

EASTERN DIVISION **RECEIVED**

FEDERAL TRADE COMMISSION,

OCT 2 - 2003

JUDGE DAVID H. COAR

v.

Civ. No. 03C 3033

CLICKFORMAIL.COM, INC. - a Texas

Judge Coar

corporation also doing business as
ALLPREAPPROVED.COM, and

)
) Magistrate Judge Bobrick

HARVEY B. VAUGHN, III, individually and
as an officer of CLICKFORMAIL.COM, INC.,

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Final Judgment Order ("Order") without a trial or adjudication of any issue of law or fact herein.

NOW, THEREFORE, the Commission and Defendants, having requested the Court to enter this Order,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

FINDINGS

1. This is an action by the Commission instituted under Section 13(b) of the FTC Act, 15 U.S.C. § 53(b). The Complaint seeks permanent injunctive relief and consumer redress

~~that the Commission is instituting a promotion offering for sale~~
[REDACTED]

sale or provision of credit-related products, programs or services.

2. The Complaint states a claim upon which relief may be granted against Defendants under Sections 5 and 13(b) of the FTC Act, 15 U.S.C. §§ 45 and 53(b).

3. This Court has jurisdiction over the subject matter of this case and all parties hereto. Venue in the Northern District of Illinois is proper.

4. The alleged practices of Defendants are in or affecting commerce, as defined in

constructed as an admission or finding that any Defendant has engaged in violations of the FTC Act or any other law. The Commission intends for this Order to constitute a complete settlement of its claims against Defendants for the matters alleged in its Complaint.

8. Defendants enter into this Order freely and without coercion, and acknowledge that they understand the provisions of this Order and are prepared to abide by its terms. At all times, Defendants have been represented by counsel, including the negotiations that led to this Order.

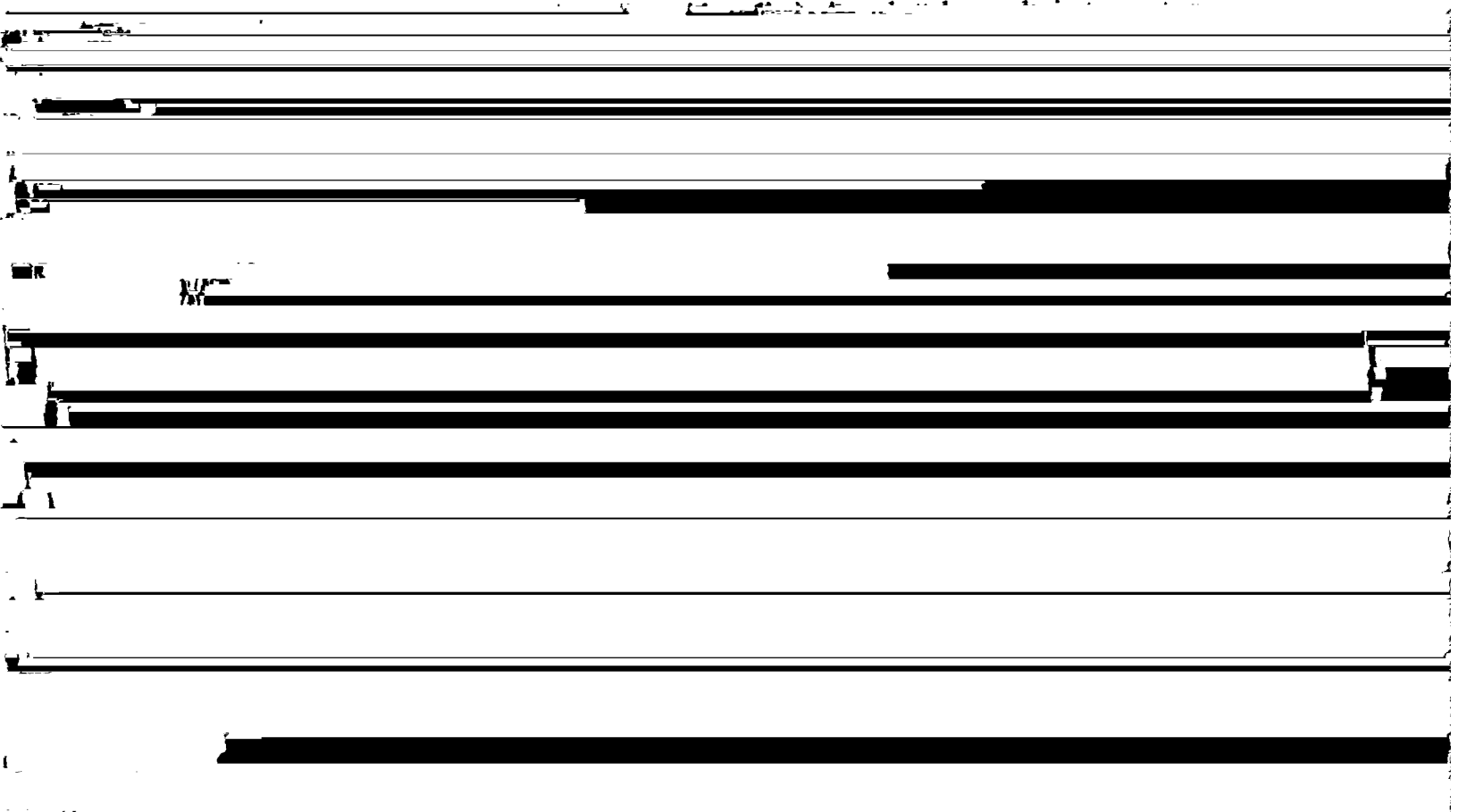
9. The parties shall each bear their own costs and attorney's fees incurred in this action. Defendants have waived all claims under the Equal Access to Justice Act, 28 U.S.C. § 2412, and all rights to seek judicial review, or otherwise to challenge the validity of this Order.

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

ORDER

DEFINITIONS

1. "Asset" or "Assets" means any legal or equitable interest in, right to, or claim to,



potential customers; or (4) performing marketing services of any kind.

3. **“Credit-related products, programs, or services”** mean any product, program,

service that is advertised, offered for sale, or sold to consumers as a method by which

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

...has been permanently retained and assigned from:

A. Misrepresenting, either orally or in writing, directly or by implication:

1. that Defendants will provide consumers with, or arrange for consumers to receive, major credit cards, such as VISA or MasterCard credit cards;

2. that Defendants have arrangements with banks or other financial institutions to offer credit to consumers;

3. that Defendants will provide consumers with any credit-related products, programs, or services; and

4. any material fact prior to a consumer's purchase of any products, programs, or services from Defendants.

R. Assisting others who violate any provision of Paragraph A of this Section.

transfer to the Commission five-hundred thousand dollars (\$500,000) to be deposited into a non-interest bearing escrow account established by the Commission for the purpose of receiving payments due under the provisions of this Order.

2. Within ten (10) days of executing this Order, Defendants shall assign and transfer to the Commission all legal and equitable rights, title, and interest to the loan note, contract, or payment obligation executed between ClickForMail.com, Inc. (obligee) and Gil Gonzalez (obligor) in the amount of one-hundred four thousand dollars (\$104,000), plus interest of six percent (6%) per annum, payable in twelve (12) monthly installments. Defendants also shall assign and wire transfer to the Commission all payments made or received pursuant to the terms of said loan note, contract, or payment obligation.

3. On or before September 30, 2003, Defendants shall wire transfer to the [redacted] the remaining cash payment balance due under this Section of two-hundred

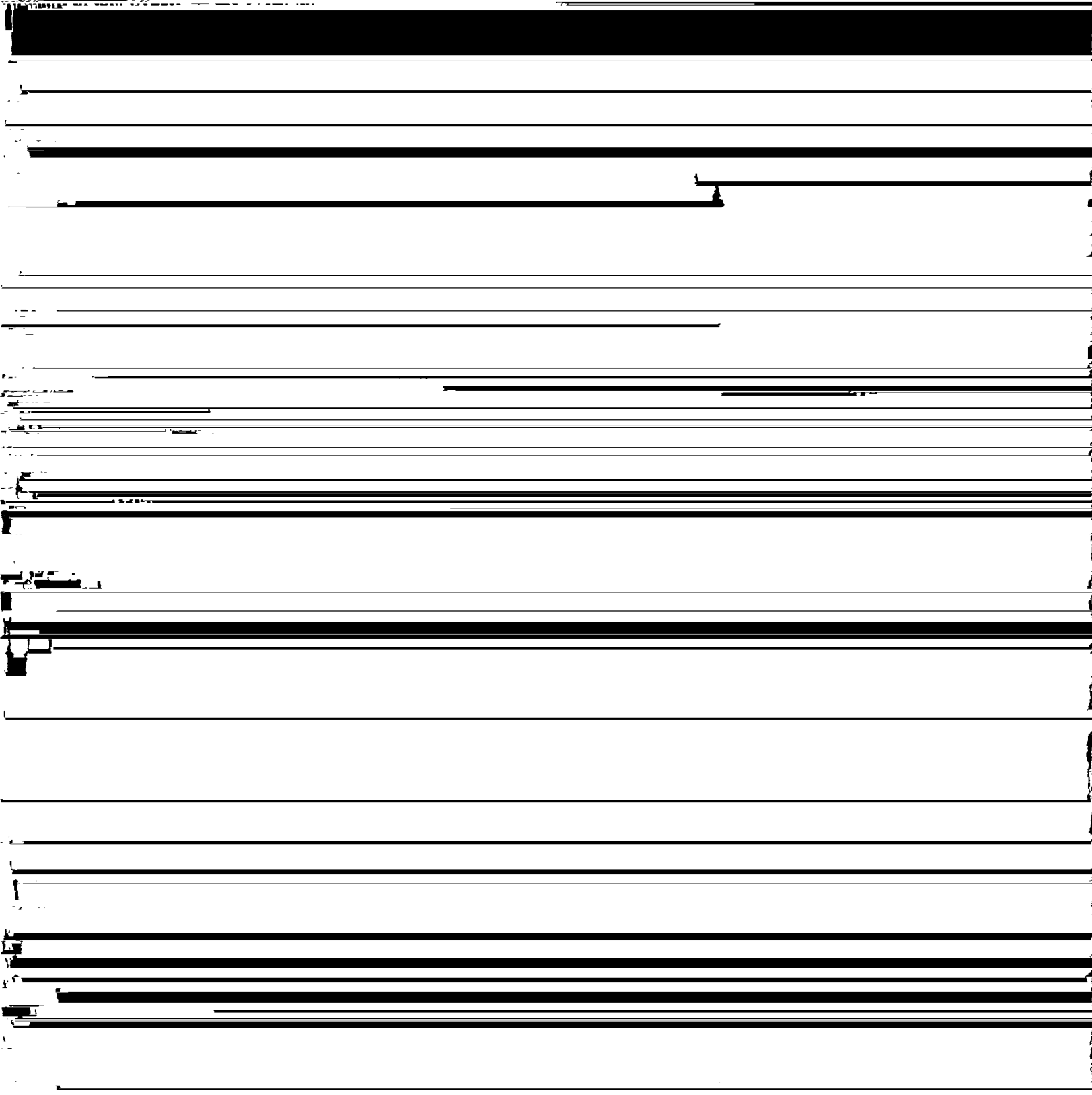
[redacted]

eight thousand dollars (\$208,000).

Wire transfers made pursuant to this Order shall be made in accordance with instructions provided by the Commission. Interest computed at the rate prescribed under 28 U.S.C. § 1961, as amended, shall immediately begin to accrue on any unpaid balance.

By signing this order, Defendants relinquish all dominion, control, and title to the monies

B. After entry of this Order, all funds paid by Defendants pursuant to this Order shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to, consumer redress and any attendant expenses for the administration of any redress fund. Defendants will cooperate fully to assist the Commission in identifying consumers who may be entitled to redress pursuant to this Order. In the event that



submit to the Commission a truthful sworn statement (in the form shown on **Attachments A and B** to this Order) that shall reaffirm and attest to the truthfulness, accuracy, and completeness of

2003, and that of Harvey B. Vaughn, III, dated May 22, 2003, and other supplemental documents and information provided by counsel for Defendants to the Commission in letters dated May 30, 2003, June 3, 2003, and June 26, 2003. The Commission's agreement to this Order is expressly premised upon the financial condition of each Defendant, as represented in their respective

supplemental documents which contain material information upon

the assets or funds to the Commission in full or partial satisfaction of the judgment. Said funds are to be transferred to the Commission by cashier's or certified check made payable to the Federal Trade Commission, and mailed to the Director, Federal Trade Commission, Midwest

Provided, however, that in all other respects this indentment shall remain in full force and

in the Complaint. Decided, however, that Defendants, their successors, assigns, officers, agents,

[REDACTED]

include the name and address of each business that Defendant is affiliated with

employed by, or performs services for; a statement of the nature of the business;

business;

c. Any changes in Defendant's name or use of any aliases or fictitious names; and

2. Defendant ClickForMail.com, Inc., also doing business as

AllPreApproved.com, shall notify the Commission of any changes in corporate structure 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 corporation; 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

1. Any changes required to be reported pursuant to Paragraph A above; and
2. A copy of each acknowledgment of receipt of this Order obtained by

Commission's authorized representatives, mail all written notifications to the Commission to:

C. Steven Baker, Regional Director
Federal Trade Commission, Midwest Region

B. Defendant Harvey B. Vaughn, III, shall deliver a copy of this Order to the principals, officers, directors, managers and employees under Defendant Harvey B. Vaughn, III's control for any business that (a) employs or contracts for personal services from Defendant Harvey B. Vaughn, III, and (b) has responsibilities with respect to the subject matter of this Order. Defendant Harvey B. Vaughn, III, shall secure from each such person a signed and dated statement acknowledging receipt of the Order within thirty (30) days after the date of entry of the Order or the commencement of the employment relationship.

IX. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of six (6) years from the date of entry of this Order, in connection with any business where Defendant Harvey B. Vaughn, III, is the

majority owner of the business or directly or indirectly manages or controls the business, Defendants and their agents, employees, officers, corporations, successors, and assigns, and

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

obtained in the ordinary course of business.

D. Complaint and refund requests (whether received directly, indirectly or through any third party) and any responses to those complaints or requests; and

E. Copies of all sales scripts, training materials, advertisements, or other marketing materials.

X. 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.

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XI. STIPULATION OF THE PARTIES

The Commission and Defendants, by and through their counsel, stipulate to the entry of

[REDACTED]

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

HARVEY B. VAUGHN, III
Individually, and as President of
CLICKFORMAIL.COM, INC.

State of _____, City of _____

Subscribed and sworn to before me

this _____ day of _____, 200__.

Notary Public
My Commission Expires:

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

HARVEY B. VAUGHN, III, President
CLICKFORMAIL.COM, INC.

Subscribed and sworn to before me

this _____ day of _____, 200__.

Notary Public

~~M. Commission Expires~~

Injunction and Final Judgment Order, signed by the Honorable _____,
and entered by the Court on _____, 200__. A true and correct copy of the
Stipulated Permanent Injunction and Final Judgment Order is appended to this Affidavit.

_____ of the United States that the foregoing is

HARVEY B. VAUGHN, III
Individually, and as President of
CLICKFORMAIL.COM, INC.

State of _____, City of _____

Subscribed and sworn to before me

this _____ day of _____, 200__.

Notary Public
My Commission Expires:

CERTIFICATE OF SERVICE

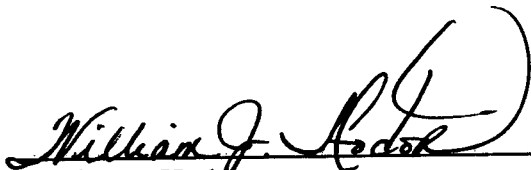
I, William J. Hodor, hereby certify that on this day, I caused to be served true copies of the **Stipulated Permanent Injunction and Final Judgment Order** on the following via **overnight Federal Express delivery**:

KIRKLAND & ELLIS
655 Fifteenth Street, N.W.
Washington, D.C. 20005-5793

Joseph M. Graham, Esq.
KIRKLAND & ELLIS
777 South Figueroa Street
Los Angeles, California 90017-5800

Rachel Pernic, Esq,
KIRKLAND & ELLIS
Aon Center
200 East Randolph Drive
Chicago, Illinois 60601

Dated: Oct. 2, 2003



William J. Hodor
Attorney for Plaintiff
Federal Trade Commission