

EF

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

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Centurion Financial Benefits LLC, *et al.*,

Defendants.

Civil Action No. 05 C 5442
Judge Moran
Magistrate Denlow

~~[REDACTED]~~
FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION
AGAINST ALL CORPORATE DEFENDANTS

action by filing its Complaint, followed by a First Amended Complaint, for injunctive and other equitable relief pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC

Canada Inc., American Getaway Vacations Inc., Credence Travel Processing Inc, and Topstar Media Inc. (“Defendants” or “Corporate Defendants”).

The Commission now seeks the entry of a final judgment against all Corporate Defendants pursuant to Fed. R. Civ. P. 54 and 55(b)(2). Having considered the memorandum and exhibits filed in support of the Commission’s motion and the entire record in this matter, and now being fully advised in the premises, the Court hereby grants the Commission’s motion for judgment.

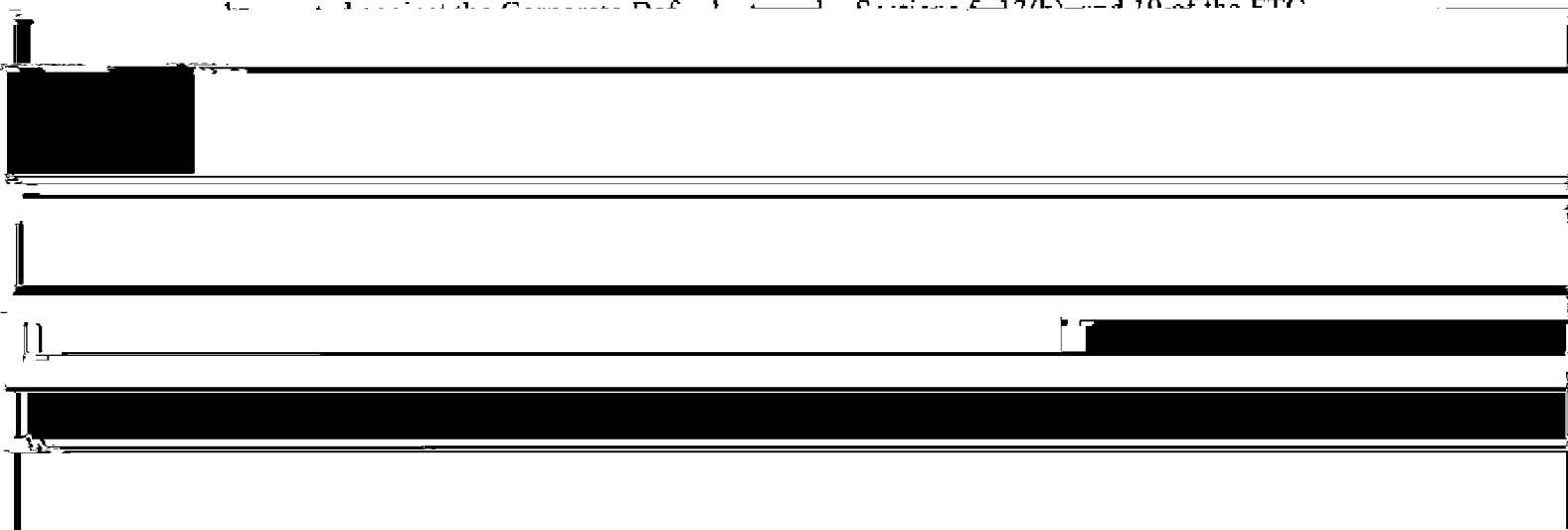
IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED as follows:

FINDINGS

1. This is an action by the Commission instituted under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, the Telemarketing Act, 15 U.S.C. §§ 6101, *et seq.*, and the FTC’s Telemarketing Sales Rule, 16 C.F.R. Part 310. Pursuant to these statutes and regulations, the Commission has the authority to seek the relief contained herein.

2. The Commission’s First Amended Complaint states a claim upon which relief

is sought under Sections 13(b) and 19 of the FTC



as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

_____ to Defendants were acknowledged with respect in this matter

7. On February 17, 2006, the Court entered an order of default pursuant to Fed. R. Civ. P. 55 against all Corporate Defendants for their failure to answer the FTC's First Amended Complaint.

8. The factual allegations in the Commission's First Amended Complaint are taken as true against the Corporate Defendants. Those allegations and the evidence supporting them establish that Defendants violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a) and Sections 310.3(a)(2)(iii), 310.4(a)(4), 310.4(b)(1)(iii)(B), and 310.8 of the Telemarketing Sales Rule, 16 C.F.R. Part 310.

9. The Corporate Defendants are likely to continue to engage in the acts and practices alleged in the First Amended Complaint unless they are permanently enjoined from such acts and practices.

To _____ is entitled to suitable monetary relief against Defendants in the

telemarketing services; (h) providing or facilitating the means of obtaining payment from consumers, by providing or facilitating access to the credit card or bank account payment and collection system; (i) developing, providing, or arranging for the provision of names of potential

(j) providing or arranging for the provision of credit offers based on the services of

commercial receiving agencies; and (k) performing or providing marketing services of any kind.

4. "Consumer" means any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.

5. "Credit-related products, programs, or services" means any product, program, or

not limited to, a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

10. "Telemarketing" means a plan, program, or campaign (whether or not covered by

the Telemarketing Sales Rule, 16 C.F.R. Part 310) which is conducted to induce the purchase of

made contributions as a charitable contribution. [REDACTED]

ORDER

I.

PROHIBITED BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that, in connection with the advertising, marketing, promoting, offering for sale, or sale of any product, program, or service, Defendants, and their officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys

3. Concerning any fact material to a consumer's decision to purchase any product, program or service;

B. Violating or assisting others to violate any provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310, *et seq.*, including, but not limited to:

1. Violating Section 310.3(a)(2) of the Telemarketing Sales Rule, 16 C.F.R.

performance, efficacy, nature, or central characteristics of goods or services that are the subject of a sales offer, 16 C.F.R. § 310.3(a)(2)(iii);

2. Violating Section 310.4(a)(4) of the Telemarketing Sales Rule, 16 C.F.R. § 310.4(a)(4), by requesting or receiving payment of any fee or consideration in advance of obtaining or arranging an extension of credit when they have guaranteed or represented a high

II.

MONETARY RELIEF

IT IS FURTHER ORDERED that:

A. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

III.

ASSET FREEZE

IT IS FURTHER ORDERED that, except for funds necessary for the payment of the monetary judgment required by Section II of this Order, the assets of Defendants shall remain frozen pursuant to Section II of the Stipulated Orders for Preliminary Injunction with Asset Freeze and Other Relief entered by the Court on November 9, 2005 and January 23, 2006 ("Preliminary Injunctions"), except that the asset freeze set forth in Sections II of the Preliminary Injunctions is modified so that the assets affected by this Section shall include both existing assets and assets acquired after the issuance date of this Order, and shall not exclude any assets derived from any source. The asset freeze against Defendants shall remain in effect until

Defendants have made full payment of the monetary judgment required by Section II of this

Order.

IV.

ASSETS HELD BY THIRD PARTIES

IT IS FURTHER ORDERED that in order to partially satisfy the monetary judgment set forth in Section II above, any law firm, financial or brokerage institution, escrow agent, title company, commodity trading company, automated clearing house, network transaction processor, business entity, or person that holds, controls, or maintains custody of any account or asset of, on behalf of, or for the benefit of, Defendants, or has held, controlled, or maintained

V.

CUSTOMER LISTS

IT IS FURTHER ORDERED that Defendants, and their officers, agents, directors,

servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries,

affiliates, successors, and assigns, and all other persons, entities, firms, companies,

participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from selling, renting, leasing, transferring, or otherwise

VI.

COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating compliance with any provision of this Order:

A. Within ten (10) days of receipt of written notice from a representative of the

Commission, Defendants 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 Defendant's possession or direct or indirect control to inspect the business operation;

B. In addition, the Commission is authorized to monitor compliance with this Order by all other lawful means, including, but not limited to, the following:

1. obtaining discovery from any person, without further leave of court, using

subpoenas issued by Fed. D. Civ. D. 20, 21, 22, 24, 26, and 45; and

obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

VII.

COMPLIANCE REPORTING BY DEFENDANTS

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

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

1. Defendants shall notify the Commission of the following:

a. Any changes in his residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;

b. Any changes in his employment status (including self-employment), and any change in the ownership of the Defendant in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that the Defendant is affiliated with, employed by, creates or forms, or performs services for, a statement of the nature of the business, and a statement of the Defendant's duties and

but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; 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 bankruptcy petition or a

change in the 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 the Defendant learns less than thirty (30) days prior to the date such action is to take place, Defendant shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Order, Defendant

shall provide a written report to the FTC, sworn to under penalty of perjury under the laws of the United States, setting forth in detail the manner and form in which he has complied and is

Defendants determines is not complying with this Order, which may include training,

disciplining, and/or termination such as follows:

RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, in connection with any business where (1) Defendants is the majority owner, or directly or indirectly manages or controls the business, and (2) the business is engaged in, or assists others in engaging in, telemarketing, Defendants and his agents, employees, officers,

corporations, successors, and assigns, and those persons in active concert or participation with him who receive actual notice of this Order by personal service or otherwise, is 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;

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

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

receiving a copy of the Order pursuant to this Section.

XI.

ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANT

acknowledging receipt of this Order.

XII.

RETENTION OF JURISDICTION