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Judge Thomas S. Zilly

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00-CV-02080-ORD

U.S. DISTRICT COURT JUL 07 2003

WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

AT SEATTLE
CLERK U.S. DISTRICT COURT
BY WESTERN DISTRICT OF WASHINGTON
DEPUTY

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CANADA PREPAID LEGAL SERVICES, INC.,
D.B.A. BSI PREMIUM BONDS; *et al.*,

Defendants.

Civil No. C00-2080Z

**STIPULATED ORDER FOR
PERMANENT INJUNCTION
AND OTHER EQUITABLE
RELIEF AS TO TIMOTHY
RYAN BABUIN**

Plaintiff, the Federal Trade Commission ("Commission" or "FTC"), has filed a complaint for permanent injunction and other equitable relief pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), charging defendants Canada Prepaid Legal

Sargeant Inc., d/b/a BSI Premium Bonds, David L. Lee, Edwin H. Lee, Joseph S. Lee, D. B. S.

1 The Commission and defendant Timothy Ryan Babuin ("defendant" or "defendant
2 Babuin"), having been represented by counsel and acting by and through such counsel, have
3 consented to the entry of this Stipulated Order for Permanent Injunction and Other Equitable
4 Relief ("Stipulated Order" or "Order") without a trial or adjudication of any issue of law or fact
5 herein.

6 NOW, THEREFORE, the Commission and defendant having requested the Court to enter
7 this Stipulated Order, it is **ORDERED, ADJUDGED, AND DECREED** as follows:

8 **FINDINGS**

9 1. This is an action by the Commission instituted under Section 13(b) of the FTC
10 Act, 15 U.S.C. § 53(b). Pursuant to this section, the Commission has the authority to seek the
11 relief contained herein.

12 2. The Commission's complaint states a claim upon which relief may be granted
13 against defendant under Sections 5(a), 13(b) and 19 of the Federal Trade Commission Act ("FTC
14 Act"), 15 U.S.C. §§ 45(a), 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse
15 Prevention Act ("Telemarketing Act"), 15 U.S.C. § 6101 *et seq.*

16 3. This Court has jurisdiction over the subject matter of this case and all parties
17 hereto. Venue in the Western District of Washington is proper.

1 corporations, subsidiaries, affiliates and other persons directly or indirectly under their control or
2 in active concert or participation with them who receive actual notice of this Order by personal
3 service, facsimile or otherwise, whether acting directly or through any corporation, subsidiary,
4 division or other device, are hereby permanently restrained and enjoined from:

5 A. Promoting, offering for sale, selling, or participating in the sale of, directly or
6 through any agent, tickets, chances, interests, holdings, shares, or registrations in any foreign
7 lottery or in any bond program with a lottery feature, to any U.S. consumer.

8 B. In connection with promoting, offering for sale, selling, or participating in the sale
9 of any product or service in the U.S. or in the possession, custody, or control of any U.S. person,

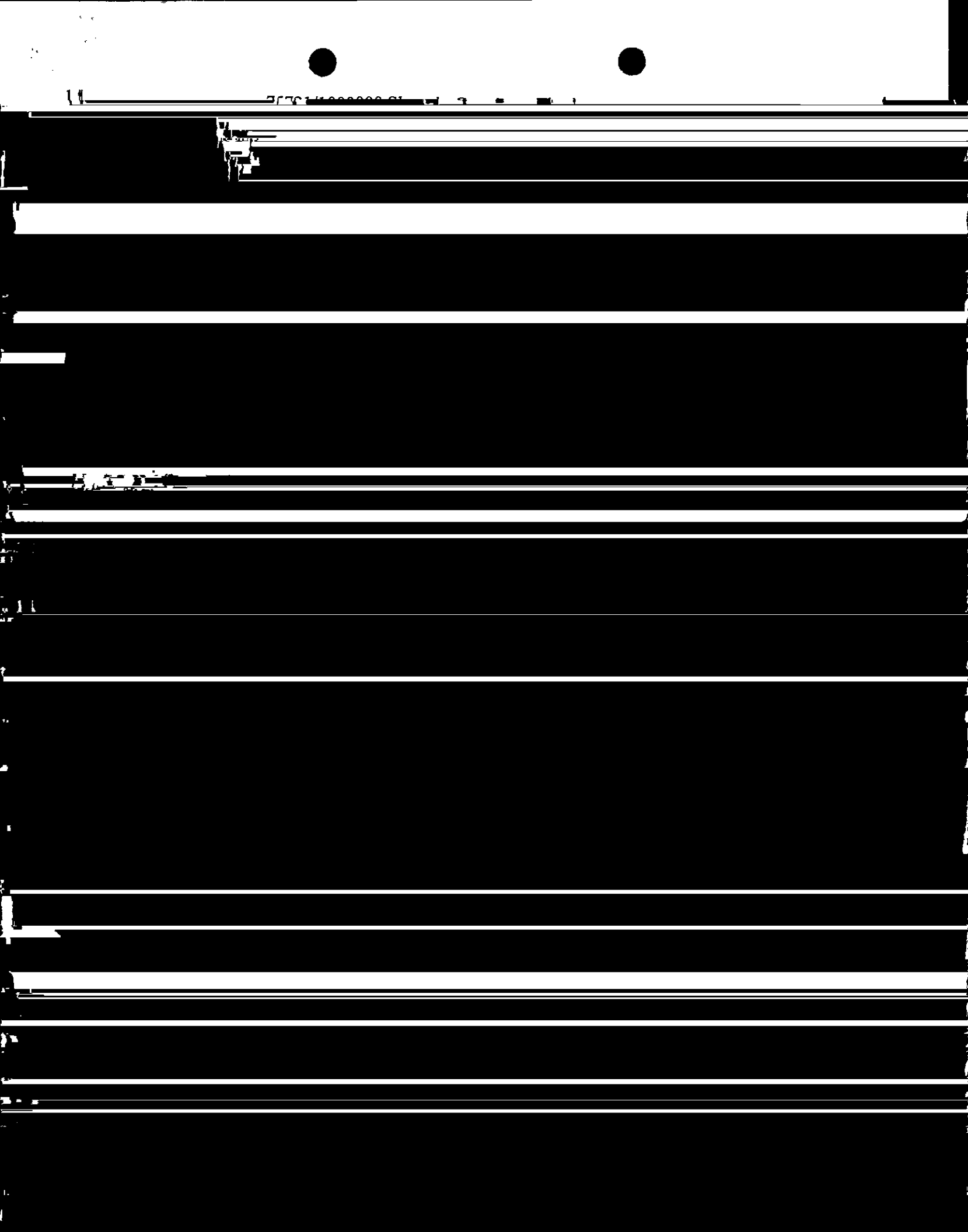
II.

DISCLOSURE OF CONSUMER LISTS

IT IS FURTHER ORDERED that defendant, and his officers, agents, servants,

employees and attorneys and all other persons or entities in active participation in the

[REDACTED]



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IV.

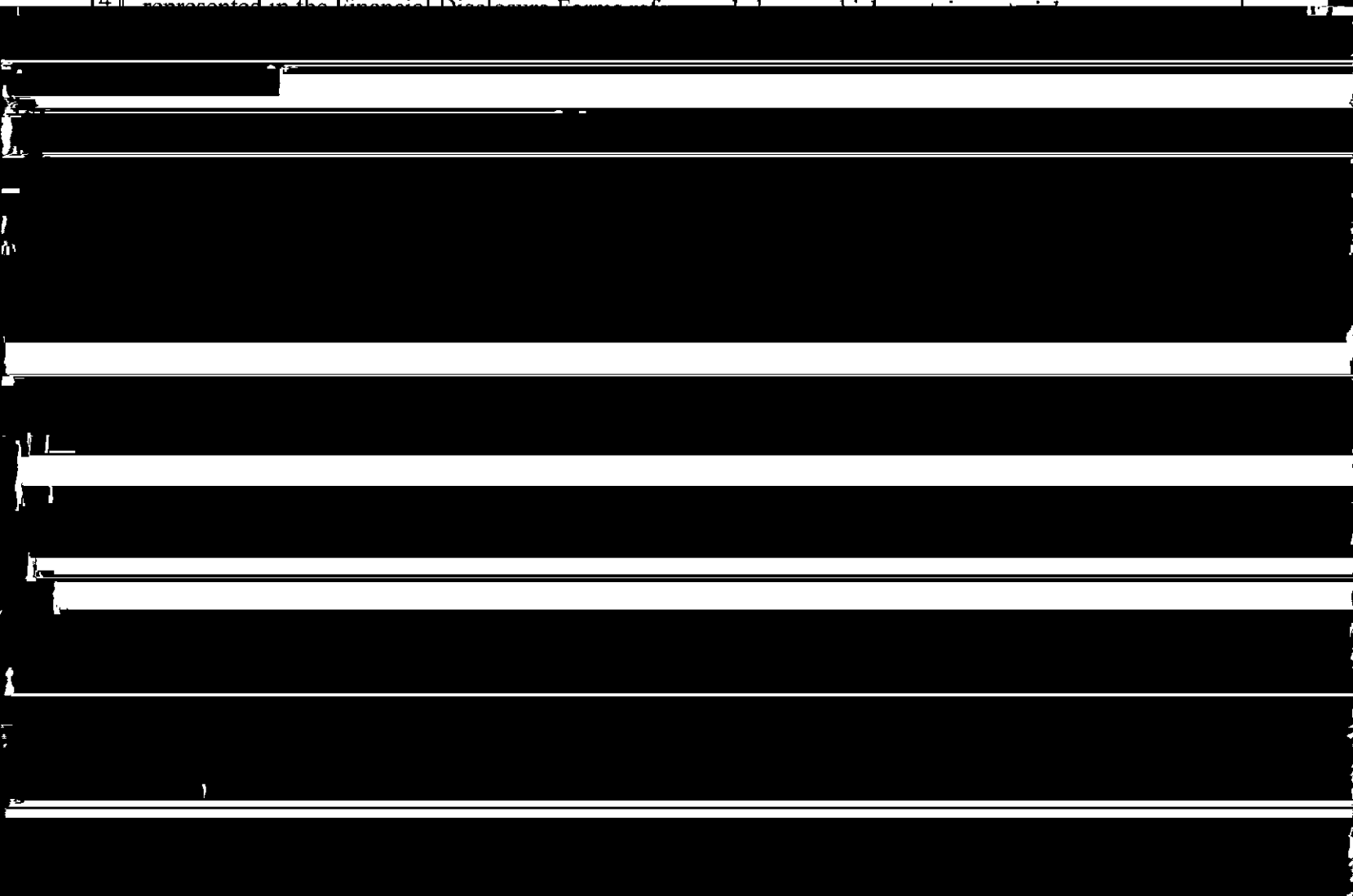
DISSOLUTION OF ASSET FREEZE

IT IS FURTHER ORDERED that upon entry of this Stipulated Order, the freeze against all of defendant's assets ordered by the Court on December 11, 2000, and extended thereafter, shall be lifted.

V.

RIGHT TO REOPEN

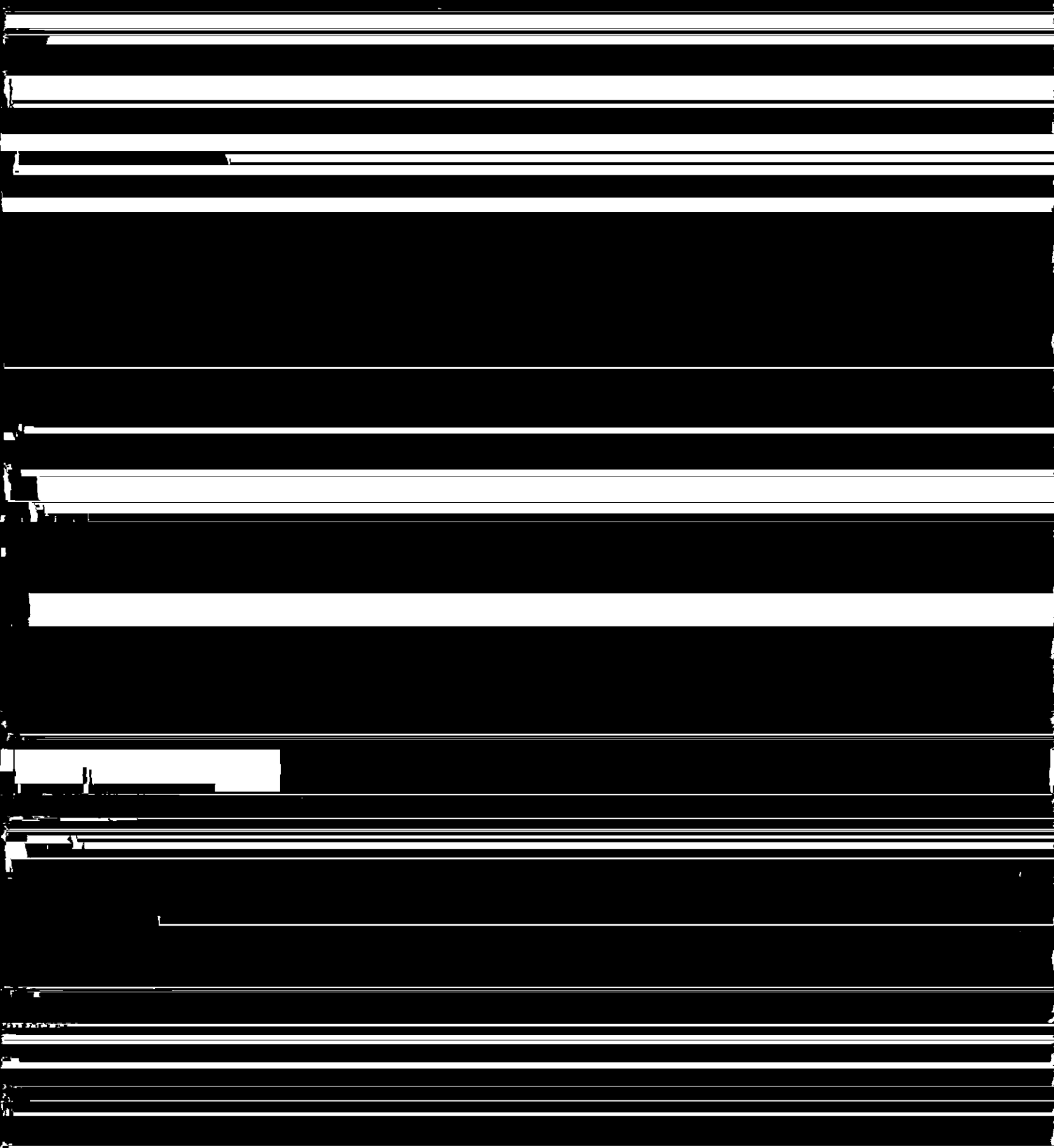
IT IS FURTHER ORDERED that, by agreeing to this Order, defendant reaffirms and attests to the truthfulness, accuracy, and completeness of the Financial Disclosure Forms executed on March 20 and March 24, 2003. Plaintiff's agreement to this Order is expressly premised upon the truthfulness, accuracy, and completeness of defendant's financial condition as represented in the Financial Disclosure Forms.



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VI.



[Redacted text block]

1 compliance with any provision of this Order,

2 A. Within ten (10) days of receipt of written notice from a representative of the
3 Commission, defendant Babuin shall submit additional written reports, sworn to under penalty of
4 perjury, produce documents for inspection and copying, appear for deposition, and/or provide

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VIII.

DISTRIBUTION OF ORDER BY DEFENDANT

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Stipulated Order, defendant Babuin shall deliver a copy of this Order to the principals, officers, directors, managers and employees under defendant Babuin's control for any business that (a) employs or contracts for personal services from defendant Babuin and (b) has responsibilities with respect to the subject matter of this Order. Defendant Babuin shall secure from each such person a signed and dated statement acknowledging receipt of the Order within thirty (30) days after the date of service of the Order or the commencement of the employment relationship.

IX.

COMPLIANCE REPORTING BY DEFENDANT

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

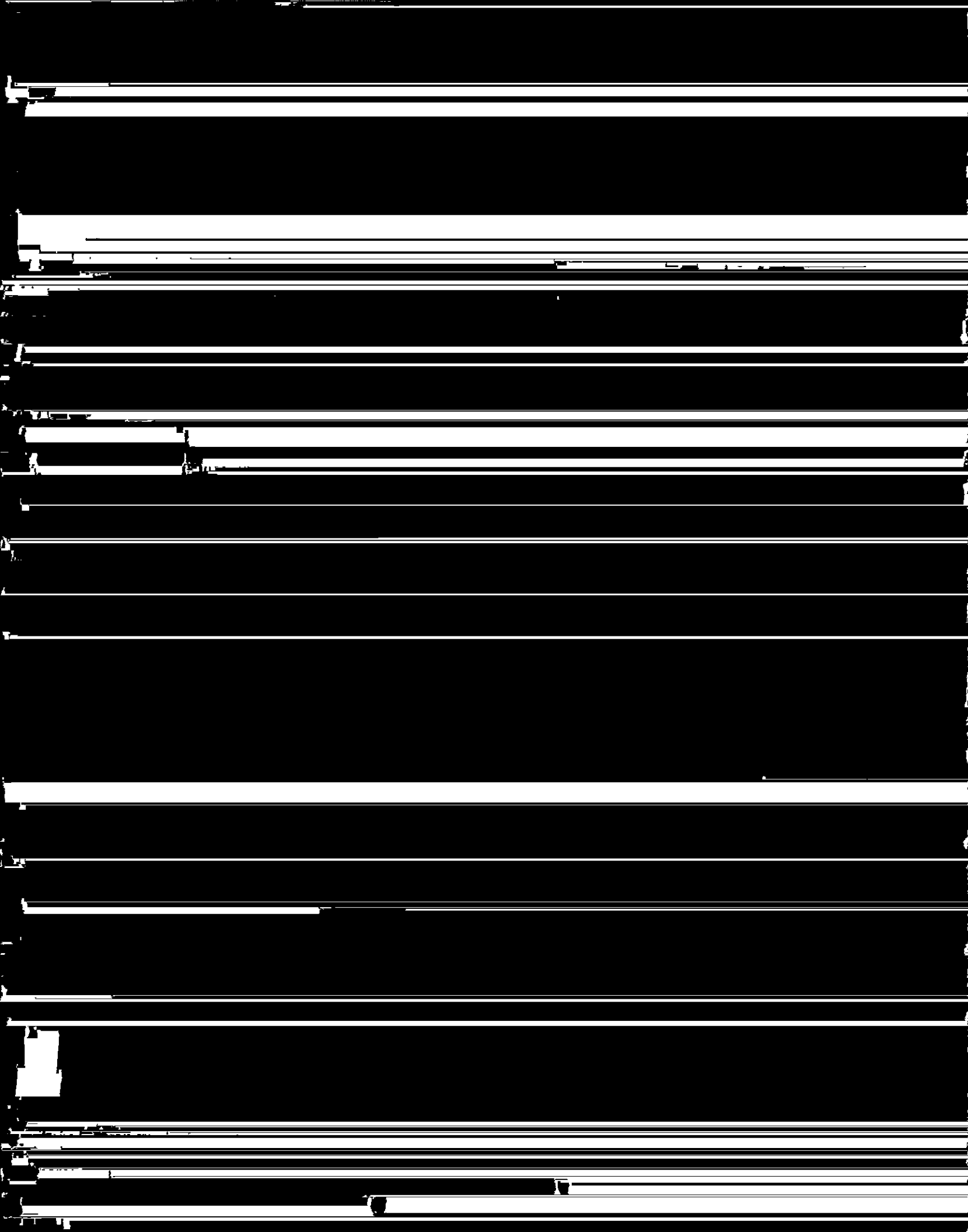
A. For a period of five (5) years from the date of entry of this Order,

1. Defendant Babuin shall notify the Commission of the following:

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defendant's duties and responsibilities in connection with the
business; and

- c. Any changes in defendant's name or use of any aliases or fictitious names.



XII.

RETENTION OF JURISDICTION

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IT IS FURTHER ORDERED that the Court shall retain jurisdiction of this matter.