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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND**

UNITED STATES OF AMERICA,

Plaintiff,

v.

MONARCH SERVICES, INC. and GIRLS' LIFE,  
INC.,

corporations, Bal( )(CV)/J 1 >( ) (1al(6)(5)]TJD STATES OF AMERICA,)Tj EMC /Touch-Up\_Li5 Td

Defendants,

1. This Court has jurisdiction over the subject matter and of the parties.
2. The Complaint states a claim upon which relief may be granted against the defendants under Sections 1303(c) and 1306(d) of the Children’s Online Privacy Protection Act of 1998 (“COPPA”), 15 U.S.C. §§ 6501-6506, 6502(c), and 6505(d), and Sections 5(a)(1), 5(m)(1)(A), 13(b), and 16(a) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 41-58, §§ 45(a)(1), 45(m)(1)(A), 53(b), 56(a).

### **DEFINITIONS**

3. For the purposes of this Consent Decree, the term “Rule” means the Federal Trade Commission's Children’s Online Privacy Protection Rule, 16 C.F.R. § 312, or as the Rule may hereafter be amended.
4. For purposes of this Consent Decree, the terms “child,” “collects,” “collection,” “Commission,” “delete,” “disclosure,” “Internet,” “online contact information,” “operator,” “parent,” “person,” “personal information,” “third party,” “verifiable consent,” and “website or online service directed to children,” are defined as those terms are defined in Section 312.2 of the Rule, 16 C.F.R. § 312.2.
5. Unless otherwise specified, “defendants” shall mean Monarch Services, Inc. and Girls’ Life, Inc. and their officers; and each of the above’s successors and assigns, agents, representatives, and employees.

## **INJUNCTION**

6.

assigns.

### **CIVIL PENALTY**

8. Defendants Monarch Services, Inc. and Girls' Life, Inc., and their successors and assigns, shall pay to plaintiff a civil penalty, pursuant to Section 5(m)(1)(A) of the Federal Trade Commission Act, 15 U.S.C. § 45(m)(1)(A), in the amount of thirty thousand dollars (\$30,000).

Defendants are jointly and severally responsible for paying the penalty.

9. Defendants Monarch Services, Inc. and Girls' Life, Inc., and their successors and assigns, shall make the payment required by Paragraph 8 on the date of entry of this Consent Decree by certified or cashier's check made payable to the Treasurer of the United States and delivered to: the Office of Consumer Litigation, Civil Division, U.S. Department of Justice, Washington, D.C. 20530, for appropriate disposition.

10. In the event of any default in payment, which default continues for ten (10) days beyond the due date of payment, the entire unpaid penalty, together with interest, as computed pursuant to 28 U.S.C. § 1961, from the date of default to the date of payment, shall immediately become due and payable.

### **COMPLIANCE**

11. Defendants, and their successors and assigns, shall delete all personal information collected from children through [www.girlslife.com](http://www.girlslife.com) at any time from April 21, 2000 through the date of entry of this Consent Decree.

12. Defendants, and their successors and assigns, shall provide a copy of this Consent Decree and the Federal Trade Commission compliance guide entitled *How to Comply with the Children's Online Privacy Protection Rule* (Nov. 1999) ("compliance guide") (attached hereto as "Appendix B") to each of their current principals, officers, directors, and managers, and to all current employees, agents, representatives, and attorneys having responsibilities related to the subject matter of this Consent Decree, secure from each such person a signed statement acknowledging receipt of a copy of this Consent Decree and the compliance guide, and shall, within ten (10) days of complying with this paragraph, submit to the Commission a signed statement setting forth the fact and manner of defendants' compliance, including the name and title of each person to whom a copy of the Consent Decree and compliance guide has been provided.

13. Defendants, and their successors and assigns, shall provide a copy of this Consent Decree and the compliance guide to each of their future principals, officers, directors, and managers, and to all future employees, agents, representatives, and attorneys having responsibilities related to the subject matter of this Consent Decree, and secure from each such person a signed and dated statement acknowledging receipt of a copy of this Consent Decree and the compliance guide, within thirty (30) days after the person assumes such position or responsibilities. Defendants shall maintain copies of the signed statements, as well as other information regarding the fact and manner of their compliance, including the name and title of each person to whom a copy of the Consent Decree and compliance guide has been provided and, upon request, shall make the statements and other information available

to the Federal Trade Commission.

14. Within sixty (60) days after entry of this Consent Decree, and at such other times as the Federal Trade Commission may require, defendants, and their successors and assigns, shall file with the Commission a written report, sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Consent Decree. This report shall include but not be limited to:

- a. a copy of each different privacy notice for [www.girlslife.com](http://www.girlslife.com) and for any other of defendants' websites or online services subject to the Rule;
- b.

personal information collected from their children and to refuse to permit its further use or maintenance;

- g. a statement setting forth in detail why each type of information collected is reasonably necessary for the provision of the particular related activity; and
- h. a statement setting forth in detail the procedures used to protect the confidentiality, security, and integrity of personal information collected from children.

15. For a period of five years from the date of entry of this Consent Decree, defendants, and their successors and assigns, shall maintain and make available to the Federal Trade Commission

extent that the amendment does not affect defendants' compliance obligations under this Consent Decree.

16. Defendants, and their successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the business of defendants that may affect compliance obligations arising under this Consent Decree, including, but not limited to, any merger, incorporation, dissolution, assignment, sale or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporations about which defendants, their successors and assigns, learn less than thirty (30) days prior to the date such action is to take place, they shall notify the Commission as soon as is practicable after obtaining such knowledge.

17. Defendants are hereby required, in accordance with 31 U.S.C. § 7701, to furnish to the Federal Trade Commission each of their taxpayer identifying numbers (social security number or employer identification number), which shall be used for purposes of collecting and reporting on any delinquent amount arising out of their relationship with the government.

18. All reports, submissions, and notices required by Paragraphs 11 - 17 of this Consent Decree shall be sent by certified mail to:

Associate Director, Division of Advertising Practices  
Bureau of Consumer Protection  
Federal Trade Commission  
600 Pennsylvania Avenue, NW



Washington, DC 20580  
Attention: United States v. Monarch Services, Inc., et al.

**CONTINUING JURISDICTION**

19. This Court shall retain jurisdiction of this matter for the purposes of enabling any of the parties to this Consent Decree to apply to the Court at any time for such further orders or directives as may be necessary or appropriate for the interpretation or modification of this Consent Decree, for the enforcement of compliance therewith, or for the punishment of violations thereof.

JUDGMENT IS THEREFORE ENTERED in favor of plaintiff and against defendants, pursuant to all the terms and conditions recited above.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2001

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UNITED STATES DISTRICT JUDGE

The parties, by their respective counsel, hereby consent to the terms and conditions of the Consent Decree as set forth above and consent to the entry thereof. Defendants waive any rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the investigation and prosecution of this action.

FOR THE UNITED STATES OF AMERICA:

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CONSENT DECREE AND ORDER FOR CIVIL PENALTIES, INJUNCTIVE, AND OTHER R