

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Civ. No.: H-06-1980

REDACTED

**STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION  
AGAINST JOHN O. RING**

Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), filed its Amended  
Complaint for a permanent injunction and other equitable relief in this matter pursuant to

Ring in this action. The Commission and Defendant John O. Ring have consented to entry of this Final Judgment and Order without trial or adjudication of any issue of law or fact herein and without Defendant John O. Ring admitting liability for any of the violations alleged in the Amended Complaint.

Being fully advised in the premises and acting upon the joint motion of the parties to enter this Final Judgment and Order,

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** as follows:

1. This Court has jurisdiction over the subject matter of this case and personal jurisdiction over Defendant John O. Ring;
2. The Complaint states a claim upon which relief may be granted against Defendant John O. Ring under Sections 5 and 13(b) of the FTC Act, 15 U.S.C. §§ 45 and 53(b);
3. Venue in this district is proper under 28 U.S.C. § 1391(b) and 15 U.S.C. § 53(b);
4. The activities of Defendant John O. Ring are “in or affecting commerce” as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44;
5. Entry of this Final Judgment and Order is in the public interest;
6. Defendant John O. Ring has read and fully understands the Complaint against him

claims it may have against any other Named Defendant for any other legal and/or equitable relief, including but not limited to attorneys' fees, indemnity, and contribution.

**DEFINITIONS**

*For the purpose of this Final Judgment and Order, the following definitions shall apply:*

[REDACTED]



but not limited to: design, hosting and maintenance of web pages and websites, providing Internet access or e-mail accounts, and establishing domain names and virtual domain names.

I. **“Authorized Purchaser”** means any person who has the authority to bind the person who would be responsible for payment of any charges associated with the telemarketing transaction.

J. **“Material terms of the offer”** means all terms material to an authorized

1. the fact that the authorized purchaser will be billed unless the authorized purchaser takes affirmative action to cancel;
2. the account which will be billed if the authorized purchaser does not cancel;
3. the length of any trial period before a charge is assessed;
4. the amount of each charge and the frequency of such charges.

"signed" shall include an electronic or digital form of signature, to the extent that such form of

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**ORDER**

**I. PROHIBITED MISREPRESENTATIONS**

**IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** that in connection

Defendant John O. Ring, his agents, servants, employees, and attorneys, and all other persons or entities in active concert or participation with him who receive actual notice of this Final Judgment and Order by personal service or otherwise, whether acting directly or through any

subsidiary, affiliate, division, or other device, are hereby permanently restrained and enjoined from, directly or indirectly, billing or receiving money, or assisting others in billing or receiving money, from any authorized purchaser without the authorized purchaser's express informed consent.

~~RE INJUNCTION AGAINST PROVIDING CUSTOMER INFO~~

**IT IS FURTHER ORDERED** that Defendant John O. Ring is hereby permanently restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, social security number, or other identifying information of any person who purchased services from the Named Defendants at any time prior to the date this Final Judgment and Order is entered. *Provided*, however, that Defendant John O. Ring may disclose such identifying information to a law enforcement agency or as required by any law, regulation, or court order.

**IV. MONETARY JUDGMENT**

**IT IS FURTHER ORDERED** that:

~~IT IS FURTHER ORDERED THAT DEFENDANT JOHN O. RING SHALL PAY TO THE PLAINTIFFS THE SUM OF FOUR MILLION SEVEN HUNDRED~~



expenses of administration of any redress fund, in the amount of FIFTY THOUSAND

DOLLARS (\$50,000) ~~shall~~ ~~be~~ ~~paid~~ ~~to~~ ~~the~~ ~~Commission~~ ~~in~~ ~~the~~ ~~form~~ ~~of~~ ~~a~~ ~~wire~~ ~~transfer~~ ~~or~~ ~~certified~~ ~~or~~ ~~cashier's~~ ~~check~~ ~~made~~ ~~payable~~ ~~to~~ ~~the~~ ~~Commission~~ ~~or~~ ~~such~~ ~~agent~~ ~~of~~ ~~the~~ ~~Commission~~ ~~as~~ ~~may~~ ~~direct~~

C. Within ten (10) days of the entry of this Final Judgment and Order, Defendant John O. Ring shall turn over the entire payment of FIFTY THOUSAND DOLLARS (\$50,000) to the Commission in the form of a wire transfer or certified or cashier's check made payable to the Commission or such agent of the Commission as may direct.

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 Treasury of the United States as disgorgement.

Defendant John O. Ring shall have no right to challenge the Commission's choice of remedies under this Section.

F. Defendant John O. Ring shall have no right to contest the manner of distribution ~~ordered by the Commission~~. No portion of any payments under the judgment herein shall be

[REDACTED]

[REDACTED]

deemed a payment of any fine, penalty, or punitive assessment.

**V. FINANCIAL STATEMENTS**

**IT IS FURTHER ORDERED** that:

A. The Commission's agreement to and the Court's approval of this Final Judgment

[REDACTED]

disclose any material that materially misrepresents the value of any asset owned by any other

[REDACTED]

A. Within twenty (20) days of receipt of written notice from a representative of the Commission, Defendant John O. Ring shall submit additional written reports, sworn to under

provide entry during normal business hours to any business location in his possession or under his direct or indirect control to inspect the business operation;

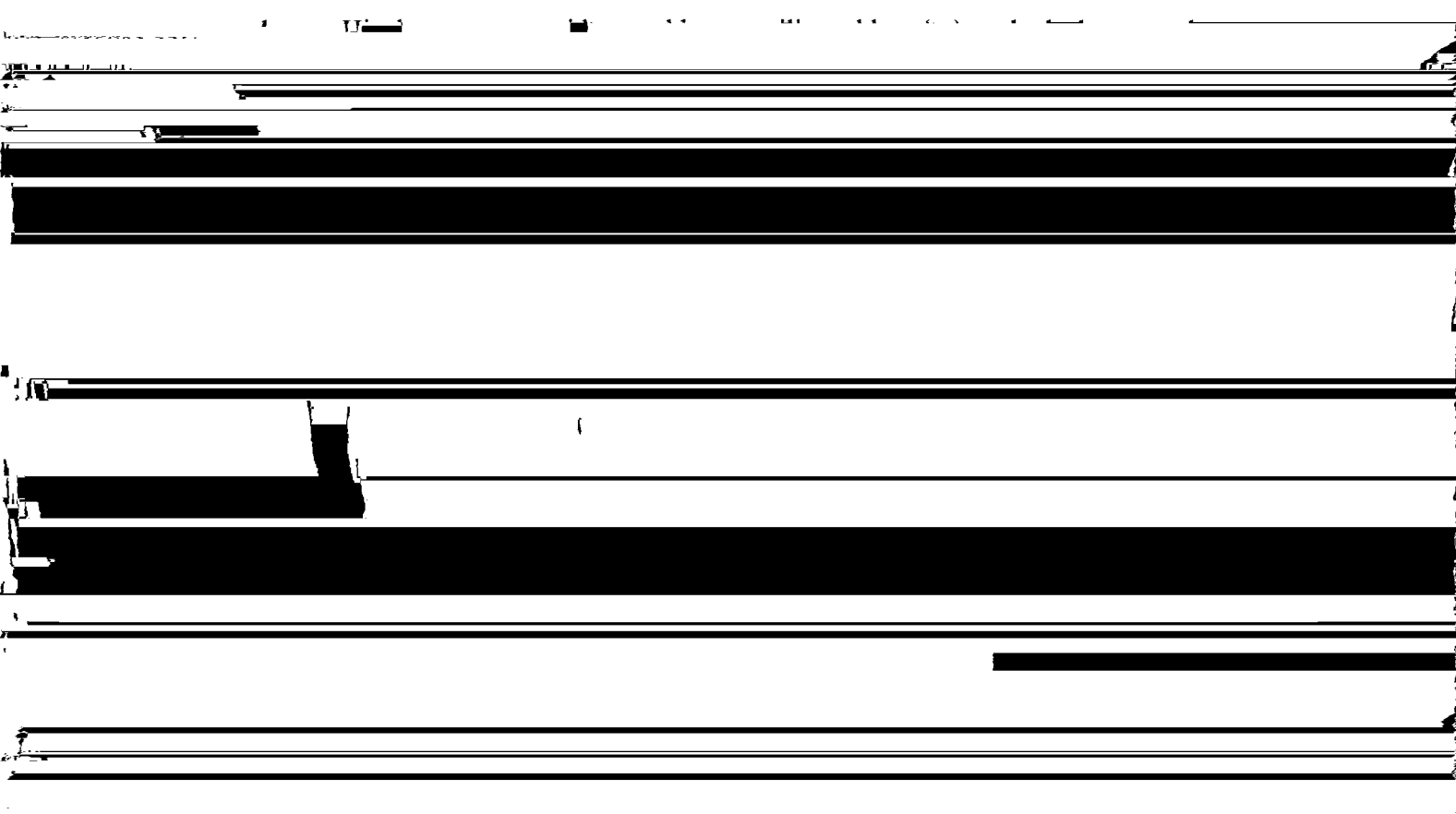
B. In addition, the Commission is authorized to monitor compliance with this Final Judgment and Order by all other lawful means, including, but not limited to, the following:

CONFIDENTIAL REPORTING BY ESTABLISHED

NO FURTHER CORRECTION

in any acts or practices subject to this Final Judgment and 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 Defendant John O. Ring learns less than thirty (30) days prior to the date such action is to take place, he shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred and eighty (180) days after the date of entry of this Final Judgment and Order, Defendant John O. Ring shall provide a written report to the Commission, sworn to under penalty of perjury, setting forth in detail the manner and form in which he has complied and is complying with this Final Judgment and Order. This report shall include, but not be limited to:



businesses has submitted, directly or indirectly, billings, including, but not limited to, telephone Local Exchange Carriers, billing aggregators, and credit card processors;

7. The names, addresses, and telephone numbers of all consumers who, after entry of this Final Judgment and Order, have made complaints to, and/or requested refunds from, Defendants John O. Ring and each of his businesses; and
8. A list of all domain names and web page addresses Defendant John O. Ring has registered or used in connection with telemarketing or marketing through the Internet.

C. For the purposes of this Final Judgment and Order, the Defendant John O. Ring shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Associate Director of Enforcement  
Federal Trade Commission  
600 Pennsylvania Ave, N.W.  
Washington, D.C. 20580

Re: *FTC v. WebSource Media, L.L.C., et al.*, Civil Action No. 06-1980

D. For purposes of the compliance reporting and monitoring required by this Final

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



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

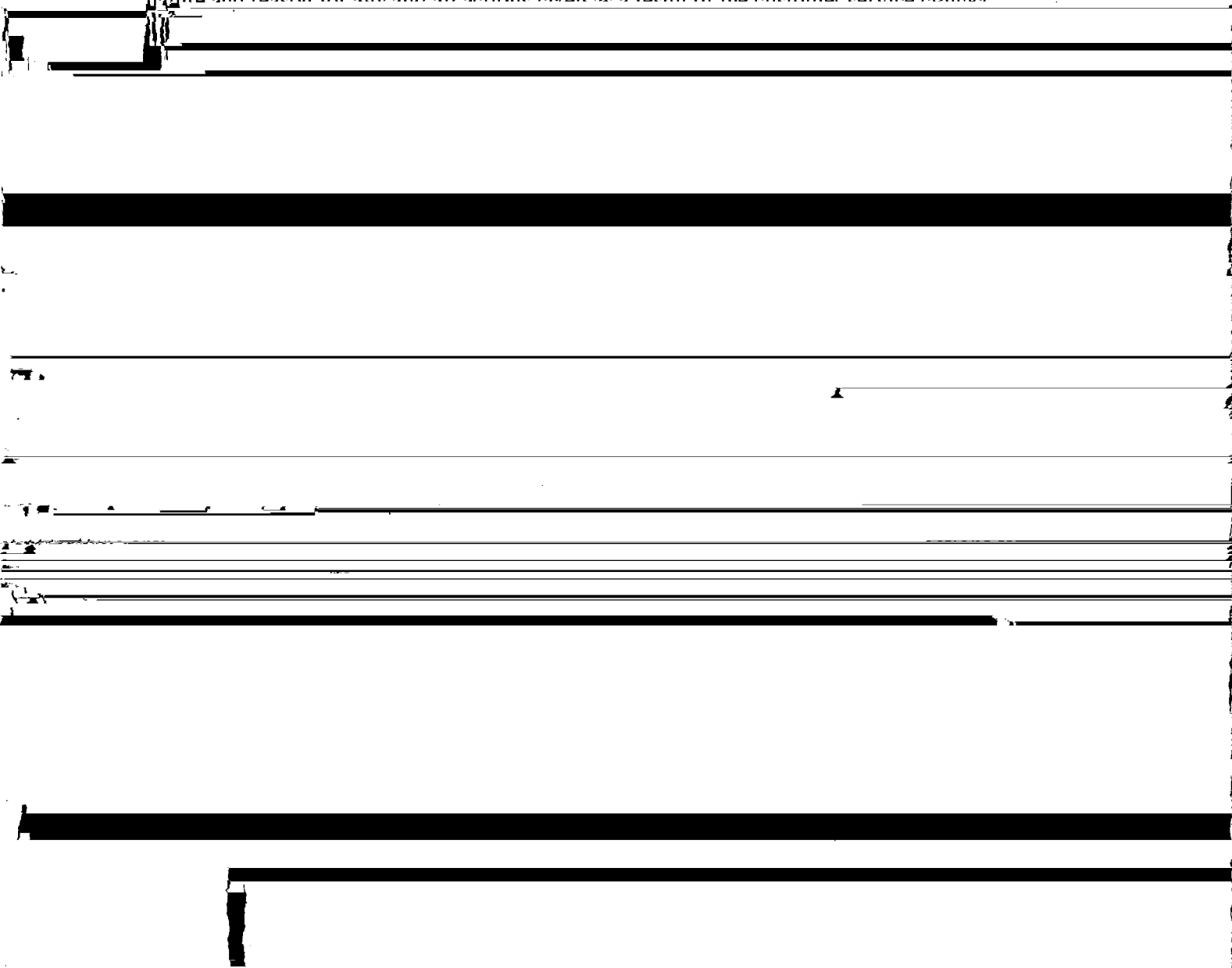
F. Copies of all contracts or agreements with telephone companies;

G. Copies of all contracts or agreements with telemarketers;

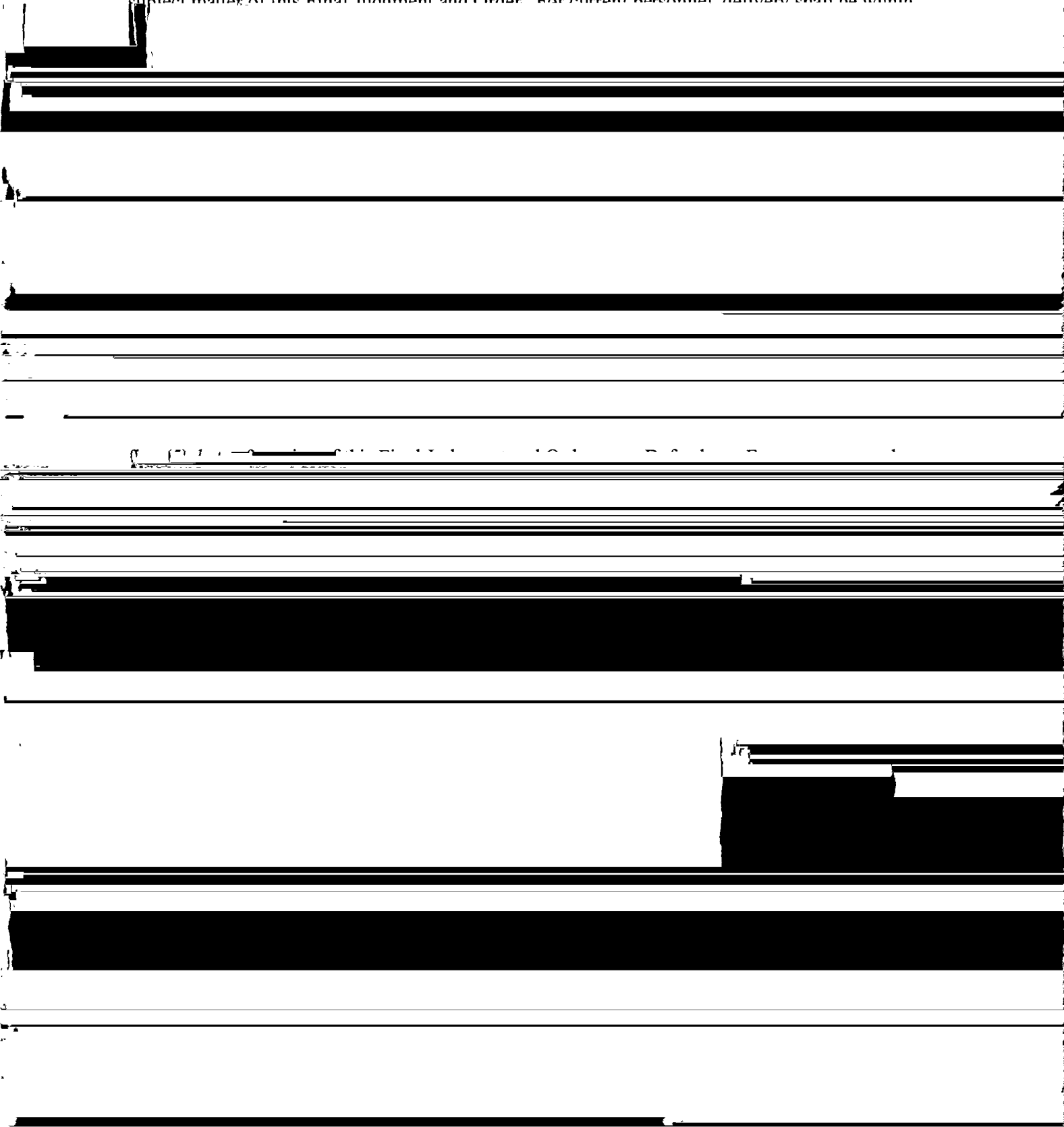
H. Copies of all contracts or agreements with billing aggregators;

I. Records reflecting contacts with customers regarding customer service: (1) the customer's name, address, and telephone number; (2) the stated reason for the contact; (3) the

nature and reason for any and all actions taken as a result of the customer service contact



managers of that business. He must also deliver copies of this Final Judgment and Order to all employees, agents, and representatives of that business who engage in conduct related to the subject matter of this Final Judgment and Order. For current personnel, delivery shall be within



Commission shall reasonable request, after written notice, for interviews, conferences, pretrial discovery, review of documents, and for such other matters as may be reasonably requested by the Commission. If requested in writing by the Commission, Defendant John O. Ring shall appear and provide truthful testimony in any trial, deposition, or other proceeding related to or associated with the transactions or the occurrences that are the subject of the Amended Complaint filed in this action, without the service of a subpoena. Until this action has been resolved, either by settlement of all of the remaining parties or by full and final adjudication on the merits, Defendant John O. Ring shall suspend any procedures for document destruction and take other measures to prevent the destruction of all documents related to this litigation and the

Named Defendants, including all documents relating to the acts and practices alleged in the Amended Complaint filed in this action, and retain such documents for production upon request of the Commission.

**XII. LIFTING OF ASSET FREEZE**

purposes of construction, modification and enforcement of this Final Judgment and Order.

**IT IS SO ORDERED.**

ENTERED this <sup>11</sup>17 day of July, 2007.

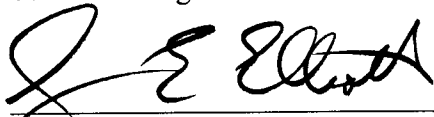
  
UNITED STATES DISTRICT JUDGE

**SO STIPULATED:**

**FOR THE PLAINTIFF:**

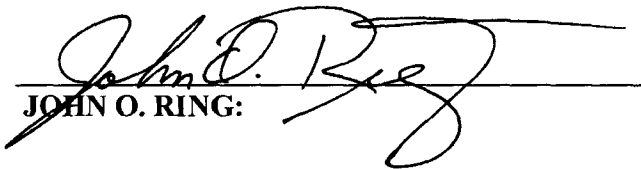
**WILLIAM BLUMENTHAL**  
General Counsel

**DEANYA T. KUECKELHAN**  
Regional Director  
Southwest Region

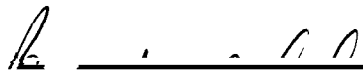


UNITED STATES DISTRICT COURT

**FOR THE DEFENDANT:**

  
JOHN O. RING:

**COUNSEL FOR THE DEFENDANT JOHN O. RING**



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