

**THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

BAY AREA BUSINESS COUNCIL, INC.,
a Florida corporation,

BAY AREA BUSINESS COUNCIL CUSTOMER
SERVICE CORP., a Florida corporation,

AMERICAN INSURANCE CARD CORP.

)
)
)
)
)
) Civil Action No. 02-C-5762
) Judge John W. Darrah
) Magistrate Judge Ashman
)
)
) **ORDER FOR**
) **PERMANENT INJUNCTION**
) **WITH MONETARY JUDGMENT**
) **AND OTHER RELIEF AGAINST**

ORDER

Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), commenced this action by filing its Complaint, and subsequently its Amended Complaint, for injunctive and other

[REDACTED]

FINDINGS

As more specifically set out in the part in the Court's order for Summary Judgment, the Court finds as follows:

1. This Court has jurisdiction over the subject matter and all parties hereto.
2. Venue is proper as to all parties in the United States District Court for the Northern District of Illinois.
3. The activities of Defendants are in or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

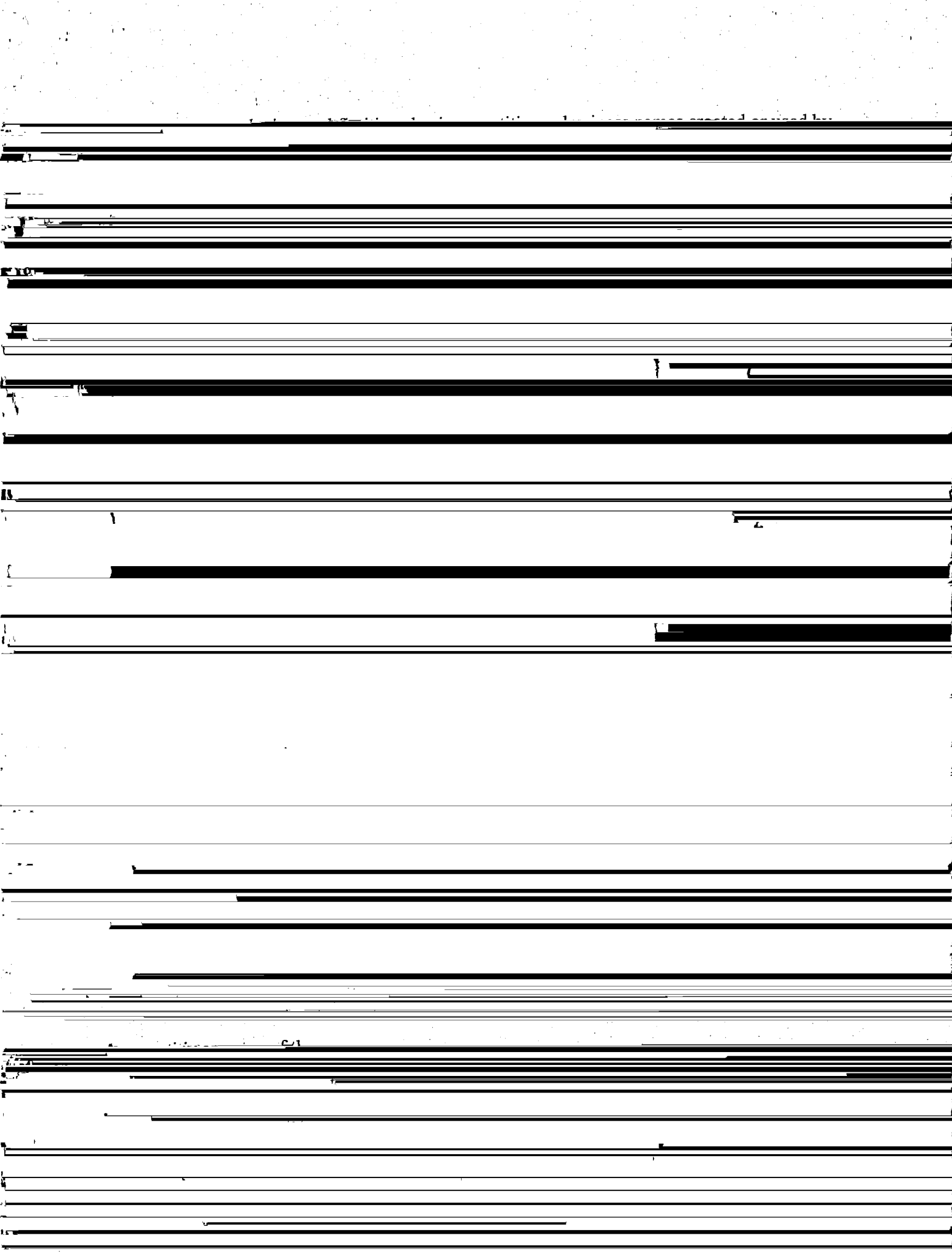
[REDACTED]

_____ under Sections 5(a), 12(b) and 19 of the FTC Act, 15 U.S.C.

fee in advance from consumers for obtaining credit when Defendants have guaranteed or

to be paid in advance for the acquisition of credit for

11



advertising, offered for sale, or sold as a method by which persons may establish or obtain any extension of credit or credit device, including, but not limited to credit cards, loans, or financing, or as a method to consolidate or liquidate debts.

5 _____ "11" _____ 22 _____ offering for sale or sale of any good or

A. Making, or materially assisting in the making of, any statement or representation

including, but not limited to, any or all of the following:

1. After paying a fee, consumers will, or are highly likely to, receive an unsecured credit card; and
2. Consumers who agree to purchase goods or services from the defendants will be charged the amount specified in the sales calls.

B. Misrepresenting or omitting any fact material to a person's decision to purchase Defendants' products or services, including but not limited to:

and 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b). This redress amount

computed at the rate prescribed under 28 U.S.C. § 1961, as amended, shall immediately begin to accrue on the unpaid balance.

B. These payments shall be made in U.S. funds by certified or cashier's check, made payable to the Federal Trade Commission, and delivered to the Regional Director, Federal Trade Commission, 55 E. Monroe, Suite 1860, Chicago, Illinois 60603. These funds will be used to provide redress to consumers injured by Defendants' violations of the FTC Act and the TSR. If

card number, bank account number, e-mail address, or other identifying information of any person who paid any money to any Defendant, at any time prior to entry of this Order, in connection with the marketing or sale of Credit-Related Products to consumers in the U.S.

ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED THAT, within five (5) business days after receipt by Defendants of this Order, each Corporate Defendant and each Individual Defendant shall submit to the Commission a truthful sworn statement, in the form shown on Appendix A, that shall acknowledge receipt of this Order.

VII. DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED THAT, for a period of ten (10) years from the date of entry of this Order, the Corporate Defendants and the Individual Defendants shall:

A. Provide a copy of this Order to, and obtain a signed and dated acknowledgment of receipt of same from, each officer or director, each individual serving in a management capacity, all personnel involved in responding to consumer complaints or inquiries, and all sales personnel whether designated as employees, consultants, independent contractors or

complying with this Order;

_____ must authorize or require any Defendant to take any

therefor, for all customers to whom the business has sold, invoiced, or shipped any goods or services;

request, whether received directly or indirectly or through any third party: (1) the customer's name, address, telephone number; (2) the dollar amount paid by the customer; (3) the written complaint or refund request, if any; (4) the basis of the complaint or refund request, including the

2. Any changes in the employment status (including self-employment) of any Individual Defendant, within ten (10) days of such change. Such notice shall include the name and address of each business that the Individual Defendant is affiliated with or employed by, a statement of the nature of the business, and a statement of the Individual Defendant's duties and responsibilities in connection with the business or employment; and

3. Any proposed change in the structure of any Corporate Defendant, or any

business entity that any Individual Defendant directly or indirectly manages, controls or has a

1. Any proposed change in the structure of any Corporate Defendant, or any

... residence address ...

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

addresses and telephone numbers;

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

F. For purposes of the compliance reporting required by this Section, the Commission is authorized to communicate directly with Defendants.

VI COMMISSION'S AUTHORITY TO MONITOR COMPLIANCE

IT IS FURTHER ORDERED THAT the Commission is authorized to monitor the Corporate Defendants' and the Individual Defendants' compliance with this Order by all lawful means, including but not limited to the following:

A. The Commission is authorized, without further leave of Court, to obtain discovery from any person (including a Defendant) in the manner provided by Chapter V of the Federal

... and beneficially or otherwise, by the Receivership Defendants

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

the Receiver with approval of the Court: (2) the movement and

storage of any equipment, furniture, records, files, or other physical property of the Receivership Defendants; and (3) the retention of auctioneers or other professionals to assist in the liquidation of the Receivership Defendants' assets;

collection steps, including but not limited to obtaining and levying writs of execution and creating, perfecting and enforcing judgment liens on any real or personal property of the Defendants.

IT IS FURTHER ORDERED that, to the extent they are not inconsistent with this Order, all powers granted to the Receiver pursuant to the Court's Preliminary Injunction Order of October 2, 2002; shall remain in full force and effect.

XIII. WINDING UP OF RECEIVERSHIP DEFENDANTS

~~IT IS FURTHER ORDERED~~ that the Receiver shall liquidate all assets of the

XV. COOPERATION WITH RECEIVER

IT IS FURTHER ORDERED that the undersigned shall cooperate fully with the

[REDACTED]

this Order, for the enforcement of compliance therewith, or for the punishment of violations thereof.

~~There being no just reason for delay~~ the Clerk of the Court is hereby directed to enter this

Order:

SO ORDERED, this 14th day of April, 2003.

[Signature]

APPENDIX A

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

BAY AREA BUSINESS COUNCIL, INC., a
Florida corporation, *et al.*,

Defendants.

Civil Action No. 02-C-5762

Judge John W. Darrah

[Name of defendant], being duly sworn, hereby states and affirms as follows:

1. My name is _____ . My current residence address is _____