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1 agree to the entry of this Stipulated Final Judgment and  
2 Order for Permanent Injunction ("Order") by the Court to  
3 resolve all matters raised by the Commission's June 19,  
4 2000, Complaint, without admission of liability, and  
5 without trial or adjudication of any issue of law or fact.

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

7 FINDINGS

8 1. This is an action by plaintiff instituted under  
9 Section 13(b) of the FTC Act, 15 U.S.C. § 53(b). Plaintiff  
10 has the authority to seek the relief contained herein, and



1           1. that defendants can provide consumers with  
2 documents or information that will enable them to locate  
3 and purchase foreclosed or repossessed homes at prices  
4 substantially below their fair market value.

1 cancellation policies, or the fact that cancellations or  
2 refunds are not provided;

3 E. Debiting or charging consumers' credit or bank  
4 accounts without obtaining prior authorization from  
5 consumers for the debit or charge;

6 F. Failing to disclose the dollar amount of any  
7 shipping and handling charge that will be added to the cost  
8 of defendants' products or services, or that such charges  
9 are non-refundable if that is the case;

10 G. Failing to refund within 15 business days all  
11 monies paid, excluding any shipping and handling cost that  
12 was fully disclosed prior to the receipt of payment;

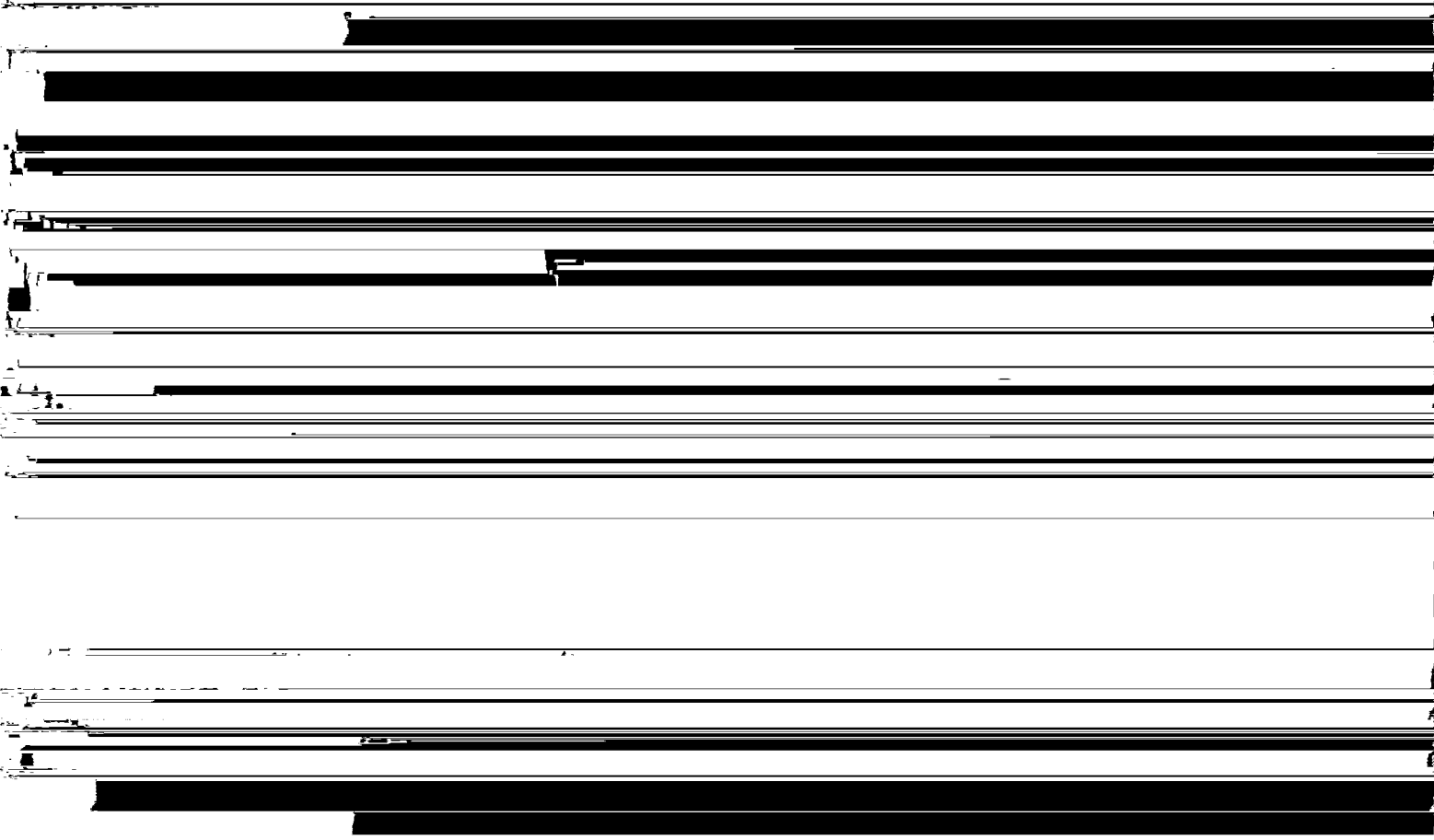
1 foreclosed homes, to consumers who have complied with the  
2 material terms of any existing refund policy of defendants;

3 J. Failing to cancel any purchase within 72 hours of  
4 a request to do so from a consumer who has satisfied the  
5 material terms of any cancellation policy of defendants;

6 K. Violating the Telemarketing Sales Rule, 16 C.F.R.  
7 Part 310, as currently written or as amended, including  
8 without limitation:

9 1. 16 C.F.R. § 310.3(a)(1)(i), by failing to  
10 disclose, in a clear and conspicuous manner, before a  
11 customer pays or authorizes payment for goods or services  
12 offered, the total costs to purchase, receive, or use, and  
13 the quantity of, any goods or services that are the subject  
14 of the sales offer;

15 2. 16 C.F.R. § 310.3(a)(1)(ii), by failing to  
16



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16 C.F.R. § 210.2(a)(4) by letter of 5/15/00

1 conversation shall be consistent with any information  
2 previously disclosed to the consumer. Material terms

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

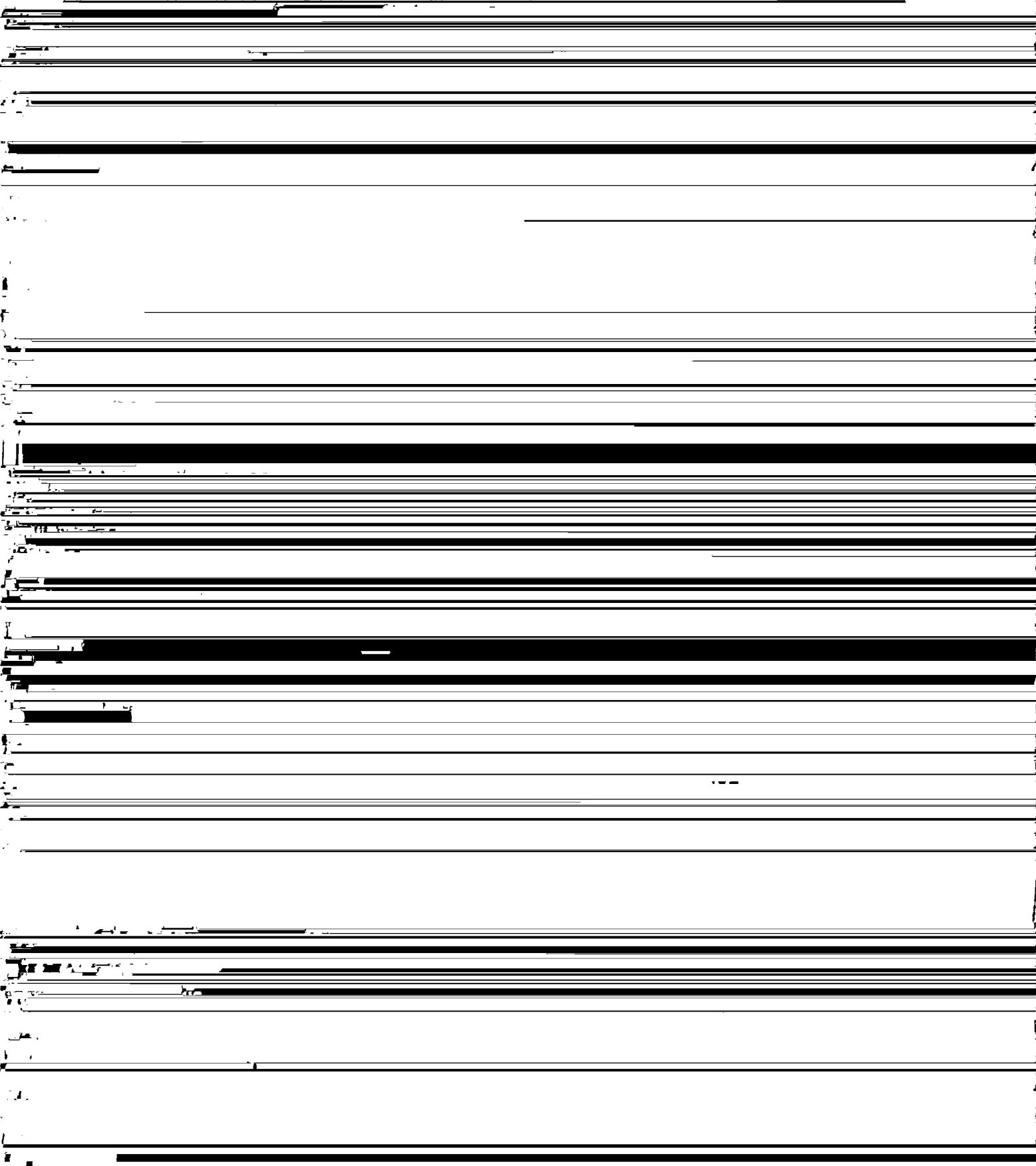
21 [REDACTED]

22 [REDACTED]

23 [REDACTED]



1 LLC;



1

1. Determine the criteria for participation by

2 individual claimants in any program for

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 out of each defendant's relationship with the government;

2 H. Any administrator of any program for consumers  
3 shall destroy all records relating to this matter six years  
4 after the closing of the account from which such funds were  
5 disbursed or transfer of any remaining funds to the FTC  
6 Treasury account, whichever is earlier, provided that no  
7 records shall be destroyed unless and until a  
8 representative of the Commission has received and approved  
9 the administrator's final accounting report. Records shall  
10 be destroyed in accordance with disposal methods and



1 V. RIGHT TO REOPEN

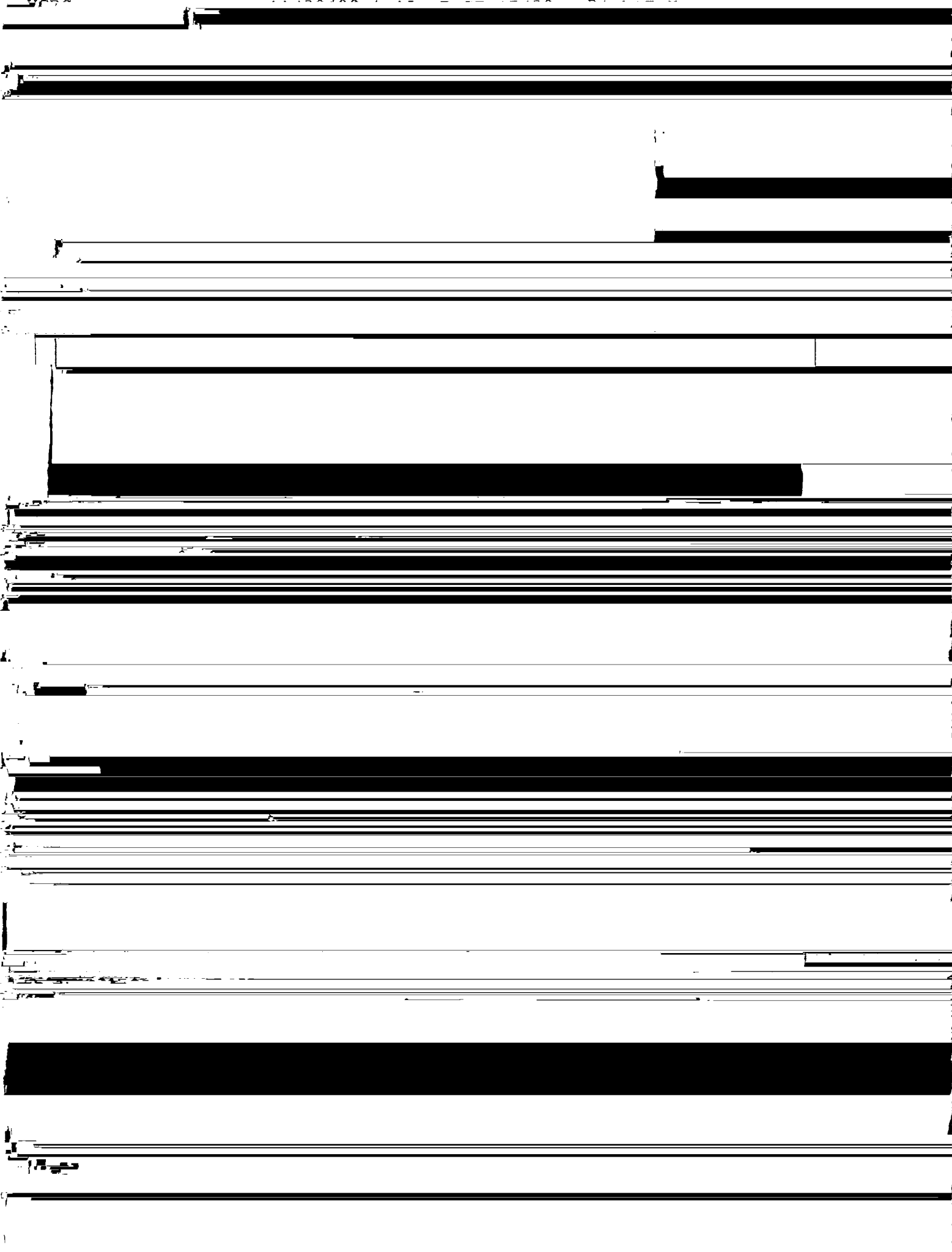
2 IT IS FURTHER ORDERED that the Commission's agreement  
3 to this Order is expressly premised upon the truthfulness.

1  
2  
3

VI. CUSTOMER LISTS

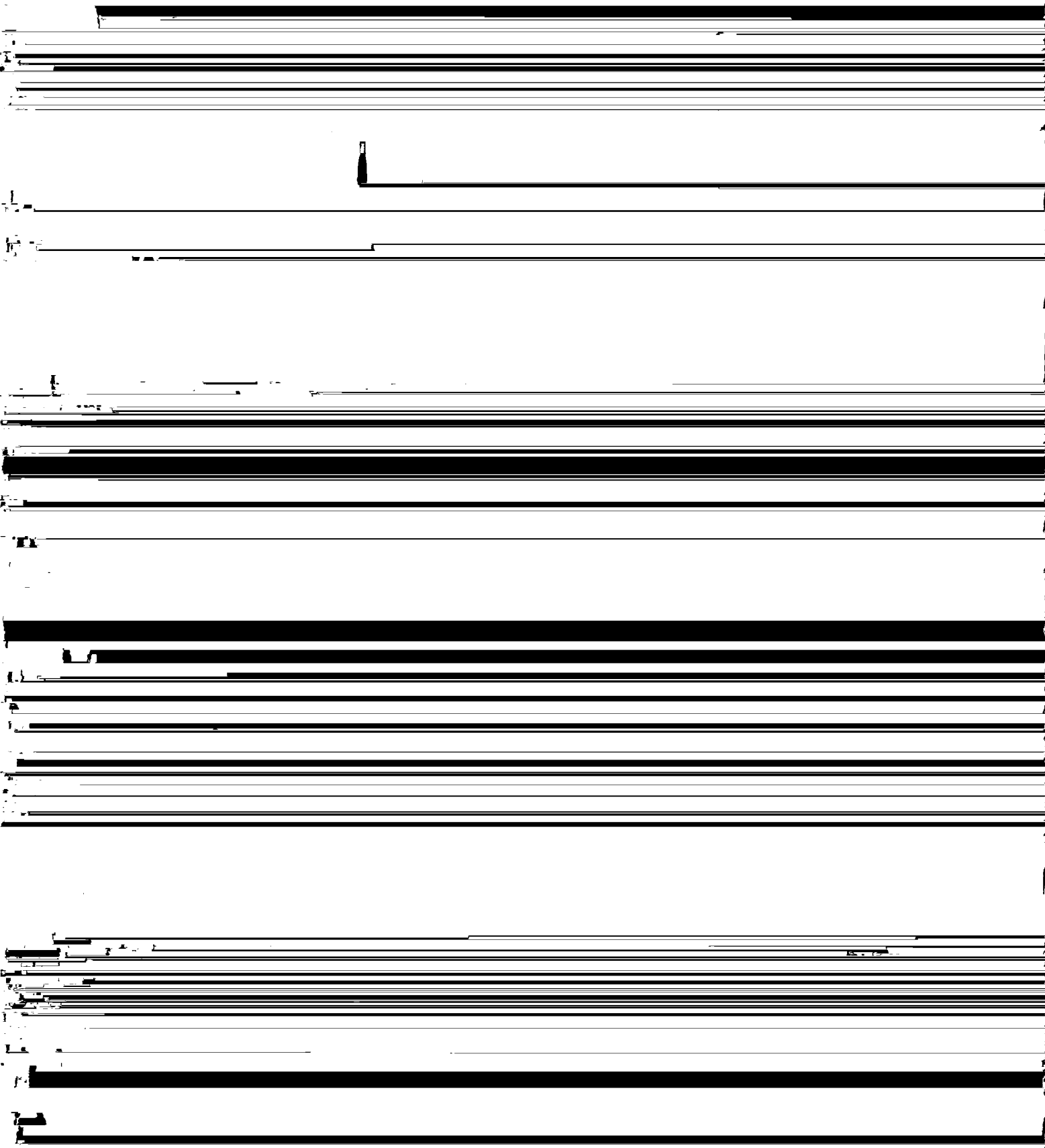
IT IS FURTHER ORDERED that defendants are hereby

[REDACTED]



1 IX. DISTRIBUTION OF ORDER BY DEFENDANTS

2 IT IS FURTHER ORDERED that, for a period of three  
3 years from the date of entry of this Order defendants



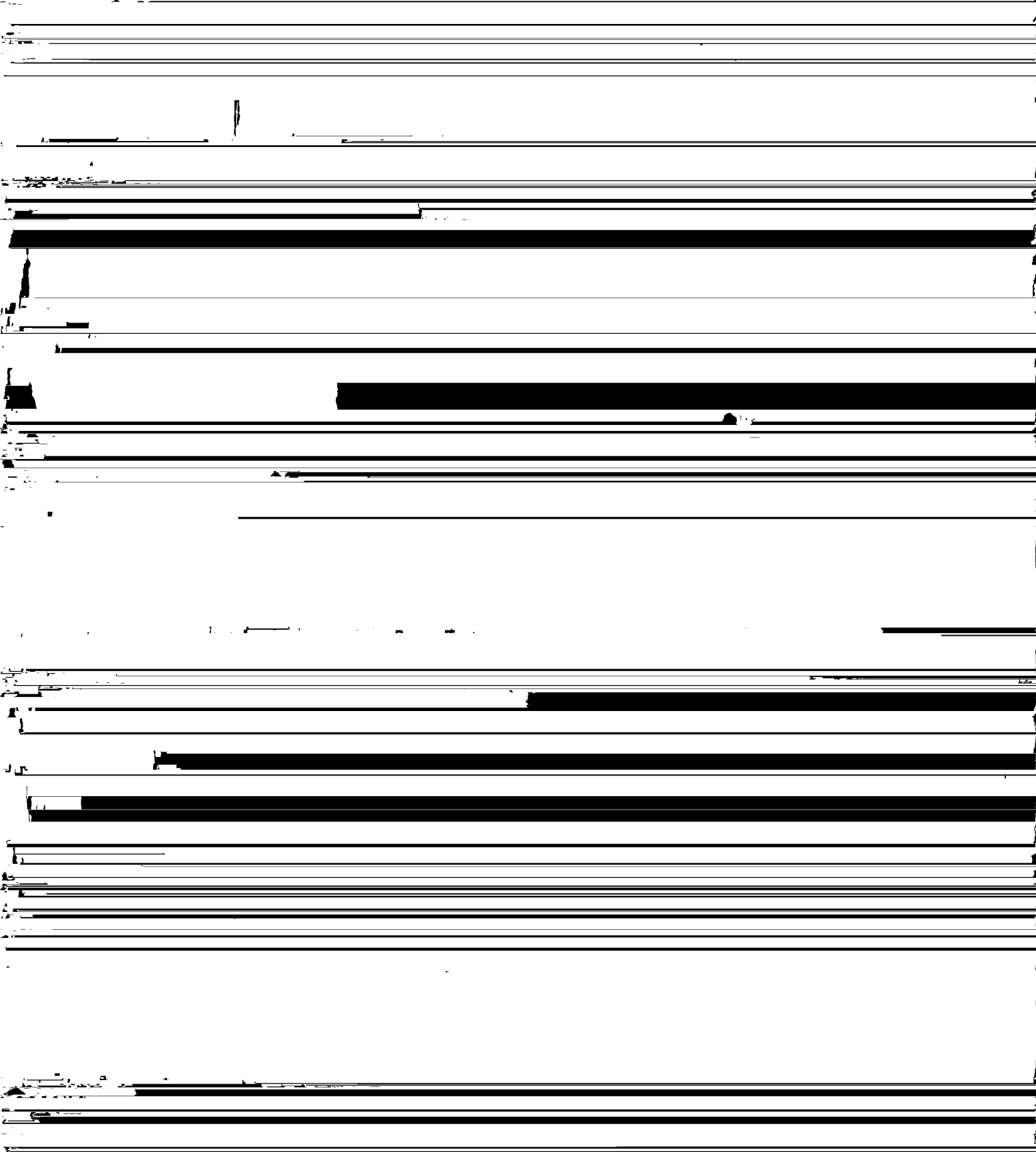
1 service, which is directly or indirectly controlled by any

2 defendant



1 number and the dollar amount paid by the consumer;

2 2. The written complaint or refund request, if \_\_\_\_\_



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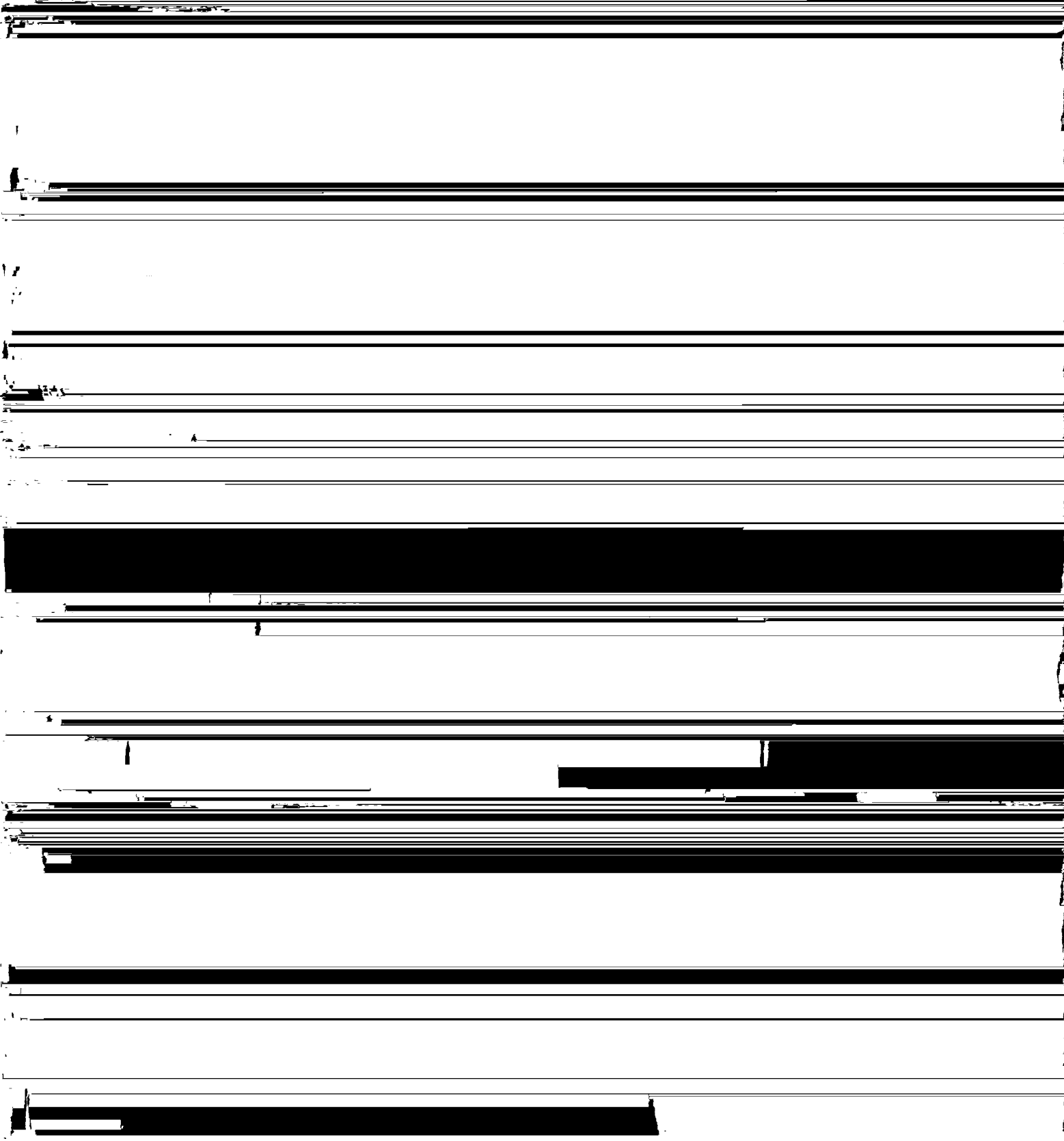
1 shall include but not be limited to:

2 1. The individual defendants' current residence  
3 addresses and telephone numbers;

4 2. Defendants' current employment, business  
5 addresses and telephone numbers, a description of the  
6 business activities of each such employer, and defendants'  
7 titles and responsibilities for each employer;

8 3. A copy of each acknowledgment of receipt of  
9 this Order obtained by defendant \_\_\_\_\_

1 include any individuals or entities for whom defendants



1 and each agent's record of compliance with Sections I and

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 business days so that the documents may be inspected,

2 inventoried, and copied; and.

all five defendants in combination; \$100,000 for any other

1 Smith-Barney shall remain frozen and will constitute said  
2 bond under the provisions stated herein. This \$100,000  
3 shall remain frozen until a representative of the  
4 Commission certifies, in writing, that the funds should be  
5 released to defendants or transferred pursuant to  
6 Subsection (B);

7 B. The performance bond shall provide that the surety  
8 company shall, within 30 days following receipt of notice



1 distributed, without also disclosing at the same time and  
2 in the same manner that the performance bond is required by



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2  
3  
4  
5  
6

ATTACHMENT A

INDEXED - 5/1/00

5

1 over the age of eighteen. I have personal knowledge of the  
2 facts set forth in this Affidavit.

3 2. I am a defendant in FTC v. THE KOHL GROUP, LLC,

