

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
NORTHERN DIVISION

FEDERAL TRADE COMMISSION

Plaintiff,

v.

JAGUAR BUSINESS CONCEPTS, LP,
dba LIBERTY MALL.COM, et al.

Defendants.

CIVIL ACTION NO. MJG 03 CV 108



tion and settlement of claims WHEREAS this stipulated final order for permanent injuncti
("Order") is made by, between and among the Plaintiff Federal Trade Commission ("FTC" or
"Commission"), and Jaguar Business Concepts, L.P. dba Libertymall.com ("Jaguar") and
Cheyenne Investment Alliance, L.L.C. ("Cheyenne") (collectively and individually, "Settling
Defendants");

WHEREAS on January 13, 2003, the FTC brought a civil action pursuant to Section
516, C.F.R. 53(b), for injunctive relief in Federal Trade Commission ("FTC" ACT)
injunctive relief and consumer redress against Jaguar, Jaguar's General Partner, Cheyenne and
Juan Carlos Duque ("Duque") both individually and as Member/Manager of Cheyenne;

WHEREAS the FTC's claims now pending in the United States District Court for the

~~Settling Defendants deny liability in connection with the advertising infrastructure and sale~~
~~international drivers permits through Libertymall.com in violation of Section 5(a) of the FTC~~
~~Act, 15 U.S.C. § 45(a);~~

WHEREAS, Settling Defendants deny liability in the FTC Action;

and

WHEREAS, the undersigned parties deem it in their best interest to enter into this Order

~~Settling Defendants deny liability in connection with the advertising infrastructure and sale~~
~~international drivers permits through Libertymall.com in violation of Section 5(a) of the FTC~~
matter,

~~NOW, THEREFORE, it is the consideration, terms, conditions, and covenances stated herein,~~

with each other, and the Court finds as follows:

FINDINGS

1 The Complaint states a claim upon which relief may be granted against Settling Defendants under Sections 5(a) and 13(b) of the FTC Act, as amended, 15 U.S.C. § § 45(a) and

2. This Court has jurisdiction over the parties and subject matter of this action.

3. ~~It is in the public interest to grant summary judgment in favor of Settling Defendants.~~

4. ~~Settling Defendants are liable for the activities of the Site.~~

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

DEFINITIONS

A. [REDACTED]

driving permit, international driver's license or any variation thereof.

B. "Identification Document" means a document made or issued by or under the authority of the United States Government, a State, political subdivision of a State, a foreign government, political subdivision of a foreign government, an international governmental or international quasi governmental organization which, when completed with information divulged is of a type intended or commonly accepted for the purpose of ascertaining a particular identification of individuals, including but not limited to, driver's licenses, birth certificates, social security cards, work permits, school transcripts and identification cards.

C. "False Identification Document" means any document that could reasonably be

D. "Identification Template" means any implement, impression, electronic device or computer hardware or software that is specifically configured or primarily used for making an

Identification Document or False Identification Document.

E. "Assisting others" means providing any of the following goods or services to any

[REDACTED]

oncerning to consumer complaints or inquiries and selling, receiving, discussing or receiving or resp
forwarding consumer applications or purchase orders; (b) formulating or providing, or arranging

for the formulation or provision of, any sales script or any other written marketing material, including but not limited to the text of any telephone script, Internet website, email or other electronic communication; (c) providing names of, or assisting in the generation of, potential customers; (d) performing marketing services of any kind; or (e) acting as an officer or director

[REDACTED]

F. "Document(s)" or "record(s)" means

1. The original or a true copy of any written, typed, printed, electronically stored, transcribed, taped, recorded, filmed, recorded, or printed matter or other data compilations of any kind, including but not limited to, letters, e-mail or other correspondence, messages,

[REDACTED]

diaries, calendars, books, memoranda, checks, invoices, work orders, contracts, ledgers, statements, returns, reports, schedules, or files; and

2. Any information stored on any desktop personal computer ("PC") and workstations, laptops, notebooks, and other portable computers, whether assigned to individuals or in pools of computers available for shared use; and home computers used for work-related purposes; backup disks and tapes, archive disks and tapes, and other forms of offline storage,

including any information stored on any other electronic device, whether or not a facility or stored offsite by a third party, such as in a disaster recovery center; and computers and

[REDACTED]

any servers, or any other devices, or any other devices, or any other devices, or any other devices,

~~ORDER~~

INJUNCTIVE RELIEF

I. IT IS THEREFORE ORDERED that Settling Defendants, and their officers, agents,

[REDACTED]

and all those persons or entities in active concert or participation with them, Fed. R. Civ. P. 65, and all

[REDACTED]

restrained and enjoined from engaging, participating or assisting in any manner or capacity

[REDACTED]

with the defendant in any manner, including, but not limited to, advertising, promoting, offering for sale, calling or distributing any

[REDACTED]

Document, Identification Template or related material or information, whether denoted as a real or novelty item.

II. IT IS FURTHER ORDERED that Settling Defendants, and their officers, agents,

employees, partners, member/managers, trustees, all other persons or entities within the scope of

Fed. R. Civ. P. 65, and all those persons or entities in active concert or participation with them

and all those persons or entities in active concert or participation with them, Fed. R. Civ. P. 65, and all

[REDACTED]

such persons or entities in active concert or participation with them, Fed. R. Civ. P. 65, and all

interest, are hereby permanently restrained and enjoined from making, expressly or by

implication, directly or indirectly, orally or in writing, any false or misleading statement or

misrepresentation of material fact, including but not limited to the following:

A. ~~Misrepresenting and assisting others in misrepresenting that any International Driving Permit, False Identification Document or other Identification Document authorizes consumers to drive legally in the United States or any other country.~~

B. ~~Misrepresenting and assisting others in misrepresenting that consumers who subscribe to International Driving Permit, False Identification Document or other Identification Document may use it to avoid points for traffic violations;~~

C. ~~Misrepresenting and assisting others in misrepresenting that consumers who subscribe to International Driving Permit, False Identification Document or other Identification Document may use it to avoid points for traffic violations;~~
~~Driving with a suspended or revoked license, which may be a criminal offense, or to~~
issued driver's license;

D. ~~Misrepresenting and assisting others in misrepresenting that any International Driving Permit, False Identification Document or other Identification Document authorizes consumers to drive legally in the United States or any other country as an identification document in the same ways a person can use a government-issued photo identification document;~~

E. ~~Misrepresenting and assisting others in misrepresenting that any International Driving Permit, False Identification Document or other Identification Document authorizes consumers to drive legally in the United States or any other country as an identification document in the same ways a person can use a government-issued photo identification document;~~
by or under the authority of the United States Government, a State, political subdivision of a State, or a governmental or international quasi-governmental organization;

F. ~~Misrepresenting and assisting others in misrepresenting that they can assist others in concealing or altering their actual identity, residence or address for an International Driving Permit, False Identification Document or other Identification Document;~~

[REDACTED]

III. ~~Settlements and their officers, agents, U.S. attorneys, administrators, employees, partners, member/managers, trustees, all other persons or entities within the scope of Fed. R. Civ. P. 65, and all those persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are permanently restrained and enjoined from hereafter selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, credit card number, bank account number, e~~

[REDACTED]

~~Debit or financial application reference or an Internal Driver Permit, Driver Identification Document, other Identification Document or Identification Template at any time prior to entry of this Order; provided, however, that Settling Defendants may disclose such identifying information (i) with the express written consent of the person whose information is disclosed, (ii) to a law enforcement agency, or (iii) as required or authorized by any law, regulation, or court order.~~

[REDACTED]

IT IS FURTHER ORDERED that:

A. The FTC's agreement to this Order as settlement of its monetary claims is

[REDACTED]

information provided by Cheyenne and Jaguar in response to Paragraph III of the Stipulation and Order for Preliminary Injunction with an Accounting, Expedited Discovery and Other Equitable

Relief entered by the Court on January 23, 2003. If, upon motion by the FTC, the Court finds that the financial or other information provided by any of the Settling Defendants contains any material misrepresentation or omission, the Court shall enter a judgment in the amount of \$500,000, payable, as to the offending Settling Defendant; *provided, however*, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by the Court; and *provided* that, in the event of any subsequent litigation to collect amounts of, any other civil or criminal remedies as may be provided by law, including any other

[REDACTED]

B. For purposes of this Paragraph IV, Settling Defendants further agree that the facts as alleged in the Complaint shall be taken as true and they hereby waive any right to contest any of the allegations in the Complaint in the event of any subsequent litigation to collect amounts of the settlement. [REDACTED] complaint in any bankruptcy proceeding.

C. Any judgment entered pursuant to this Paragraph IV, is for equitable monetary relief, solely remedial in nature, and is not a fine, penalty, punitive assessment or forfeiture.

RECORD KEEPING PROVISIONS

V. [REDACTED] this Order, Settling Defendants and their officers, agents, employees, partners, members, member/managers, trustees, all other persons or entities within the scope of Fed. R. Civ. P. 65, and all those persons or entities 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, retain or make available to representatives of the FTC, an accurate and~~

the following records:

A. [REDACTED]

[REDACTED]

B. Personnel records accurately reflecting: the name, address, and telephone

~~number of each person employed in any capacity by such business, including 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, phone numbers, dollar amounts

~~paid, quantity of items or services purchased, and description of items or services purchased to~~

[REDACTED]

Defendants' business;

D. Complaints and refund requests (whether received directly or

~~indirectly) and responses to those complaints and requests, including any party's~~

E. Copies of all sales scripts, training materials, advertisements, websites, electronic

mail or other marketing materials.

COMPLIANCE MONITORING

VI. IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating

~~compliance with any provision of this Order is:~~

A. ~~Within ten (10) days of receipt of written notice from a representative of the FTC,~~

Settling Defendants each shall submit additional written reports to the Commission, and shall, under penalty of perjury, produce Documents for inspection and copying; agree for depositions and/or provide entry during normal business hours to any business location in such Settling Defendant's possession or direct or indirect control to inspect the business operation;

B. In addition, the FTC is authorized to monitor compliance with this Order by other lawful means in order to discover whether any person willfully violates 15 U.S.C. § 45, provided that nothing in this Order shall limit the FTC's lawful and otherwise available investigatory powers, including but not limited to use of compulsory process pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 40, 57, 101, and 102, in order to obtain 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)).

C. Settling Defendants shall permit representatives of the FTC to interview any employer, officer, director, consultant, independent contractor, partner, limited partner, general partner, member/manager, 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.

[REDACTED]

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

A. For a period of three (3) years from the date of entry of this Order, Settling Defendants shall

[REDACTED]

effect compliance with the provisions of this Order with respect to the following: the creation or dissolution of a subsidiary, parent, partner or affiliate

assignment, sale, merger, or other action that would result in the emergence of a successor

corporation or partnership; the creation or dissolution of a subsidiary, parent, partner 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 structure of the corporation or entity (as defined in 16 C.F.R. § 240.101) of the corporation or entity

that, with respect to any proposed change in the corporation or entity about which the Settling

Defendantless majority (51) of the corporation or entity, as of the date of such action, is to take place. Settling Defendants shall

Defendant shall notify the FTC as soon as is practicable after obtaining such knowledge.

B. Ninety (90) days after the date of entry of this Order, Settling Defendants each

shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail

the manner and form in which they have complied and are complying with this Order. This

report shall include, but not be limited to:

Any changes required to be reported pursuant to Paragraph VII. A. above.

2. A copy of each such report, as required from the receipt of this Order, shall be filed by

Settling Defendants pursuant to Paragraph VIII.

C. For the purposes of this Order, Settling Defendants shall

directed by the FTC's authorized representatives, mail all written notifications to the FTC to:

Associate Director for Enforcement
Federal Trade Commission

600 Pennsylvania Avenue, N.W., Washington, D.C. 20547
[Redacted]

D. For purposes of enforcement, the principals, officers, directors, managers, members, partners, employees, agents, and representatives

authorized to communicate directly with Settling Defendants.

[Redacted]

VIII. IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of

this Order, Settling Defendants shall deliver a copy of this Order to all principals, officers,

directors, managers, members, partners, employees, agents, and representatives

responsibilities with respect to the subject matter of this Order, and shall secure from each such

person a signed and dated statement acknowledging receipt of the Order. Settling Defendants

shall deliver this Order to current personnel within thirty (30) days after the date of service of this

Order, and to new personnel within thirty (30) days after the person assumes such position or

[Redacted]

[Redacted]

IX. IT IS FURTHER ORDERED that:

A. This Order may be executed in several counterparts, and all counterparts when so executed shall, once signed by the parties, together

constitute the final Order, as if one document had been signed by all parties hereto; and

together constitute the final Order, as if one document had been signed by all parties hereto; and

each such account.
the party or parties subscribed thereto and to the execution by any parties thereto.

B. Within five (5) business days of the date of this Order, the Settling Defendants shall submit to the FTC a truthful sworn statement that shall be deemed to be true and correct for purposes of this Order.

RETENTION OF JURISDICTION

X. IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification and enforcement of this Order.

STIPULATION OF SETTLEMENT OF THE PARTIES

XI. In settlement of the above-captioned matter, the Settling Defendants and the FTC stipulate and agree as follows:

FTC stipulate and agree as follows:

A. Each of the undersigned persons signing on behalf of each of the Settling

Defendants represents and warrants that they are authorized to sign this Order on behalf of the representative party and that they have the full power and authority to bind the party and

and inure to the benefit of the undersigned parties and their respective heirs, executors, administrators, representatives, successors and assigns.

B. Each settling party shall bear its own costs and attorneys' fees.

C. [REDACTED]

acknowledge that they understand the provisions of this Order and agree to be bound by them.

D. Effective upon signing of this Order by the Settling Defendants, this [REDACTED]

[REDACTED]

administrators, agents, representatives, successors and assigns, hereby release heirs, executors, a

[REDACTED]

representatives, successors and assigns, from any and all claims, demands, obligations, security
interests and causes of action, direct or indirect, in law or in equity, that interest, loss, damages, actual
now or in the future may exist.

☐ Settling Defendants waive all rights to seek judicial review or otherwise challenge or
contest, and any claims they may now or in the future have under the [redacted] or contest the validity of this
Order, and any claims they may now or in the future have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the
date of this Order.

SO STIPULATED:

FOR THE PLAINTIFF:

[Handwritten signature]
[REDACTED]

FOR THE SETTLING DEFENDANTS:

[Handwritten signature]
[REDACTED]

IT IS SO ORDERED, this _____ day of _____, 2003, at _____
p.m.

UNITED STATES DISTRICT JUDGE