WILLIAM BLUMENTHAL
General :Counsel

VICTOR DEFRANCIS
JANICE POWLL FRANKLE
Federal Trade ---.-

should not issue ("TRO").
On April 25, 2005, the Court entered

19 of the FTC Act, 15 U.S.C. 88 53(b) and 57b, to seek the injunctive, monetary, and other equitable relief it has requested, and the Complaint states a claim upon which relief can be granted against Defendants.
5. Defendants waive all rights to seek judicial review
or otherwise challenge or contest the validity of this Order. Defendants also waive any claim that they may hold under the Equal Access to Justice Act, 28 U.S.C. 5 2412 (as amended), concerning the prosecution of this action to the date of this Order. Defendants shall bear their own costs and attorneys' fees.
6. The FTC and Defendants stipulate and agree to this
Order, without trial or final adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising

located, and shall include both existing assets and assets I:: IJ acquired after the date of entry of this Order. ,
.d.*:
B. "Assisting others" means providing any of the I.,
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following products or services to any person or entity: (a) performing customer service functions, including but not limited to receiving or responding to consumer complaints; (b) formulating or providing, or arranging for the formulation or provision of, any telephone sales script or any other written marketing material; (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 of a business entity.
C. 'Commerce" means as defined in Section 4 of the
Federal Trade Commission Act, 15 U.S.C. 5 44.
D. "Defendants" mean Del Sol LLC, also doing business as
Del Sol Educational, and its successors and assigns ('Del Sol"), and Fernando Gonzalez Lopez a/k/a Fernando Lopez Gonzalez ("Gonzaleza), and each of them, by whatever names each might be known.
E. 'Established business relationship" means a
relationship between the seller and a person based on: (a) the person's purchase, rental, or lease of the seller's goods or services or a financial transaction between the person and seller, within the eighteen (18) months immediately preceding the date of the telemarketing call; or (b) the person's inquiry or application regarding a product or service offered by the seller, within the three (3) months immediately preceding the date of a telemarketing call.

Not Call Registry, which is the "do-not-call"registry maintained by the Commission pursuant to 16 C.F.R.
5 310.4(b)(1)(iii)(B).
G. "Outbound telephone call" means a telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.
H. "Prize promotion" means:
1. a sweepstakes or other game of chance; or
2. an oral or written express or implied representation that a person has won, has been selected to
receive, or may be eligible to receive a prize or purported pup�NTd� 355 T a j�- Tc

1 service; and
2 4. Any fact material to a consumer's decision to 3 buy or accept any prize, product or service.
4 11.

5 > TELEMARKETING SALES RULE)-
f
6 IT IS FVRTIIER ORDERED that Defendants, and their officers, 7 agents, sendants, and

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1 previously stated that he

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telemarketer promptly plays a recorded message that states the name and telephone number of the seller on whose behalf the ,: call was placed; and ,:
8:

4. Defendants retain records, in accordance with 16
C.F.R. 5 310.5 (b)-(d), establishing compliance with the preceding three conditions;
Provided, however, that if the Commission promulgates
rules that modify or supersede the Telemarketing Sales Rule, in whole or part, Defendants shall comply fully and completely with all applicable requirements thereof, on and after the effective date of any such rules.

111.
MONETARY
IT IS FURTHER ORDERED that:
A. 1'~udgmentis hereby entered against Defendants,

:he following assets:
1. Citibank shall, within ten (10) business days of the date of entry of this Order, transfer to the
FTC or its

business days of the date of entry of this
Order, transfer to the FTC or its designated
agent all frozen assets held in the name of Del
Sol LLC and/or Fernando Gonzalez Lopez.
Provided that to the extent any identified third party cannot comply with this subsection without the assistance of Defendants, such party must, within three (3) business days of receiving this Order, notify Defendants and counsel for the FTC of its inability to comply. Such notification shall specify the actions by Defendant(s) that are necessary to comply within ten (10) business days of this Order; and Defendants shall immediately complete any action necessary to facilitate the identified third parties' ability to timely comply with subsections 1 through 4 above. Failure to take such action within 10 days shall result in the entire $1.6 million judgment becoming immediately due and payable and interest at the rate prescribed in 28 U.S.C. 5 1961 shall immediately begin to

accrue.

C. All funds paid pursuant to this Paragraph shall be deposited into a fund administered by the Conrmission 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. 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 such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the Defendants' practices alleged in

the Complaint. Any funds not used for such equitable relief shall be deposited to the U.S. Treasury as equitable disgorgement. The Commission shall have full and sole discretion to administer the redress program, if any. ,
D. Although Defendants do not admit to any of the facts
alleged in the Complaint other than jurisdictional facts, Defendants agree that the facts as alleged in the Complaint shall be taken as true in the event of any subsequent litigation to collect amounts due pursuant to this Order, including but not limited to a nondischargeability complaint in any bankruptcy proceeding.
E. The judgment entered pursuant to this Section I11 is
equitable monetary relief, solely remedial in nature, and not a fine, penalty, punitive assessment or forfeiture.
F. Defendants acknowledge and agree that any money or
other assets paid pursuant to this Order is irrevocably paid to the FTC for purposes of settlement between the FTC and Defendants, and Defendants relinquish all rights, title, and interests to such money or other assets.
G. Defendants are hereby required, in accordance with 31
U.S.C. S 7701, to furnish to the FTC any and all tax identification numbers for them, or for any business they control or own, either individually or jointly, to the extent that they have not already done so. That information shall be used for purposes of collecting and reporting any delinquent amount arising out of this Order.

N.
ASSET FREEZE

IT IS FURTHER ORDERED that, upon entry of this Order and payment of the amount as set forth in Section 1II.A-B, the

5 I1freeze on Defendants' assets shall be dissolved.
v.
RIGHT TO REOPEN

11 IT IS FURTHER ORDERED that the Commission's agreement to, 8 9 I1and the Court's approval of, this Order is expressly premised 10 I1upon the truthfulness, accuracy, and completeness of
Defendants's financial statements submitted May 6, 2005
pursuant to Section IV of the TRO, including attachments, and
as supplemented and amended by documents dated May 10, 2005;
May 12, 2005, and September 28-29, 2005; such financial statements and supporting documents contain material
information upon which the Commission relied in negotiating and agreeing to the terms of this Order. If, upon motion by the Commission to the Court, the Court finds that any Defendant, in the above-referenced financial statements and related information, materially misrepresented the value of any asset, or made any other material misrepresentation or omission, the suspension of the monetary judgment will be terminated and the entire judgment of $1.6 million, representing the approximate amount of consumer injury, will become immediately due and payable, less any payments already made. Interest computed at the rate prescribed in 28 U.S.C. 5 1961 shall immediately begin to accrue on the balance. Provided, however, that in all other respects this Order shall remain in full force and effect

lnless otherwise ordered by the Court; and, provided further, ihat proceedings instituted under this provision would be in nddition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other ?roceedings that the FTC may initiate to enforce this Order. Por purposes of this Section V, Defendants waive any right to
- ontest any of the allegations in the Complaint.

VI.

rCUS-R LISTS - IT IS FURTHER ORDERED that hefendants, and their officers,
sgents, servants, employees, and attorneys, and all other 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:
A. Selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number,
credit card number, bank account number, e-mail
address, or other identifying information of any
customer or potential customer of any of the
Defendants, at any time prior to entry of this Order,
in

customer of any of the Defendants, at any time prior
to entry of this Order, in connection with telemarketing or with the advertising, promotion,
offering for sale or sale of merchandise through a
prize promotion.
Provided, however, that Defendants may disclose such identifying information with the express written consent of the person whose information is disclosed; to a law enforcement agency; or as required by any law, regulation, or court order.

VII.
COMPLIANCE MONITORING

IT 18 P(TRTggR ORDERED that, for the purpose of monitoring
and investigating compliance with any provision of this Order, A. Within fifteen (15) days of receipt of written notice from a representative of the Commission, Defendants each shall submit additional written reports, sworn to under penalty of
perjury; produce documents for inspection and copying; appear
for deposition; and/or provide entry during normal business
hours to any business location in such Defendant's possession
or direct or indirect control to inspect the business
operation, provided that Defendants after attempting to resolve
a dispute without court action and for good cause shown, may onion A. that

further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34,
36, and 45;
2. posing as consumers and suppliers to: Defendants' employees, or any other entity
managed or controlled in whole or in part by Defendants Del Sol and/or Gonzalez, without the necessity of identification or prior r4dbeC0,

following:
(a) Any changes in his residence,

corporate name or address, at least thirty (30) days prior to such change, provided that, with respect to any proposed change in the corporation about which Defendants learn less than thirty (30) days prior to the date such action is to take place, Defendants shall notify the FTC as soon as is practicable after obtaining such knowledge.
B. One hundred eighty (180) days after the date of entry
of this Order, each Defendant 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:
1. For Gonzalez:
(a) His then-current residence address, mailing
addresses, and telephone numbers; and
(b) His then-current employment and business
addresses and telephone numbers, a
description of the business activities of
each such employer or business, and his
title and responsibilities, for each such
employer or business.
2. For both Defendants Del Sol and Gonzalez:
(a) A copy of each acknowledgment of receipt of
this Order obtained pursuant to
Section X; and
(b) Any other changes required to be reported
under subsection A of this Section.
C. For the purposes of this Order, Defendants shall,

unless otherwise directed by the FTC's authorized representatives, mail all written notifications to the FTC to: Associate Director for Enforcement
Federal Trade Comission
600 Pennsylvania Avenue, NW
Washington D.C. 20580
Re: FTC v. Del Sol LLC et al.
Civ. Action No. 05-3013 GAF (RCx)(C.D. Cal)
D. For purposes of the compliance reporting and
monitoring required by this Order, the FTC should communicate with Defendants' appointed counsel. If Defendants' appointed counsel does not respond to the FTC's communication

the disbursement of such revenues;
B. Personnel records accurately reflecting: the name, address, and telephone flumber 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, phone
numbers, for date e,28that that 67-0.055 T; �-0.dbTc 3.083 0 Td�(co150.055 T

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processor describing a finding or making an inquiry by such entity as to whether any Defendant has incurred excessive chargebacks on such account, or whether any Defendant has engaged in any other fraud, abuse or

has a majority ownership interest, and (2) the business engages
in, or assists others engaged in, the advertising, promoting,
marketing, telemarketing, offering for sale, sale, or
distribution of any prize, product, or service, shall deliver a
copy of this Order to all principals, officers, directors, and
managers of that business. Defendant Gonzalez must also
deliver a copy of this Order to all employees, agents, and
representatives of that business who engage in conduct related

to the subject matter of the Order.

C. For any business where Defendant Gonzalez is not a

controlling person but otherwise engages in, or assists others

engaged in, the advertising, promoting,
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CERTIFICATE OF SERVICE

I, Faye Chen Barnouw, certify as follows:
I am over the age of 18 and am an attorney for the Federal
Trade Commission. My business address is 10877 Wilshire Boulevard, Suite 700, Los Angeles, California 90024. On December 4, 2006, I caused the attached document entitled "[PROPOSED] STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION AND

MONETARY RELIEF" to be served by U.S. Mail and electronic mail to: Eduardo A. Brito
Law Offices of Richard A. Moss
255 S. Marengo Avenue
Pasadena, CA 91101
e-mail: ebrito@rmosslaw.com
I declare under penalty of perjury that the foregoing is true
and correct.

Dated: December 4, 2006 %F e Chen Barnouw