

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA

----- ) CV 99-1636-PHX-MHM  
FEDERAL TRADE COMMISSION, )  
 )  
Plaintiff, )  
 )  
vs. ) (Proposed)  
 ) FINAL JUDGMENT AND  
 ) ORDER FOR PERMANENT  
SOURCE ONE PUBLICATIONS, INC., ) INJUNCTION AGAINST DEFENDANT  
and ) COURTNEY ANN WIGGS  
 )  
COURTNEY WIGGS, individually )  
and as an officer of Source )  
One Publications, Inc., )  
 )  
Defendants. )  
----- )

For good cause shown, including that found in the Stipulation for Entry of Final Judgment and Order for Permanent Injunction Against Defendant Courtney Ann Wiggs, this Court hereby orders the Clerk of this Court to enter the following Order against the defendant:

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

**FINDINGS**

1. This Court has jurisdiction of the subject matter of this case and of the parties consenting hereto;

2. Venue is proper as to all parties in the District of Arizona;

1         3. The activities of defendant Wiggs are in or affecting  
2 commerce, as defined in the FTC Act, 15 U.S.C. § 44;

3         4. The Complaint states a claim upon which relief may be  
4 granted against defendant Wiggs under Sections 5, 13(b), and  
5 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b), and 57b, and the  
6 TSR, 16 C.F.R. Part 310;

7         5. Defendant Wiggs has waived all rights that may arise  
8 under the Equal Access to Justice Act, 28 U.S.C. § 2412,  
9 amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996);

10         6. Defendant Wiggs has waived all rights to seek  
11 appellate review or otherwise challenge or contest the  
12 validity of this Order, and has further waived and releases  
13 any claim she may have against the Commission, its employees,  
14 and agents;

15         7. Entry of this Order is in the public interest; and

16         8. Defendant Wiggs enters into this Order freely and  
17 without coercion and acknowledges that she understands the  
18 provisions of this Order and is prepared to abide by them.

19                                     **DEFINITIONS**

20         1. "Consumer" means a purchaser, customer, subscriber,  
21 or natural person.

22         2. "Telemarketing" means a plan, program, or campaign  
23 that is conducted to induce the purchase of goods or services  
24 by use of one or more telephones and involves more than one  
25 interstate telephone call made to or from any customer.

26         3. "Credit Card Protection" means the advertisement,  
27 promotion, offering for sale, or sale of any product or  
28 service represented to register credit or debit accounts,

1 including credit card accounts, or protect, indemnify, or  
2 reimburse the holder of a credit or debit account against  
3 unauthorized use or charges.

4 **I. BAN ON SELLING OR MARKETING CREDIT CARD PROTECTION**

5 **IT IS THEREFORE ORDERED** that defendant Wiggs, and her  
6 successors, assigns, agents, employees, officers, and  
7 servants, and those persons in active concert or participation  
8 with her who receive actual notice of this order by personal  
9 service or otherwise, are permanently restrained and enjoined  
10 from engaging in, receiving any remuneration of any kind  
11 whatsoever from, holding any ownership interest, share, or  
12 stock in, or serving as an officer, director, or trustee of  
13 any business entity engaged, in whole or in part, in credit  
14 card protection.

15 **II. BOND TO ENGAGE IN TELEMARKETING**

16 **IT IF FURTHER ORDERED** that defendant Wiggs, in connection  
17 with any business where (1) she is the majority owner of the  
18 business or directly or indirectly controls the business, and  
19 where (2) the business is engaged in telemarketing or  
20 assisting others engaged in telemarketing, is permanently  
21 restrained and enjoined from failing to obtain or post a  
22 performance bond in the principal sum of TWO HUNDRED THOUSAND  
23 DOLLARS for each corporation, subsidiary, division,  
24 partnership, sole proprietorship, or other device, prior to  
25 the start of any telemarketing activity by any such entity:

26 A. This bond shall be conditioned upon compliance with  
27 Section 5 of the FTC Act, 15 U.S.C. § 45, the provisions of  
28 this Order, the TSR, or any other statute enforced by the

1 Commission. The bond shall be deemed continuous and remain in  
2 full force and effect as long as the defendant continues to  
3 engage in the business of advertising, promoting, offering for  
4 sale, sale, or distribution of any product or service while  
5 utilizing telemarketing as a means of achieving the sale, and  
6 for at least three years after defendant has ceased to engage  
7 in such business. The bond shall cite this Order as the  
8 subject matter of the bond, and shall provide surety  
9 thereunder against financial loss resulting from any violation  
10 of Section 5 of the FTC Act, 15 U.S.C. § 45, the provisions of  
11 this Order, the TSR, or any other statute enforced by the  
12 Commission;

13 B. The performance bond requirement pursuant to this  
14 Section shall be an insurance agreement providing surety for  
15 financial loss issued by a surety company that is admitted to  
16 do business in each of the states in which the defendant is  
17 doing business and that holds a Federal Certificate of  
18 Authority As Acceptable Surety on Federal Bond and Reinsuring.  
19 Defendant shall provide a copy of such performance bond to the  
20 Commission prior to the commencement of any business for which  
21 the bond is required; provided however, that until such bond  
22 is obtained from an appropriate surety, defendant may deposit  
23 the bond amount with her attorney, Robert Mothershead, Esq.,  
24 who shall hold the money in trust and said funds will  
25 constitute said bond under the provisions stated herein. Each  
26 such performance bond shall be in favor of both (i) the  
27 Federal Trade Commission for the benefit of any consumer  
28 injured as a result of any violation of Section 5 of the FTC

1 Act, 15 U.S.C. § 45, the provisions of this Order, the TSR, or  
2 any other statute enforced by the Commission made while  
3 engaged in the business of selling products or services  
4 through telemarketing and (ii) any consumer so injured;

5 C. The bond requirement pursuant to this Section is in  
6 addition to, and not in lieu of, any other bond required by  
7 federal, state, or local law;

8 D. Defendant Wiggs shall provide a copy of the bond  
9 required by this Section to the Assistant Regional Director of  
10 the Western Region - Los Angeles at the address specified in  
11 Section IX(D) at least ten days before commencing any business  
12 that advertises, promotes, offers for sale, sells, or  
13 distributes any product or service while utilizing  
14 telemarketing as a means of achieving the sale;

15 E. Defendant Wiggs shall not disclose the existence of  
16 the performance bond to any consumer, or other purchaser or  
17 prospective purchaser of any product or service that is  
18 advertised, promoted, offered for sale, sold, or distributed  
19 via telemarketing, without also disclosing clearly and  
20 prominently, at the same time, "AS REQUIRED BY ORDER OF THE  
21 U.S. DISTRICT COURT IN SETTLEMENT OF CHARGES THAT DEFENDANTS  
22 ENGAGED IN FALSE AND MISLEADING REPRESENTATIONS IN THE  
23 PROMOTION AND SALE OF  
24 CREDIT CARD PROTECTION";

25 F. The Commission may execute against the performance  
26 bond if it demonstrates to this Court by a preponderance of  
27 the evidence that, after the effective date of this Order,  
28 Wiggs has, individually, or in connection with any

1 corporation, subsidiary, division, partnership, or sole  
2 proprietorship, in which defendant holds an ownership  
3 interest, shares, or stock, or in which they serve as an  
4 officer; director, or trustee:

5 1. Misrepresented any fact directly or by  
6 implication, in violation of Section 5 of the FTC Act, 15  
7 U.S.C. § 45, or the TSR, 26 C.F.R. Part 310;

8 2. Violated the terms of this Order, the TSR, or  
9 any statute enforced by the Commission; or

10 3. Failed to render any required performance that  
11 results in financial loss to any consumer, in connection with  
12 the advertising, promoting, offering for sale, sale, or  
13 distribution of any product or service while utilizing  
14 telemarketing as a means of achieving the sale; and

15 G. Proceedings instituted under this Section are in  
16 addition to, and not in lieu of, any other civil or criminal  
17 remedies as may be provided by law, including any other  
18 proceedings the Commission may initiate to enforce this Order.

19 **III. PROHIBITED BUSINESS PRACTICES**

20 **IT IS FURTHER ORDERED** that defendant Wiggs, in connection  
21 with the sale of credit card protection, or any other credit  
22 or debit account product or service, is hereby restrained and  
23 enjoined from:

24 A. Misrepresenting an affiliation with a consumer's  
25 credit card issuer or any other third party;

26 B. Misrepresenting that a consumer has been pre-  
27 approved for or is likely to obtain an extension of credit;

28 C. Consummating a sale for credit card protection or any

1 other credit related product or service over the telephone;

2 D. Debiting a consumer's credit card or checking account  
3 prior to possessing a signed, original, written authorization  
4 for the particular debit from the consumer on the form  
5 attached hereto as Attachment A;

6 E. Representing that consumers are liable for  
7 unauthorized charges on their credit card accounts in excess  
8 of the \$50 limit set forth in 15 U.S.C. § 1643 and 12 C.F.R.  
9 § 226.12(b);

10 F. Misrepresenting that a consumer has purchased or has  
11 agreed to purchase a good or service, and therefore owes money  
12 to the seller;

13 G. Failing to comply with the TSR, 16 C.F.R. Part 310,  
14 as currently written or amended;

15 H. Making any material misrepresentation about a  
16 consumer's credit-related rights or obligations under the law;  
17 and

18 I. Misrepresenting, or failing to disclose, any other  
19 fact material to a consumer's decision to purchase a good or  
20 service.

#### 21 IV. DISTRIBUTION OF CUSTOMER RECORDS

22 **IT IS FURTHER ORDERED** that defendant Wiggs, and her  
23 successors, assigns, agents, employees, officers, and  
24 servants, and those persons in active concert or participation  
25 with her who receive actual notice of this order by personal  
26 service or otherwise, are hereby permanently restrained and  
27 enjoined from providing to any person, except agents of the  
28 Commission or other law enforcement authorities, the name,

1 address, telephone number, or credit card or bank account  
2 number of any consumer who provided such information to or did  
3 business with the defendant, her successors, assigns, agents,  
4 employees, officers, servants, and persons who acted in  
5 concert or participation with her; provided, however, that  
6 defendant and the aforementioned entities may provide such  
7 information if required to do so by Court Order.

8 **V. RECORDING OF SALES CALLS**

9 **IT IS FURTHER ORDERED** that, in the event that defendant,  
10 or her successors, assigns, agents, employees, officers, and  
11 servants, and those persons in active concert or participation  
12 with her who receive actual notice of this order by personal  
13 service or otherwise, record any conversation with a consumer  
14 to verify or confirm that a consumer is agreeing to purchase  
15 any service or product, they are permanently restrained and  
16 enjoined from accepting or processing such purchases unless  
17 the recording meets the following criteria:

18 A. After obtaining permission from the consumer to  
19 record the conversation, the recording shall reflect the  
20 entirety of the conversation;

21 B. The recording must include clear, complete, and  
22 understandable disclosures of all material terms of the  
23 purchase, and the consumer's express agreement to such terms.  
24 The material terms disclosed in the recorded conversation  
25 shall be consistent with any information previously disclosed  
26 to the consumer. Material terms include, but are not limited  
27 to:

- 28 1. A description of the service or product;



2. The cost of the service or product;
3. The amount of any recurring charges;
4. Limitations on any right to obtain a refund; and
5. The business name, address, and telephone number to which the consumer may address any questions or complaints.

This Section shall not affect any obligation to comply with any federal, state, or local law regarding the recording of telephone conversations.

#### VI. CONSUMER REDRESS

**IT IS FURTHER ORDERED** that judgment in the amount of \$14,715,453 be entered in favor of the Commission against defendant Wiggs, for equitable monetary relief, including but not limited to, consumer redress and/or disgorgement, and for paying any attendant expenses of administering any redress fund.

A. If the Commission, in its sole discretion, determines that redress is wholly or partially impractical, any funds not so used shall be deposited in the United States Treasury. The Commission in its sole discretion may use a designated agent to administer consumer redress. Defendant Wiggs acknowledges and agrees that this judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture. The Commission shall have full and sole discretion to:

1. Determine the criteria for participation by individual claimants in any consumer redress program implemented pursuant to this Order;

2. Determine the manner and timing of any notices

1 to be given to consumers regarding the existence and terms of  
2 such programs; and

3           3. Delegate any and all tasks connected with such  
4 redress program to any individuals, partnerships, or  
5 corporations; and pay the fees, salaries, and expenses  
6 incurred thereby from the payments made pursuant to this  
7 Order;

8           B. Defendant expressly waives her rights to litigate the  
9 issue of disgorgement;

10           C. Defendant acknowledges and agrees that all money paid  
11 pursuant to this Order is irrevocably paid to the Commission  
12 for purposes of settlement between plaintiff and defendant;

13           D. Defendant shall provide the Commission, or its agent,  
14 within thirty days of such a request, the name, last known  
15 address, telephone number, date of purchase, credit card or  
16 bank account information, and the complete file record,  
17 including computer records and correspondence, of each  
18 consumer who paid defendants for credit card protection during  
19 the time period between December 1, 1996, and the date this  
20 Order is entered, as well as any further information plaintiff  
21 deems necessary to effectuate a consumer redress program;

22           E. Defendant shall also furnish to the Commission, in  
23 accordance with 31 U.S.C. § 7701, her taxpayer identification  
24 number (social security number, social insurance number,  
25 employer identification number, or Revenue Canada  
26 identification number), which shall be used for purposes of  
27 collecting and reporting on any delinquent amount arising out  
28 the defendant's relationship with the government; and

1 F. Any redress administrator shall destroy all records  
2 relating to this matter six years after the transfer of any  
3 remaining redress funds to the FTC Treasury account or the  
4 closing of the account from which such funds were disbursed,  
5 whichever is earlier, provided that no records shall be  
6 destroyed unless and until a representative of the Commission  
7 has received and approved the administrator's final accounting  
8 report. Records shall be destroyed in accordance with  
9 disposal methods and procedures to be specified by the  
10 Commission. The Commission may, in its sole discretion,  
11 require that such records, in whole or in part, be  
12 transferred, in lieu of destruction, to the Commission.  
13

#### 14 VII. MONITORING COMPLIANCE OF SALES PERSONNEL

15 IT IS FURTHER ORDERED that defendant Wiggs, in connection  
16 with any business where (1) defendant Wiggs is the majority  
17 owner of the business or directly or indirectly controls the  
18 business and where (2) the business is engaged in  
19 telemarketing, or assisting others engaged in telemarketing,  
20 is hereby permanently restrained and enjoined from:

21 A. Failing to take reasonable steps sufficient to  
22 monitor and ensure that all employees and independent  
23 contractors engaged in sales or other customer service  
24 functions comply with the restrictions placed on defendant by  
25 Section III of this Order, the FTC Act, and the TSR. Such  
26 steps shall include adequate monitoring of sales presentations  
27 or other calls with customers, and shall also include, at a  
28 minimum, the following:

1           1. Listening to oral representations made by  
2 persons engaged in sales or other customer service functions;

3           2. Establishing a procedure for receiving and  
4 responding to consumer complaints;

5           3. Ascertaining the number and nature of consumer  
6 complaints regarding transactions in which each employee or  
7 independent contractor is involved;

8 provided that this Section does not authorize or require the  
9 defendant to take any steps that violate any federal, state,  
10 or local laws;

11          B. Failing promptly to fully investigate any consumer  
12 complaint received by any business to which this Section  
13 applies; and

14          C. Failing to take corrective action with respect to any  
15 sales person whom defendant Wiggs determines is not complying  
16 with the conditions stated in this Order. Such corrective  
17 action may include training, disciplining, and/or terminating  
18 such sales person.

19                                   **VIII. RECORD KEEPING PROVISIONS**

20           **IT IS FURTHER ORDERED** that, for a period of five years  
21 from the date of entry of this Order, defendant Wiggs, in  
22 connection with any business where (1) she is the majority  
23 owner of the business or directly or indirectly controls the  
24 business and where (2) the business is engaged selling or  
25 marketing any product or service, is hereby restrained and  
26 enjoined from failing to create, and from failing to retain  
27 for a period of three years following the date of such  
28 creation, unless otherwise specified:

1           A. Books, records and accounts that, in reasonable  
2 detail, accurately and fairly reflect the cost of goods or  
3 services sold, revenues generated, and the disbursement of  
4 such revenues;

5           B. Records accurately reflecting: the name, address,  
6 and telephone number of each person employed in any capacity  
7 by such business, including as an independent contractor; that  
8 person's job or position; the date upon which the person  
9 commenced work; and the date and reason for the person's  
10 termination, if applicable. The businesses subject to this  
11 Section shall retain such records for any terminated employee  
12 for a period of two years following the date of termination;

13           C. Records containing the names, addresses, phone  
14 numbers, dollar amounts paid, quantity of items or services  
15 purchased or provided, and description of items or services  
16 purchased or provided for all consumers to whom such business  
17 has sold or provided any goods or services;

18           D. Records that reflect, for every consumer complaint  
19 or refund request, whether received directly or indirectly or  
20 through any third party:

21                 1. The consumer's name, address, telephone number  
22 and the dollar amount paid by the consumer;

23                 2. The written complaint or refund request, if any,  
24 and the date of the complaint or refund request;

25                 3. The basis of the complaint, including the name  
26 of any salesperson complained against, and the nature and  
27 result of any investigation conducted concerning any  
28 complaint;

1           4. Each response and the date of the response;

2           5. Any final resolution and the date of the  
3 resolution; and

4           6. In the event of a denial of a refund request,  
5 the reason for the denial; and

6           E. Copies of all sales scripts, training materials,  
7 advertisements, or other marketing materials utilized;  
8 provided that copies of all sales scripts, training materials,  
9 advertisements, or other marketing materials utilized shall be  
10 retained for three years after the last date of dissemination  
11 of any such materials.

12                           **IX. COMPLIANCE REPORTING BY DEFENDANT**

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

15  
16  
17           A. For a period of five years from the date of entry of  
18 this Order, defendant Wiggs shall notify the Commission of the  
19 following:

20                   1. Any changes in her residence, mailing addresses,  
21 and telephone numbers, within ten days of the date of such  
22 change;

23                   2. Any changes in her employment status (including  
24 self-employment) within ten days of such change. Such notice  
25 shall include the name and address of each business that she  
26 is affiliated with or employed by, a statement of the nature  
27 of the business, and a statement of her duties and  
28 responsibilities in connection with the business or

1 employment; and

2           3. Any proposed change in the corporate structure  
3 of any corporate defendant, or any proposed change in the  
4 structure of any business entity owned or controlled by  
5 defendant Wiggs, such as creation, incorporation, dissolution,  
6 assignment, sale, merger, creation, dissolution of  
7 subsidiaries, proposed filing of a bankruptcy petition, or  
8 change in the corporate name or address, or any other change  
9 that may affect compliance obligations arising out of this  
10 Order, thirty days prior to the effective date of any  
11 proposed change; provided, however, that, with respect to any  
12 proposed change in the corporation about which defendant Wiggs  
13 learns of less than thirty days prior to the date such action  
14 is to take place, she shall notify the Commission as soon as  
15 is practicable after learning of such proposed change;

16           B. One hundred eighty days after the date of entry of  
17 this Order, defendant Wiggs shall provide a written report to  
18 the Commission, sworn to under penalty of perjury, setting  
19 forth in detail the manner and form in which she has complied  
20 and is complying with this Order. This report shall include  
21 but not be limited to:

22           1. Her then current residence address and telephone  
23 number;

24           2. Her current employment, business addresses and  
25 telephone numbers, a description of the business activities of  
26 each such employer, and responsibilities for each employer;

27           3. A copy of each acknowledgment of receipt of this  
28 Order obtained by defendant Wiggs pursuant to Section XII;

1           4. A statement describing the manner in which  
2 defendant Wiggs has complied and is complying with the (a) the  
3 injunctive provisions of this Order (Sections I-V), and (b)  
4 the consumer redress provisions of this Order (Section VI);

5           C. Upon written request by a representative of the  
6 Commission, defendant Wiggs shall submit additional written  
7 reports (under oath, if requested) and produce documents on  
8 fifteen days' notice with respect to any conduct subject to  
9 this Order;

10           D. For the purposes of this Order, defendant Wiggs  
11 shall, unless otherwise directed by the Commission's  
12 authorized representatives, mail all written notifications to  
13 the Commission to: Assistant Regional Director, Federal Trade  
14 Commission, 10877  
15 Wilshire Blvd., Suite 700, Los Angeles, California 90024, or  
16 such other address as the Commission shall designate in  
17 writing;

18           E. For the purposes of this Section, "employment"  
19 includes the performance of services as an employee,  
20 consultant, or independent contractor; and "employers" include  
21 any individual or entity for whom defendant Wiggs performs  
22 services as an employee, consultant, or independent  
23 contractor; and

24           F. For purposes of the compliance reporting required by  
25 this Section, the Commission is authorized to communicate  
26 directly with defendant Wiggs.

27                   **X. AUTHORITY TO MONITOR COMPLIANCE**

28           **IT IS FURTHER ORDERED** that the Commission is authorized



1 to monitor defendant Wiggs' compliance with this Order by all  
2 lawful means, including but not limited to the following:

3 A. The Commission is authorized, without further leave  
4 of the Court, to obtain discovery from any person in the  
5 manner provided by Chapter V of the Federal Rules of Civil  
6 Procedure, Fed. R. Civ. P. 26 - 37, including the use of  
7 compulsory process pursuant to Fed. R. Civ. P. 45, for the  
8 purpose of monitoring and investigating defendant Wiggs'  
9 compliance with any provision of this Order;

10 B. The Commission is authorized to use representatives  
11 posing as consumers or suppliers to defendant, her employees,  
12 or any other entity managed or controlled in whole or in part  
13 by her, without the necessity of identification or prior  
14 notice; and

15 C. Nothing in this Order shall limit the Commission's  
16 lawful use of compulsory process, pursuant to Sections 9 and  
17 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to investigate  
18 whether  
19 she has violated any provision of this Order, the FTC Act, or  
20 the TSR.

21  
22  
23 **XI. ACCESS TO BUSINESS PREMISES**

24 **IT IS FURTHER ORDERED** that, for a period of five years  
25 from the date of entry of this Order, for the purpose of  
26 further determining compliance with this Order, defendant  
27 Wiggs shall permit representatives of the Commission, within  
28 three business days of receipt of written notice from the

1 Commission:

2       A. Access during normal business hours to any office,  
3 or facility storing documents, of any business where (1)  
4 defendant Wiggs is the majority owner of the business or  
5 directly or indirectly controls the business, and where (2)  
6 the business is engaged selling or marketing any product or  
7 service. In providing such access, defendant Wiggs shall  
8 permit representatives of the Commission to inspect and copy  
9 all documents relevant to any matter contained in this Order;  
10 and shall permit Commission representatives to remove  
11 documents relevant to any matter contained in this Order for a  
12 period not to exceed five business days so that the documents  
13 may be inspected, inventoried, and copied; and

14       B. To interview the officers, directors, and employees,  
15 including all personnel involved in responding to consumer  
16 complaints or inquiries, and all sales personnel, whether  
17 designated as employees, consultants, independent contractors  
18 or otherwise, of any business to which Subsection (A) applies,  
19 concerning matters relating to compliance with the terms of  
20 this Order. The person interviewed may have counsel present;  
21 and

22       C. Upon application of the Commission and for good cause  
23 shown, the Court may enter an *ex parte* order granting  
24 immediate access to defendant Wiggs' business premises for the  
25 purposes of inspecting and copying all documents relevant to  
26 any matter contained in this Order.

27                   **XII. DISTRIBUTION OF ORDER BY DEFENDANT**

28                   **IT IS FURTHER ORDERED** that, for a period of five years

1 from the date of entry of this Order, defendant Wiggs shall:

2       A. Provide a copy of this Order to, and obtain a signed  
3 and dated acknowledgment of receipt of same from, each officer  
4 or director, each individual serving in a management capacity,  
5 all personnel involved in responding to consumer complaints or  
6 inquiries, and all sales personnel, whether designated as  
7 employees, consultants, independent contractors or otherwise,  
8 immediately upon employing or retaining any such persons, for  
9 any business where (1) either defendant is the majority owner  
10 of the business or directly or indirectly controls the  
11 business, and where (2) the business is engaged in selling or  
12 marketing any product or service; and

13       B. Maintain for a period of three years after creation,  
14 and upon reasonable notice, make available to representatives  
15 of the Commission, the original signed and dated  
16 acknowledgments of the receipt of copies of this Order, as  
17 required in  
18 Subsection A.

19       **XIII. ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANT**

20       **IT IS FURTHER ORDERED** that within five business days  
21 after receipt by defendant Wiggs of this Order as entered by  
22 the Court, she shall submit to the Commission a truthful sworn  
23 and notarized statement, in the form shown on Attachment B,  
24 that shall acknowledge receipt of this Order as entered.

25       **XIV. RETENTION OF JURISDICTION**

26       **IT IS FURTHER ORDERED** that this Court will retain  
27 jurisdiction of this matter for the purpose of enabling any of  
28 the parties to this Order to apply to the Court at any time

1 for such further orders or directives as may be necessary or  
2 appropriate for the interpretation or modification of this  
3 Order, for the enforcement of compliance therewith or the  
4 punishment of violations thereof.

5 Defendant Wiggs and the Commission, through its counsel,  
6 hereby consent to the terms and conditions of this Stipulation  
7 as set forth above and consent to the entry of a Court order  
8 with the same terms. Defendant Wiggs waives any rights that  
9 may arise

10 under the Equal Access to Justice Act, 28 U.S.C. § 2412,  
11 amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996).

12  
13 **IT IS SO ORDERED.**

14 Dated this \_\_\_ day of May, 2001.

15  
16 \_\_\_\_\_  
17 Hon. Mary H. Murguia  
18 United States District Judge

19  
20  
21  
22  
23  
24  
25  
26 **ATTACHMENT A**

27 **WARNING**  
28 **DON'T SIGN UP OR PAY MONEY UNTIL YOU READ THIS NOTICE**

1 Please initial where applicable:

2 1. I understand that the company that is offering to sell me  
3 this product or service, (\*company name, to be completed by  
4 seller), is not related in any way to Visa, MasterCard, or  
5 any bank that issues credit cards.

Consumer initial here\_\_\_\_\_

6 *[if product/service relates to low interest credit cards]*  
7 2. I understand that (\*company name, to be completed by  
8 seller) cannot help me get any credit card. I understand  
9 that they are selling a list of banks that offer credit cards,  
10 that the banks will decide whether or not they will issue me a  
11 credit card and at what interest rate, that (\*company name)  
12 has not determined whether I will qualify for credit with any  
13 of those banks, and that I could get bank information myself  
14 from other sources.

Consumer initial here\_\_\_\_\_

15 3. I understand that, once this authorization is received by  
16 the company selling me this product or service, my credit card  
17 account will be charged \$\_\_\_\_\_, by (company name, to be  
18 completed by seller).

Consumer initial here\_\_\_\_\_

19 *[if proposed transaction is an account debit]*  
20 4. I understand that, once this authorization is received by  
21 the company selling me this service, my bank account number  
22 \_\_\_\_\_ will be debited the amount of \$ \_\_\_\_\_.  
23

Consumer initial here\_\_\_\_\_

24 5. I understand that the company's refund policy is (\*to  
25 be completed by seller).

26 I read and signed this notice on \_\_\_\_\_.  
27 (Date)

28 CONSUMER'S SIGNATURE:

\_\_\_\_\_

CONSUMER'S NAME (please print):

\_\_\_\_\_

STREET ADDRESS:

\_\_\_\_\_

CITY, STATE, ZIP CODE:

\_\_\_\_\_

1 TELEPHONE NUMBER:

2 \_\_\_\_\_

3 **ATTACHMENT B**

4 UNITED STATES DISTRICT COURT

5 DISTRICT OF ARIZONA

6

7

8 \_\_\_\_\_ ) CV 99 - 1636 PHX RCB

9 FEDERAL TRADE COMMISSION, )

10 Plaintiff, ) AFFIDAVIT OF COURTNEY WIGGS

11 vs. )

12 SOURCE ONE PUBLICATIONS, INC., )

13 and )

14 COURTNEY WIGGS, individually )

15 and as an officer of Source )

16 One Publications, Inc., )

17 Defendants. )

18 \_\_\_\_\_ )

17 Courtney Wiggs, being duly sworn, hereby states and affirms as  
18 follows:

19 1. My name is Courtney Wiggs. My current residence  
20 address is \_\_\_\_\_ (list street, city state, zip code, country)

21 . I am a citizen of the United States and am over the age of  
22 eighteen. I have personal knowledge of the facts set forth in  
23 this Affidavit.

24 2. I am a defendant in FTC v. Source One Publications,  
25 Inc., et al. CV. 99 - 1636 PHX RCB (United States District  
26 Court for the District of Arizona).

27 3. On [date], I received a copy of the Final Judgment and  
28

1 Order for Permanent Injunction Against Defendant Courtney Ann  
2 Wiggs, which was signed by the Honorable [name of U.S.  
3 District Judge] and entered by the Court on [date of entry of  
4 Order]. A true and correct copy of the Order I received is  
5 appended to this Affidavit.

6 I declare under penalty of perjury under the laws of the  
7 United States that the foregoing is true and correct. Executed  
8 on [date], at [place]

9

10

\_\_\_\_\_

[Name of Defendant & signature]

11

12

13

14

15 State of \_\_\_\_\_, City of \_\_\_\_\_

16

17

Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

18

19

20

21

\_\_\_\_\_

Notary Public

22

23

My Commission Expires:

24

25

26

27

28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

CERTIFICATE OF SERVICE

My name is Raymond E. McKown. I am an attorney employed by the Federal Trade Commission, 10877 Wilshire Boulevard, Suite 700, Los Angeles, California 90024. On May 14, 2001, I placed the documents captioned: "Stipulation for Entry of Final Judgment and Order for Permanent Injunction Against Defendant Courtney Ann Wiggs," and "(Proposed) Final Judgment and Order for Permanent Injunction Against Defendant Courtney Ann Wiggs," in the first class, United States mail, postage prepaid, addressed to the following:

United States Trustee  
2929 North Central Avenue, Room 700  
Phoenix, AZ 85012

Robert Mothershead, Esq.  
Robert Mothershead, PC  
420 West Roosevelt Road  
Phoenix, AZ 85003-1325

Adam Nach, Esq.  
Lane & Nach, PC  
301 East Virginia, Suite 3500  
Phoenix, AZ 85004

Joseph M. Hillegas, Jr., Esq.  
Ayers & Brown, PC  
4227 No. 32<sup>nd</sup> Street, First Floor  
Phoenix, AZ 85018

Sue A. Klein, Esq.  
Office of the United States Attorney  
U.S. Courthouse  
230 North 1<sup>st</sup> Avenue, Room 4000  
Phoenix, AZ 85025



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

/ / /  
Richard Hinz, Esq.  
Office of the Arizona Attorney General  
1275 West Washington  
Phoenix, AZ 85007

I declare under penalty of perjury that the foregoing is true and correct. Executed this 14<sup>th</sup> day of May 2001 at Los Angeles, California.

---

Raymond E. McKown