

C. This Order if such complaint is filed after the Order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this paragraph as though the complaint was never filed, except that the Order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

#### Analysis of Proposed Consent Order To Aid Public Comment

The Federal Trade Commission has accepted an agreement, subject to final approval, to a proposed consent order from respondent Rick A. Rahim, individually and doing business as NBDC Credit Resource Publishing.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

This matter concerns claims made by the respondent in his advertising, including advertising through the Internet, for his credit repair product. The Commission's complaint charges that the respondent's advertising represents, directly or by implication, that respondent's product whereby consumers create new credit files is legal. The claim is alleged to be false and misleading, and in violation of section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, because respondent's product whereby consumers create new credit files is not legal. The Commission's complaint also charges that the respondent's failure to disclose that consumers who follow respondent's product to create new credit files will violate certain federal criminal laws, is a deceptive practice in violation of section 5 of the Federal Trade Commission Act, 15 U.S.C. 45.

The proposed consent order contains provisions designed to remedy the violations charged and to prevent the respondent from engaging in similar acts and practices in the future. Part I of the proposed order prohibits the respondent from misrepresenting, directly or by implication in his

advertising for any credit repair product the legality of the credit repair product. Part II of the proposed order prohibits the respondent from failing to disclose in any advertisement for any credit repair product that: (a) making misrepresentations to the Internal Revenue Service may be a federal crime; (b) misrepresenting one's social security number for any purpose may be a federal crime; (c) making misrepresentations for a loan application may be a federal crime; and (d) making misrepresentations to a financial institution may be a federal crime.

Part III of the proposed order requires the respondent to maintain materials relied upon in disseminating any representation covered by the order. Part IV of the proposed order requires the respondent to distribute copies of the order to certain company officials and employees. Part V of the proposed order requires the respondent to notify the Commission of any discontinuance of his present business or employment and of each affiliation with a new business or employment. Part VI of the proposed order requires the respondent to file one or more compliance reports. Part VII of the proposed order is a provision whereby the order, absent certain circumstances, terminates twenty years from the date of issuance.

The purpose of this analysis is to facilitate public comment on the proposed consent order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify their terms in any way.

Donald S. Clark,  
*Secretary.*

[FR Doc. 96-7863 Filed 3-29-96; 8:45 am]

BILLING CODE 6750-01-M

[File No. 962-3027]

#### Martha Clark d/b/a Simplex Systems; Consent Agreement With Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Consent agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would prohibit the Niverville, New York-based respondent from misrepresenting, in her advertisements for a credit repair kit, any remedy for credit history problems available under the Fair Credit Reporting Act, including the ability to

remove accurate but adverse information from credit reports. The consent agreement settles allegations stemming from advertisements on the Internet for Clark/Simplex's Guaranteed Credit Doctor purported credit repair kit.

**DATES:** Comments must be received on or before May 31, 1996.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pennsylvania Ave., NW., Washington, D.C. 20580.

#### FOR FURTHER INFORMATION CONTACT:

C. Steven Baker, Chicago Regional Office, Federal Trade Commission, Suite 1860, 55 East Monroe Street, Chicago, IL 60603, 312-353-8156  
David Medine, Federal Trade Commission, S-4429, 6th and Pennsylvania Ave, NW, Washington, DC 20580, 202-326-3224

**SUPPLEMENTARY INFORMATION:** Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

#### Agreement Containing Consent Order To Cease and Desist

In the Matter of: Martha Clark, individually and doing business as Simplex Services.  
[File No. 962-3027]

The Federal Trade Commission having initiated an investigation of certain acts and practices of Martha Clark, individually and doing business as Simplex Services (hereinafter referred to as "proposed respondent"), and it now appearing that proposed respondent is willing to enter into an agreement containing an order to cease and desist from the acts and practices being investigated.

It is hereby agreed by and between Martha Clark, individually and doing business as Simplex Services, and counsel for the Federal Trade Commission that:

1. Proposed respondent Martha Clark is an individual doing business as Simplex Services with her principal office or place of business at 135 Kipp

U., P.O. Box 36, Niverville, New York 12130.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of complaint.

3. Proposed respondent waives:

(a) Any further procedural steps;

(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;

(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement; and

(d) All claims under the Equal Access to Justice Act.

4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft of the complaint contemplated hereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondent that the law has been violated as alleged in the attached draft complaint or that the facts as alleged in the attached draft complaint, other than the jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondent, (1) issue its complaint corresponding in form and substance with the draft of complaint here attached and its decision containing the following order to cease and desist in disposition of the proceeding, and (2) make information public in respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the U.S. Postal Service of the decision containing the agreed-to order to proposed respondent's address

as stated in this agreement shall constitute service. Proposed respondent waives any right she might have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondent has read the complaint and the order contemplated hereby. She understands that once the order has been issued, she will be required to file one or more compliance reports showing she has fully complied with the order. Proposed respondent further understands that she may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

#### Order

#### Definitions

1. "Credit Report" means any written, oral, or other communication of information by a consumer reporting agency bearing on a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living that is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit.

2. "Credit Repair Product" means any product or service to improve a person's credit report by removing adverse information appearing therein, changing the rating of such information from negative to positive, or otherwise enhancing the person's credit report.

#### I

*It is ordered* that respondent Martha Clark, her agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any credit repair product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, either directly or indirectly, in writing, via a computer communications network, or by any other means, any right or remedy available under the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.*, including, but not limited to, the ability to remove adverse information in any credit report.

#### II

*It is further ordered* that respondent shall:

A. Within thirty (30) days from the effective date of this Order deliver a copy of this Order to each of her officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this Order.

B. For a period of five (5) years from the effective date of this Order deliver a copy of this Order to each of her future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this Order, within three (3) days after the person assumes such position.

#### III

*It is further ordered* that for a period of five (5) years from the date this Order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of her present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include her new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

#### IV

*It is further ordered* that within sixty (60) days after service of this Order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which she has complied with this Order.

#### V

This Order will terminate twenty years from the date of its issuance, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the Order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this Order that terminates in less than twenty years;

B. This Order's application to any respondent that is not named as a defendant in such complaint; and

C. This Order if such complaint is filed after the Order has terminated pursuant to this paragraph.

*Provided further*, that if such complaint is dismissed or a federal court rules that the respondent did not

violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this paragraph as though the complaint was never filed, except that the Order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

#### Analysis of Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted an agreement, subject to final approval, to a proposed consent order from respondent Martha Clark, individually and doing business as Simplex Solutions.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

This matter concerns claims made by the respondent in her advertising, including advertising through the Internet, for the Guaranteed Credit Doctor credit repair kit. The Commission's complaint charges that the respondent's advertising represents, directly or by implication, that consumers can remove bankruptcies, judgments, foreclosures, liens, repossessions, late payments, and other adverse items of information from their credit reports even where such information is accurate and not obsolete. The claim is alleged to be false and misleading, and in violation of section 5 of the Federal Trade Commission Act, 15 U.S.C. 45, because most consumers cannot remove adverse items of information from their credit reports where such information is accurate and not obsolete.

The proposed consent order contains provisions designed to remedy the violation charged and to prevent the respondent from engaging in similar acts and practices in the future. Part I of the proposed order prohibits the respondent from misrepresenting, directly or by implication in her advertising for any credit repair product any right or remedy available under the Fair Credit Reporting Act, 15 U.S.C. 1681 *et seq.*, including, but not limited to, the ability to remove adverse information in any credit report. Part II of the proposed order requires the

respondent to distribute copies of the order to certain company officials and employees. Part III of the proposed order requires the respondent to notify the Commission of any discontinuance of her present business or employment and of each affiliation with a new business or employment. Part IV of the proposed order requires the respondent to file one or more compliance reports. Part V of the proposed order is a provision whereby the order, absent certain circumstances, terminates twenty years from the date of issuance.

The purpose of this analysis is to facilitate public comment on the proposed consent order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify their terms in any way.

Donald S. Clark,

*Secretary.*

[FR Doc. 96-7864 Filed 3-29-96; 8:45 am]

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[File No. 952-3431]

#### Sherman G. Smith d/b/a Starr Communications; Consent Agreement With Analysis To Aid Public Comment

**AGENCY:** Federal Trade Commission.

**ACTION:** Consent Agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would prohibit the Salt Lake City-based respondent from misrepresenting, in his advertisements for a work-at-home business, the income, earnings, or sales from any business opportunity and would prohibit any claims about past, present, or future earnings unless, at the time of making the representation, it possesses and relies upon competent and reliable evidence that substantiates the claim. The consent agreement settles allegations stemming from advertisements on the Internet for Smith/Starr's "U.S. Government Tracer Business Program" business opportunity.

**DATES:** Comments must be received on or before May 31, 1996.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St and Pa. Ave., NW., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** C. Steve Baker, Chicago Regional Office, Federal Trade Commission, Suite 1860, 55 East Monroe Street, Chicago, IL 60603. 312-353-8156. David Medine,

Federal Trade Commission, S-4429, 6th and Pennsylvania Ave, NW, Washington, DC 20580, 202-326-3224.

**SUPPLEMENTARY INFORMATION:** Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

#### Agreement Containing Consent Order To Cease and Desist

In the Matter of: Sherman G. Smith, individually and doing business as Starr Communications.

[File No. 952-3431]

The Federal Trade Commission having initiated an investigation of certain acts and practices of Sherman G. Smith, individually and doing business as Starr Communications (hereinafter referred to as "proposed respondent"), and it now appearing that proposed respondent is willing to enter into an agreement containing an order to cease and desist from the acts and practices being investigated,

It is hereby agreed by and between Sherman G. Smith, individually and doing business as Starr Communications, his attorney, and counsel for the Federal Trade Commission that:

1. Proposed respondent Sherman G. Smith is an individual doing business as Starr Communications with his principal office or place of business at 78 West Broadway, No. 2007 North, Salt Lake City, Utah 84101.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of complaint.

3. Proposed respondent waives:

(a) Any further procedural steps;

(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;

(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement; and

(d) All claims under the Equal Access to Justice Act.

4. This agreement shall not become a part of the public record of the