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

FEDERAL TRADE COMMISSION,)
Plaintiff,)
٧.) No. 04-C-7781
CAPITAL ACQUISITIONS & MANAGEMENT CORP., a corporation,) Judge Gettleman) Magistrate Judge Nolan
RM FINANCIAL SERVICES, INC., a corporation,	, -
CAPITAL PROPERTIES HOLDINGS, INC., a corporation,))
CARIBBEAN ASSET MANAGEMENT, LTD., a corporation,))
REESE WAUGH,)
JEROME KUEBLER,)
ERIC WOLDOFF,	ý
GEORGE OTHON,)
JEFFREY GARRINGTON,)
DAVID KAPP,)
JOSHUA RAUSCH,)
MICHAEL SENG, and)
BILLY MARTIN,	,))
Defendants.	,)

STIPULATED ORDER FOR PERMANENT INJUNCTION AGAINST DEFENDANTS REESE WAUGH, JEROME KUEBLER, ERIC WOLDOFF, GEORGE OTHON, AND JEFFREY GARRINGTON

Plaintiff, Federal Trade Commission ("FTC" or "Commission"), filed its Amended Complaint for Permanent Injunctive and Other Relief ("Amended Complaint") in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC ACT"), 15 U.S.C. § 53(b), Section 814(a) of the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. § 1692l(a), and Rule 65 of the Federal Rules of Civil Procedure, charging that Defendants engaged in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, and the FDCPA, 15 U.S.C. § 1692 et seq. The Commission and Defendants Reese Waugh, Eric Woldoff, George Othon, Jerome Kuebler, and Jeffrey Garrington (collectively, "CAMCO Defendants"), hereby stipulate to the entry of this Stipulated Order for Permanent Injunction Against Defendants Reese Waugh, Jerome Kuebler, Eric Woldoff, George Othon, and Jeffrey Garrington ("Order") to resolve all matters of dispute between them in this action.

IT IS THEREFORE STIPULATED, AGREED, AND ORDERED as follows:

- 1. This Court has jurisdiction over the subject matter of this case and CAMCO Defendants, pursuant to 15 U.S.C. §§ 45(a), 53(b), 1692l(a), as well as 28 U.S.C. §§ 1331, 1137(a) and 1345.
- 2. Venue lies properly with this Court pursuant to 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b) and (c).
- 3. The activities of CAMCO Defendants are in or affecting "commerce," as that term is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
- 4. The Amended Complaint states a claim upon which relief may be granted against CAMCO Defendants under Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FDCPA, 15 U.S.C. § 1692 et seq.

- 5. CAMCO Defendants have entered into this Order freely and without coercion.
 Such Defendants further acknowledge that they have read the provisions of this Order and are prepared to abide by them.
- 6. The undersigned, individually and by and through their counsel, have agreed that the entry of this Order resolves all matters of dispute between them arising from the Amended Complaint in this action, up to the date of entry of this Order.
- 7. CAMCO Defendants waive all rights to seek appellate review or otherwise challenge or contest the validity of this Order. CAMCO Defendants further waive and release any claim they may have against the Commission, its employees, representatives or agents.
- 8. CAMCO Defendants agree that this Order does not entitle such Defendants to seek or to obtain attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996), and such Defendants further waive any right to attorneys' fees that may arise under said provision of law.
- 9. Neither entry into this Order, nor performance according to its terms, shall be deemed an admission by CAMCO Defendants. This Order has been entered without resolution of any disputed fact.
- 10. Entry of this Order is in the public interest, and there being no just reason for delay, the Clerk is directed to enter judgment immediately.

DEFINITIONS

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

- 1. "Plaintiff" means the Federal Trade Commission.
- "Defendant" or "Defendants" means Capital Acquisitions and Management
 Corp.; RM Financial Services, Inc.; Capital Properties Holdings, Inc.; Caribbean Asset

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Management, Ltd.; Reese Waugh, individually and as an officer, director or agent of the corporate defendants; Jerome Kuebler, individually and as an officer, director or agent of the corporate defendants; Eric Woldoff, individually and as an officer, director or agent of the corporate defendants; George Othon, individually and as an officer, director or agent of the corporate defendants; Jeffrey Garrington, individually and as an officer, director or agent of the corporate defendants; David Kapp, individually and as an officer, director or agent of the corporate defendants; Joshua Rausch, individually and as an officer, director or agent of the corporate defendants; Michael Seng, individually and as an officer, director or agent of the corporate defendants; and Billy Martin, individually and as an officer, director or agent of the corporate defendants; and subsidiaries, affiliates, and any fictitious business entities or business names created or used by these entities; or any of them.

- "Receivership Defendant" means each of Capital Acquisitions and Management Corp., RM Financial Services, Inc., Capital Properties Holdings, Inc., and Caribbean Asset
 Management, Ltd.
- 4. "CAMCO Defendants" or "CAMCO Defendant" means Reese Waugh, by whatever name he might be known; Jerome Kuebler, by whatever name he might be known; Eric Woldoff, by whatever name he might be known; George Othon, by whatever name he might be known; and Jeffrey Garrington, by whatever name he might be known; or any of them.
- 5. "Asset" or "Assets" means any legal or equitable interest in, right to, or claim to any real or personal property, including, but not limited to, "cash," "funds," "money," "goods," "instruments," "equipment," "fixtures," "general intangibles," "inventory," "checks" or "notes" (as these terms are defined in the Uniform Commercial Code), lines of credit, chattel, leaseholds, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits,

premises, receivables, funds, and all cash, wherever located. "Asset" or "Assets" shall include any "Asset" or "Assets" existing at the effective date of this Order and any and all "Asset" or "Assets" acquired by Defendants after the effective date of this Order.

- 6. "Document" or "Documents" means any materials listed in Federal Rule of Civil Procedure 34(a) and includes writings, drawings, graphs, charts, photographs, audio or video recordings, computer records, and any other data compilations from which information can be obtained and translated into reasonably usable form through detection devices. A draft or non-identical copy of a Document is a separate Document within the meaning of the term.
 - 7. "Consumer" means any person.
- 8. "Debt collection activities" means any activity the principal purpose of which is to collect or attempt to collect, directly or indirectly, debts owed or asserted to be owed, or due.
- 9. "Assisting others" means knowingly providing any of the following goods or services to any person or entity: 1) performing customer service functions, including, but not limited to, receiving or responding to customer complaints; 2) formulating or providing, or arranging for the formulation or provision of, any telephone sales script or any other written marketing material; 3) providing the names of, or assisting in the generation of, potential customers; or 4) performing marketing services of any kind.

I. BAN ON DEBT COLLECTION ACTIVITIES

IT IS THEREFORE ORDERED that CAMCO Defendants are banned from engaging in any debt collection activities, or assisting others engaged in debt collection activities, including, but not limited to, becoming an owner, officer, director or manager of any entity engaged in debt collection activities.

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II. PROHIBITED BUSINESS PRACTICES

IT IS FURTHER ORDERED that CAMCO Defendants and their officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, shareholders, successors, and assigns, and all other persons or entities in concert or participation with 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, are hereby restrained and enjoined from:

- A. Making, or assisting in the making of, expressly or by implication, orally or in any writing, any false or misleading statement or representation of material fact, including, but not limited to, any false or misleading representation:
- that if the consumer does not pay the Defendant, the Defendant can and
 will take actions that will have a significant adverse effect on the consumer's credit report;
- 2. that the consumer can be arrested or imprisoned for failing to pay the Defendant;
 - that the consumer has a legal obligation to pay the Defendant; or
- 4. that if the consumer does not pay the Defendant, the Defendant can or will take formal legal action against the consumer, such as filing suit, seizing or attaching property, or garnishing wages;
- B. Communicating with a consumer without the consumer's express prior consent given directly to the Defendant or the express permission of a court of competent jurisdiction:
- at times or places that the Defendant knew or should have known to be
 inconvenient to the consumer, including, but not limited, to communicating with the consumer at

the consumer's place of employment when the Defendant knew or should have known that it is inconvenient for the consumer to receive such communications; or

- at the consumer's place of employment when the Defendant knew or had reason to know that the consumer's employer prohibited the consumer from receiving such communications;
- C. Communicating with third parties for purposes other than acquiring location information about a consumer, without having obtained directly the express prior consent of the consumer or the express permission of a court of competent jurisdiction, and when not reasonably necessary to effectuate a post judgment judicial remedy;
- D. Communicating with a consumer after the consumer has notified the Defendant in writing that the consumer refuses to pay a debt or that the consumer wishes the Defendant to cease further communication with the consumer;
- E. Engaging in conduct the natural consequence of which is to harass, oppress, or abuse a person, including, but not limited to:
- 1. using obscene or profane language or language the natural consequence of which is to abuse the hearer; or
- 2. causing a telephone to ring or engaging a person in telephone conversation repeatedly or continuously with the intent to annoy, abuse, or harass a person at the number called;
- F. Using false, deceptive, or misleading representations or means, including, but not limited to:

- 1. falsely representing the character, amount, or legal status of any debt;
- 2. falsely representing or implying that an individual is an attorney or that a communication is from an attorney;
- 3. falsely representing or implying that nonpayment of a debt will result in the arrest or imprisonment of a person or the seizure, garnishment, or attachment of a person's property or wages, when such action is not lawful or when the Defendant has no intention of taking such action;
- threatening to take action that the Defendant does not intend to take, such as filing a lawsuit;
- threatening to communicate with any person credit information that the
 Defendant knew or should have known to be false; or
- 6. using false representations or deceptive means to collect or attempt to collect a debt or to obtain information concerning a consumer;
- G. When a consumer has notified the Defendant in writing within the thirty-day period pursuant to Section 809(a) of the FDCPA, 15 U.S.C. § 1692g(a), that the debt, or any portion thereof, is disputed, continuing to attempt to collect the debt before the verification of the debt is provided to the consumer; and
- H. Misrepresenting, directly, indirectly, expressly, or by implication, or omitting, any fact material to a person's decision to purchase or use any product, program, 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. RIGHT TO REOPEN

IT IS FURTHER ORDERED that within five (5) business days after the date of entry of this Order, each CAMCO Defendant shall submit to the Commission a truthful sworn affidavit that shall reaffirm and attest to the truthfulness, accuracy, and completeness of his financial statement submitted to the Commission. The Commission's agreement to this Order is expressly premised upon the financial condition of CAMCO Defendants, as represented in said financial statements and supporting attachments, which contain material information upon which the Commission relied in negotiating and agreeing to this Order.

If, upon motion of the Commission, the Court finds that any CAMCO Defendant has failed to disclose any material asset, or materially misrepresented the value of any asset, or has made any other material misrepresentation or omission in his financial statement and supporting attachments, the Court shall enter judgment against such Defendant, in favor of the Commission, in the amount of \$15,000,000.00 (the minimum amount of consumer injury in this matter), and the entire amount of the judgment shall become immediately due and payable.

Provided, however, that in all other respects, this Order shall remain in full force and effect, unless otherwise ordered by the Court; and provided further, that proceedings instituted under this Section are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including, but not limited to, contempt proceedings, or any other proceedings that the Commission or the United States may initiate to enforce this Order. For the purposes of reopening or enforcing this Section, CAMCO Defendants waive any right to contest any of the allegations set forth in the Amended Complaint filed in this matter.

IV. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that each CAMCO Defendant, within five (5) business days of receipt of this Order as entered by the Court, shall submit to the Commission a truthful sworn statement, acknowledging receipt of this Order.

V. DISTRIBUTION OF ORDER BY DEFENDANTS

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

- A. CAMCO Defendants as control persons: For any business that any CAMCO Defendant controls, directly or indirectly, or in which any CAMCO Defendant has a majority ownership interest, such Defendant must deliver a copy of this Order to all principals, officers, directors, and managers of that business. CAMCO Defendants must also deliver copies of this Order to all employees, agents, and representatives of that business who engage in conduct related to the subject matter of the Order. For current personnel, delivery shall be within (5) days of service of this Order upon CAMCO Defendants. For new personnel, delivery shall occur prior to them assuming their responsibilities.
- B. CAMCO Defendants as employees or non-control persons: For any business where any CAMCO 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.
- C. CAMCO Defendants must secure a signed and dated statement acknowledging receipt of the Order, within thirty days of delivery, from all persons receiving a copy of the Order pursuant to this Section.

VI. COMPLIANCE REPORTING BY DEFENDANTS

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 CAMCO Defendant shall notify the Commission in writing of any of the following:
- a. Any changes in residence, mailing addresses and telephone numbers within ten (10) days of the date of such change;
- b. Any change in employment status (including self-employment), and any change in his ownership interest in any business entity, within ten (10) days of such change. Such notice shall include the name and address of each business that such CAMCO Defendant is affiliated with, employed by, or performs services for, a statement of the nature of the business, and a statement of such Defendant's duties and responsibilities in connection with the business or employment; and
- c. Any changes in his names or use of any aliases or fictitious names; and
- 2. Each CAMCO Defendant shall notify the Commission of any changes in the structure of any business entity that he directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Order, including, but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the filing of a bankruptcy petition; or a change in the corporate 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 CAMCO

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, each CAMCO Defendant shall provide a written report to the Commission, sworn to under penalty of perjury, setting forth in detail the manner and form in which he has complied and is complying with this Order. This report shall include but not be limited to:
- The then-current residence address, mailing addresses and telephone numbers of CAMCO Defendant;
- 2. The then-current employment and business addresses and telephone numbers of CAMCO Defendant, a description of the business activities of each such employer or business, and the title and responsibilities of such Defendants, for each such employer or business;
- Statements of CAMCO Defendant's then-current business income and expenses, including copies of income tax returns with returns for any corporations or businesses owned, controlled, or operated by CAMCO Defendant or on his behalf;
- Statements describing the manner in which CAMCO Defendant has complied and is complying with this Order;
- A copy of each acknowledgment of receipt of this Order obtained by
 CAMCO Defendant pursuant to this Order; and
- 6. Any other changes required to be reported under subparagraph A of this Section.

C. For the purposes of this Order, CAMCO Defendants shall, unless otherwise directed by a representative of the Commission, identify all written notifications to the FTC as being in reference to FTC v. Capital Acquisition & Management Corp., et al., United States District Court, Northern District of Illinois, Case No. 04-C-7781, and mail them to:

Associate Director for Enforcement Federal Trade Commission 601 New Jersey Avenue, N.W. Washington, D.C. 20580

- D. For the purposes of this Section, "employment" includes the performance of services as an employee, consultant, or independent contractor; and "employers" include any individual or entity for whom CAMCO Defendants perform services as an employee, consultant, or independent contractor; and
- E. For purposes of the compliance reporting required by this Section, the Commission is authorized to communicate directly with CAMCO Defendants, in writing, with a copy to counsel of record.

VII. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that, in connection with any business that each CAMCO Defendant directly or indirectly manages, controls or has a majority ownership interest in, each CAMCO Defendant is hereby restrained and enjoined from:

A. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged customer service functions comply with this Order. Such steps shall include monitoring of calls to consumers, and shall also include, at a minimum, the following: (1) random, blind testing of the oral representations made by persons engaged in collection 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;
- C. Failing to take any corrective action with respect to any employee whom CAMCO Defendants determine are not complying with this Order, which may include training, disciplining, and/or terminating such person; and
- D. Failing to keep records of consumer complaints and the monitoring of consumer complaints.

VIII. 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 that each CAMCO Defendant directly or indirectly manages, controls, or has a majority ownership interest in, each CAMCO Defendant and his agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Order by personal service, facsimile or otherwise, 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, including e-mail and Internet websites or web pages, regarding any good, service, company or web site disseminated by CAMCO Defendants to any person; and
- F. All records and documents necessary to demonstrate full compliance with each provision of this Order.

IX. ACCESS TO BUSINESS PREMISES

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, for the purposes of determining or securing compliance with its provisions, CAMCO Defendants, and their agents, employees, officers, corporations, successors, and assigns, and those persons or entities in active concert or participation with them who receive actual notice of this Order by personal service, facsimile or otherwise, shall permit representatives of the Commission, within three (3) business days of receipt of written notice from the Commission, access during normal business hours to any office or facility storing documents of any business that CAMCO Defendants directly or indirectly manage, control or have a majority interest in. In providing such access, CAMCO Defendants shall permit representatives of the Commission to inspect and copy all documents relevant to any matter

contained in this Order, and shall permit representatives of the Commission to remove such documents for a period not to exceed ten (10) business days so that the documents may be inspected, inventoried, and copied.

X. COMMISSION'S AUTHORITY TO MONITOR COMPLIANCE

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, each CAMCO Defendant shall submit additional written reports, sworn to under penalty of perjury, produce documents for inspection and copying, and appear for deposition.
- B. In addition, the Commission is authorized to monitor compliance with this Order by all other lawful means, including, but not limited to, the following:
- 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, and 45; and
- Posing as consumers and suppliers to: a CAMCO Defendant, a CAMCO Defendant's employees, or any other entity managed or controlled in whole or in part by any
 CAMCO Defendant, without the necessity of identification or prior notice; and
- C. CAMCO Defendants shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, officer, 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)).

XI. PROHIBITIONS INVOLVING CONSUMER LISTS

IT IS FURTHER ORDERED that CAMCO Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service, facsimile, or otherwise, are hereby permanently restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, credit card number, bank account number, e-mail address, or other identifying information of any person, which was obtained by any CAMCO Defendant at any time prior to entry of this Order, in connection with debt collection activities or with the advertising, promotion, marketing, offering for sale, or sale of any good or service; provided, however, that CAMCO Defendants may disclose such identifying information to a law enforcement agency, or as required by any law, regulation, or court order.

XII. COOPERATION WITH RECEIVER

IT IS FURTHER ORDERED, that the undersigned shall cooperate fully with the Receiver in: (A) pursuing any and all claims by the Receiver against persons or entities other than themselves; (B) assisting the Receiver in defending any and all actions or claims brought against the Receiver, the Receivership Estate or the Receivership Defendants by persons or entities other than themselves; (C) executing any documents necessary to transfer assets or ownership interests to the Receiver pursuant to the terms of this Order; and (D) refraining from any act that would interfere or impede the Receiver in execution of the performance of his duties. Cooperation by any CAMCO Defendant does not include the waiving of his

constitutional rights against self-incrimination, and right to counsel. No portion of this Order shall abridge any CAMCO Defendant's constitutional rights.

XIII. COOPERATION WITH FTC

IT IS FURTHER ORDERED that each CAMCO Defendant shall, in connection with this action or any subsequent investigations related to or associated with the transactions or the occurrences that are the subject of the FTC's Amended Complaint, cooperate in good faith with the FTC and 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 such other matters as may be reasonably requested by the FTC. If requested in writing by the FTC, CAMCO Defendant shall appear and provide truthful testimony in any trial, deposition, or other proceeding related to or associated with the transactions or the occurrences that are the subject of the Amended Complaint, without the service of a subpoena.

XIV. FEES AND COSTS

IT IS FURTHER ORDERED that each party to this Order hereby agrees to bear its own costs and attorneys' fees incurred in connection with this action.

XV. 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.

XVI. <u>SEVERABILITY</u>

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.

XVII. COMPLETE SETTLEMENT

The parties hereby consent to entry of the foregoing Order which shall constitute a final judgment and order in this matter. The parties further stipulate and agree that the entry of the foregoing Order shall constitute a full, complete, and final settlement of this action.

So Stipulated:

William Blumenthal General Counsel

David A. O'Toole Federal Trade Commission 55 E. Monroe St., Suite 1860 Chicago, Illinois 60603 (312) 960-5634 (312) 960-5600 (fax) Attorney for Plaintiff Roese Waugh Defendant

Jerome Kuebler Defendant

Eric Woldoff
Defendant

George Othon Defendant

Jeffrey Garrington Defendant

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William G. Sullivan
Martin Brown & Sullivan, Ltd.
321 S. Plymouth Court, 10th Floor
Chicago, Illinois 60604
(312) 360-5000
(312) 360-5026 (fax)
Attorney for Defendants Reese Waugh,
Jerome Kuebler, Eric Woldoff, George
Othon and Jeffrey Garrington

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Jerome Kuebler Defendant Kull

Eric Woldoff Defendant

George Othon Defendant

Jeffrey Garrington Defendant

William G. Sullivan
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321 S. Plymouth Court, 10th Floor
Chicago, Illinois 60604
(312) 360-5000
(312) 360-5026 (fax)
Attorney for Defendants Reese Waugh,
Jerome Kuebler, Eric Woldoff, George
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Reese Waugh Defendant

Jerome Kuebler

Defendant

Eric Woldoff Defendant

George Othon Defendant

Jeffrey Garrington

Defendant

William G. Sullivan Martin Brown & Sullivan, Ltd. 321 S. Plymouth Court, 10th Floor Chicago, Illinois 60604 (312) 360-5000 (312) 360-5026 (fax) Attorney for Defendants Reese Waugh, Jerome Kuebler, Eric Woldoff, George Othon and Jeffrey Garrington

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William Blumenthal General Counsel

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Jerome Kuebler Defendant

Eric Woldoff Defendant

George Othon/ Defendant

Jeffrey Garrington

Defendant

William G. Sullivan
Martin Brown & Sullivan, Ltd.
321 S. Plymouth Court, 10th Floor
Chicago, Illinois 60604
(312) 360-5000
(312) 360-5026 (fax)
Attorney for Defendants Reese Waugh,
Jerome Kuebler, Eric Woldoff, George
Othon and Jeffrey Garrington

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So Stipulated:

William Blumenthal General Counsel

David A. O'Toole Federal Trade Commission 55 E. Monroe St., Suite 1860 Chicago, Illinois 60603 (312) 960-5634 (312) 960-5600 (fax) Attorney for Plaintiff

IT IS SO ORDERED.

Dated: May 24, 2006

Robert W. Gettleman

United States District Judge

Reese Waugh Defendant

Jerome Kuebler Defendant

Eric Woldoff Defendant

George Othon Defendant

Defendant

Defendan

William G. Sullivan

Martin Brown & Sullivan, Ltd.

321 S. Plymouth Court, 10th Floor

Chicago, Illinois 60604

(312) 360-5000

(312) 360-5026 (fax)

Attorney for Defendants Reese Waugh, Jerome Kuebler, Eric Woldoff, George

Othon and Jeffrey Garrington

CERTIFICATE OF SERVICE

I, Rozina C. Bhimani, an attorney, hereby certify that on May 23, 2006, I caused to be served a true copy of Stipulated Order for Permanent Injunction Against Defendants Reese Waugh, Jerome Kuebler, Eric Woldoff, George Othon, and Jeffrey Garrington, a copy of which is attached hereto, via Federal Express, on the following parties:

Melissa C. Brown Sugar, Friedberg & Felsenthal LLP 30 N. LaSalle Street, Ste. 3000 Chicago, IL 60602

Dennis E. Quaid Gary E. Green Christina M. Berish FagelHaber LLC 55 E. Monroe Street, Ste. 4000 Chicago, IL 60603

Gregory J. Scandaglia Scandaglia & Ryan 55 E. Monroe Street, Ste. 3930 Chicago, IL 60603

David Kapp 1238 Evergreen Drive Carol Stream, IL 60188 David Hartsell McGuireWoods LLP 77 W. Wacker Drive Chicago, IL 60601

William G. Sullivan Martin, Brown & Sullivan, Ltd. 321 S. Plymouth Court, 10th Floor Chicago, IL 60604

Jay A. Steinberg Foley & Lardner 321 N. Clark Street, Ste. 2800 Chicago, IL 60610

Billy Martin 2095 Powers Ferry Road SE Apartment J Marietta, GA 30067

> /s/ Rozina C. Bhimani Rozina C. Bhimani