

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

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CAPITAL ACQUISITIONS & MANAGEMENT
CORP., a corporation,

FINANCIAL SERVICES INC. a corporation.

No. 04-C-7781

Judge Gettleman

Magistrate Judge Nolan

CAPITAL PROPERTIES HOLDINGS, INC.,
a corporation,

CARIBBEAN ASSET MANAGEMENT, LTD.,
a corporation,

REESE WAUGH,

ERIC WOLDOFF,

GEORGE OTHON,

JEFFREY GARRINGTON,

DAVID KAPP,

Plaintiff, Federal Trade Commission ("FTC" or "Commission"), filed its Amended Complaint for Permanent Injunctive and Other Relief ("Amended Complaint") in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC ACT"), 15 U.S.C. § 53(b), Section 814(a) of the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. § 1692(a) and Rule 65 of the Federal Rules of Civil Procedure charging that Defendants engaged

and the FDCPA, 15 U.S.C. § 1692 et seq. The Commission and Defendants Capital Acquisitions & Management Corp., RM Financial Services, Inc., Capital Properties Holdings, Inc., and

4 The Amended Complaint states a claim upon which relief may be granted against

[REDACTED]

Management, Ltd.; Reese Waugh, individually and as an officer, director or agent of the corporate defendants; Jerome Kuebler, individually and as an officer, director or agent of the

corporate defendants; George Othon, individually and as an officer, director or agent of the corporate defendants; Jeffrey Garrington, individually and as an officer, director or agent of the corporate defendants; David Kapp, individually and as an officer, director or agent of the

5. "Document" or "Documents" means any materials listed in Federal Rule of Civil

Procedure 34(a) and includes writings, drawings, graphs, charts, photographs, audio or video

recordings, computer records, and any other data compilations from which information can be

obtained and translated into reasonably usable form through detection devices. A draft or non-

identical copy of a Document is a separate Document within the meaning of the term

device, are hereby permanently restrained and enjoined from:

↑ Making or assisting in the making of, expressly or by implication, orally or in
[REDACTED]

Communicating with third parties for purposes other than acquiring location

consumer or the express permission of a court of competent jurisdiction, and when not reasonably necessary to effectuate a post judgment judicial remedy;

D. Communicating with a consumer after the consumer has notified the Defendant in writing that the consumer refuses to pay a debt or that the consumer wishes the Defendant to cease further communication with the consumer;

4 ~~threatening to take action that the Defendant does not intend to take~~ such

as filing a lawsuit;

5. threatening to communicate with any person credit information that the Defendant knew or should have known to be false; or

6. using false representations or deceptive means to collect or attempt to collect a debt or to obtain information concerning a consumer;

G. When a consumer has notified the Defendant in writing within the thirty-day period pursuant to Section 809(a) of the FDCPA, 15 U.S.C. § 1692g(a), that the debt, or any portion thereof, is disputed, continuing to attempt to collect the debt before the verification of the

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 such redress.

fund. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for

F. The judgment entered pursuant to Subsection A of this Section for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture.

~~IN RECEIPT~~

IT IS FURTHER ORDERED that the appointment of LePetomane XII, Inc., not individually but solely in its representative capacity as Receiver, by and through its President, Jay A. Steinberg, not individually but solely in his representative capacity as President of the Receiver, pursuant to the Stipulated Preliminary Injunction entered on January 19, 2005, is

~~hereby continued in full force and effect, and provisions in that order relating to the Receiver are~~

incorporated into this Order by reference as though fully set forth herein, until such time as the Receiver (a) wire transfers to the Commission the equitable monetary relief as set forth in

A. **Corporate Defendants:** Each Corporate Defendant must deliver a copy of this Order to all of its principals, officers, directors, and managers. Such Defendants also must

conduct related to the subject matter of the Order. For current personnel, delivery shall be within five (5) days of service of this Order upon Defendant. For new personnel, delivery shall

[REDACTED]

VIII. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that in connection with any business that each Corporate

Corporate Defendant is hereby restrained and enjoined from:

A. Failing to take reasonable steps sufficient to monitor and ensure that all

employees and independent contractors engaged in customer service functions comply with this

receive actual notice of this Order by personal service, facsimile or otherwise, are hereby restrained and enjoined from failing to create and retain the following records:

A. Accounting records that reflect the cost of goods or services sold revenues

generated, and the disbursement of such revenues;

B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as 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, telephone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;

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

actual notice of this Order by personal service, facsimile or otherwise, shall permit

from the Commission access during normal business hours to any office or facility storing

C. Corporate Defendants shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, officer, agent, or ~~any person~~ 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.

Provided, however, that nothing in this Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to

XVII. COMPLETE SETTLEMENT

_____ of the foregoing Order which shall constitute a final

XVII. COMPLETE SETTLEMENT

The parties hereby consent to entry of the foregoing Order which shall constitute a final

Order. The parties further stipulate and agree that the entry of the

[REDACTED]

The parties hereby consent to entry of the foregoing Order which shall constitute a final judgment and order in this matter. The parties further stipulate and agree that the entry of the foregoing Order shall constitute a full, complete, and final settlement of this action.

So Stipulated:

William Blumenthal
General Counsel

David A. O'Toole

Reese Waugh

55 E. Monroe St., Suite 1860
Chicago, Illinois 60603
(312) 960-5634
(312) 960-5600 (fax)
Attorney for Plaintiff

Eric Woldoff



George Othon

William G. Sullivan
Martin Brown & Sullivan, Ltd.

XVII COMPLETE SETTLEMENT

judgment and order in this matter. The parties further stipulate and agree that the entry of the foregoing Order shall constitute a full, complete, and final settlement of this action.

So Stipulated:

William Blumenthal
General Counsel

David A. O'Toole
Federal Trade Commission
55 E. Monroe St., Suite 1860
Chicago, Illinois 60603
(312) 960-5634

Reese Waugh

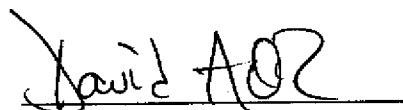
Eric Woldoff

XVII. COMPLETE SETTLEMENT

The parties hereby consent to entry of the foregoing Order which shall constitute a final judgment and order in this matter. The parties further stipulate and agree that the entry of the foregoing Order shall constitute a full, complete, and final settlement of this action.

So Stipulated:

William Blumenthal
General Counsel



David A. O'Toole
Federal Trade Commission


Reese Waugh

55 E. Monroe St., Suite 1860
Chicago, Illinois 60603
(312) 960-5634
(312) 960-5600 (fax)
Attorney for Plaintiff

Eric Woldoff

George Othon

William G. Sullivan
Martin Brown & Sullivan, Ltd.
321 S. Plymouth Court, 10th Floor
Chicago, Illinois 60604
(312) 360-5000
(312) 360-5026 (fax)
Attorney for Defendants Reese Waugh, Eric
Woldoff, and George Othon

Not Individually

But Solely as a
Jay A. Steinberg, Not Individually but



Melissa C. Brown
1800 N. Larrabee Street
Chicago, IL 60614
(312) 399-7064
Attorney for Receiver

IT IS SO ORDERED.

Dated: November 30, 2006



United States District Judge