree Road, NE
East Tower, Suite 550
Atlanta, GA 30326-1022

Andrew Ekonomou
Michael Lambros
Ekonomou Atkinson & Lambros, LLC
450 The Hurt Building
50 Hurt Plaza, SE
Atlanta, GA 30303



James C. Frenzel
Gwendolyn Phillipps
James C. Frenzel, P.C.
Suite 155, East Tower
Atlanta Financial Center
3343 Peachtree Road, N.E.
Atlanta, GA 30326

Attorney for Receiver
Robert T. Trammel, Jr. Esq.
Jeff Briscoe, Esq.
128 North Main Street
Luthersville, GA 30521
[REDACTED]

Receiver for Stewart-related Entities
Kevin O'Halloran
Newbridge Management, LLC
100 Peachtree Street, Suite 1475
Atlanta, GA 30303

Chapter 7 Trustee for Ben Stewart,
Pinewood LLC, and JBS Properties,
LLC
William Flatau, Chapter 7 Trustee
Wes Boyer, Attorney Chapter 7 Trustee
Katz, Flatau, Popson & Boyer, LLP
355 Cotton Avenue
Macon, GA 31201-2687


Bankruptcy Counsel for Ben Stewart
Ernie V. Harris, Esq.
Harris & Liken, Esq.
1045 South Milledge Avenue Suite 200
P.O. Box 1586
Athens, GA 30603

Ward Stone and Austin Carter
Stone & Baxter, LLP
Suite 800
Fickling & Co. Building
577 Mulberry Street
Macon, GA 31201-8239
[REDACTED]

David G.H. Brackett
Bondurant, Mixson & Elmore, LLP
1201 W. Peachtree Street
Suite 3900
Atlanta, Georgia 30309
[REDACTED]

Bonnie L. Keith
H. Michael Dever
Freidman, Dever & Merlin, LLC
5555 Glenridge Connector, NE
Suite 925
Atlanta, GA 30342

M. Joseph Reitman, Jr.
Lambert and Reitman, LLC
126 East Washington Street
Madison, Georgia 30650
[REDACTED]
[REDACTED]


ANNE M. McCORMICK
Attorney for Plaintiff
Federal Trade Commission