Plaintiff, v.

MDK MEDIA INC., et al.,

Defendants.

Case No. 2:14-cv-05099-JFW-MRWx

[PROPOSED] STIPULATED ORDER FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF AGAINST DEFENDANTS DARCY MICHAEL WEDD AND PHWOAR, LLC

Plaintiff, the Federal Trade Commission ("Commission" or "FTC"), filed its First Amended Complaint for Permanent Injunction and Other Equitable Relief for a permanent injunction, and other equitable relief in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b). In order to resolve all matters in dispute in this action between them, the Commission and Defendants Darcy Michael Wedd and Phwoar, LLC ("Settling Defendants") have stipulated to resolve the pending litigation by entry of this Stipulated Order for Permanent Injunction and Other Equitable Relief ("Order") with the terms set forth below.

THEREFORE, IT IS ORDERED as follows:

## **FINDINGS**

- 1. This Court has jurisdiction over this matter.
- 2. The First Amended Complaint charges that Defendants participated in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, in a scheme to place unauthorized charges on consumers' mobile telephone bills, a practice known as "cramming."
- 3. Settling Defendants neither admit nor deny any of the allegations in the First Amended Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendants admit the facts necessary to establish jurisdiction.
- 4. Settling Defendants waive and release any claims that they may have against Plaintiff, the Commission, and their agents that relate to this action. Settling Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.

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| 1  | C. The Commission may use all other lawful means, including posing,                    |
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| 2  | through its representatives as consumers, suppliers, or other individuals or entities, |
| 3  | to Settling Defendants or any individual or entity affiliated with Settling            |
| 4  | Defendants, without the necessity of identification or prior notice. Nothing in this   |
| 5  | Order limits the Commission's lawful use of compulsory process, pursuant to            |
| 6  | Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.                              |
| 7  | D. Upon written request from a representative of the Commission, any                   |
| 8  | consumer reporting agency must furnish consumer reports concerning Individual          |
| 9  | Settling Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15    |
| 10 | U.S.C. §1681b(a)(1)  |
| 11 | X. RETENTION OF JURISDICTION   |
| 12 | IT IS FURTHER ORDERED that this Court retains jurisdiction of this                     |
| 13 | matter for purposes of construction, modification, and enforcement of this Order.      |
| 14 | IT IC CO OPPEDED   |
| 15 | IT IS SO ORDERED.  |
| 16 | Dated:   |
| 17 | Hon. John F. Walter United States District Judge                                       |
| 18 | Officed States District Judge  |
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