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FEDERAL TRADE COMMISSION

10  
11 IN THE UNITED STATES DISTRICT COURT  
12 FOR THE DISTRICT OF ARIZONA

13	_____ )	CV 99-1636-PHX-MHM
14	FEDERAL TRADE COMMISSION, )	
15	Plaintiff, )	
16	vs. )	STIPULATION FOR ENTRY OF
17	SOURCE ONE PUBLICATIONS, INC., )	FINAL JUDGMENT AND
18	and )	ORDER FOR PERMANENT
19	COURTNEY WIGGS, individually )	INJUNCTION AGAINST DEFENDANT
20	and as an officer of Source )	COURTNEY ANN WIGGS
21	One Publications, Inc., )	
22	Defendants. )	
23	_____ )	

22 Plaintiff, the Federal Trade Commission ("Commission")  
23 and defendant Courtney Ann Wiggs ("Wiggs") hereby stipulate  
24 and agree to entry of a final judgment and order for permanent  
25 injunction against defendant Wiggs under the terms stated  
26 herein. This stipulation ("Stipulation") and the accompanying  
27 Final Judgment and Order for Permanent Injunction Against  
28 Defendant Courtney Ann Wiggs ("Order") resolves all matters

1 pertaining to defendant Wiggs raised by the complaint the  
2 Commission filed against defendants Source One Publications,  
3 Inc. ("Source One") and Wiggs on September 13, 1999, pursuant  
4 to Sections 13(b) and 19 of the Federal Trade Commission Act  
5 ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing  
6 and Consumer Fraud and Abuse Prevention Act ("Telemarketing  
7 Act"), 15 U.S.C. §§ 6101 et seq., which charged the defendants  
8 with violating Section 5 of the FTC Act, and the FTC's  
9 Telemarketing Sales Rule ("TSR").

10 The Summons and Complaint having been served on the  
11 defendants, plaintiff Commission and defendant Wiggs request  
12 that the Court enter the accompanying Order with the following  
13 terms to resolve all matters of dispute between them in this  
14 action:

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

16 **FINDINGS**

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

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

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

23 4. The Complaint states a claim upon which relief may be  
24 granted against defendant Wiggs under Sections 5, 13(b), and  
25 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b), and 57b, and the  
26 TSR, 16 C.F.R. Part 310;

27 5. Defendant Wiggs has waived all rights that may arise  
28 under the Equal Access to Justice Act, 28 U.S.C. § 2412,

1 amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996);

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

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

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

11 **DEFINITIONS**

12 1. "Consumer" means a purchaser, customer, subscriber,  
13 or natural person.

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

18 3. "Credit Card Protection" means the advertisement,  
19 promotion, offering for sale, or sale of any product or  
20 service represented to register credit or debit accounts,  
21 including credit card accounts, or protect, indemnify, or  
22 reimburse the holder of a credit or debit account against  
23 unauthorized use or charges.

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

25 **IT IS THEREFORE ORDERED** that defendant Wiggs, and her  
26 successors, assigns, agents, employees, officers, and  
27 servants, and those persons in active concert or participation  
28 with her who receive actual notice of this order by personal

1 service or otherwise, are permanently restrained and enjoined  
2 from engaging in, receiving any remuneration of any kind  
3 whatsoever from, holding any ownership interest, share, or  
4 stock in, or serving as an officer, director, or trustee of  
5 any business entity engaged, in whole or in part, in credit  
6 card protection.

## 7 **II. BOND TO ENGAGE IN TELEMARKETING**

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

18 A. This bond shall be conditioned upon compliance with  
19 Section 5 of the FTC Act, 15 U.S.C. § 45, the provisions of  
20 this Order, the TSR, or any other statute enforced by the  
21 Commission. The bond shall be deemed continuous and remain in  
22 full force and effect as long as the defendant continues to  
23 engage in the business of advertising, promoting, offering for  
24 sale, sale, or distribution of any product or service while  
25 utilizing telemarketing as a means of achieving the sale, and  
26 for at least three years after defendant has ceased to engage  
27 in such business. The bond shall cite this Order as the  
28 subject matter of the bond, and shall provide surety

1 thereunder against financial loss resulting from any violation  
2 of Section 5 of the FTC Act, 15 U.S.C. § 45, the provisions of  
3 this Order, the TSR, or any other statute enforced by the  
4 Commission;

5       B. The performance bond requirement pursuant to this  
6 Section shall be an insurance agreement providing surety for  
7 financial loss issued by a surety company that is admitted to  
8 do business in each of the states in which the defendant is  
9 doing business and that holds a Federal Certificate of  
10 Authority As Acceptable Surety on Federal Bond and Reinsuring.  
11 Defendant shall provide a copy of such performance bond to the  
12 Commission prior to the commencement of any business for which  
13 the bond is required; provided however, that until such bond  
14 is obtained from an appropriate surety, defendant may deposit  
15 the bond amount with her attorney, Robert Mothershead, Esq.,  
16 who shall hold the money in trust and said funds will  
17 constitute said bond under the provisions stated herein. Each  
18 such performance bond shall be in favor of both (i) the  
19 Federal Trade Commission for the benefit of any consumer  
20 injured as a result of any violation of Section 5 of the FTC  
21 Act, 15 U.S.C. § 45, the provisions of this Order, the TSR, or  
22 any other statute enforced by the Commission made while  
23 engaged in the business of selling products or services  
24 through telemarketing and (ii) any consumer so injured;

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

28       D. Defendant Wiggs shall provide a copy of the bond

1 required by this Section to the Assistant Regional Director of  
2 the Western Region - Los Angeles at the address specified in  
3 Section IX(D) at least ten days before commencing any business  
4 that advertises, promotes, offers for sale, sells, or  
5 distributes any product or service while utilizing  
6 telemarketing as a means of achieving the sale;

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

17 F. The Commission may execute against the performance  
18 bond if it demonstrates to this Court by a preponderance of  
19 the evidence that, after the effective date of this Order,  
20 Wiggs has, individually, or in connection with any  
21 corporation, subsidiary, division, partnership, or sole  
22 proprietorship, in which defendant holds an ownership  
23 interest, shares, or stock, or in which they serve as an  
24 officer; director, or trustee:

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

28 2. Violated the terms of this Order, the TSR, or

1 any statute enforced by the Commission; or

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

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

### 11 **III. PROHIBITED BUSINESS PRACTICES**

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

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

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

20 C. Consummating a sale for credit card protection or any  
21 other credit related product or service over the telephone;

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

26 E. Representing that consumers are liable for  
27 unauthorized charges on their credit card accounts in excess  
28 of the \$50 limit set forth in 15 U.S.C. § 1643 and 12 C.F.R.

1 § 226.12(b);

2 F. Misrepresenting that a consumer has purchased or has  
3 agreed to purchase a good or service, and therefore owes money  
4 to the seller;

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

7 H. Making any material misrepresentation about a  
8 consumer's credit-related rights or obligations under the law;  
9 and

10 I. Misrepresenting, or failing to disclose, any other  
11 fact material to a consumer's decision to purchase a good or  
12 service.

#### 13 IV. DISTRIBUTION OF CUSTOMER RECORDS

14 **IT IS FURTHER ORDERED** that defendant Wiggs, and her  
15 successors, assigns, agents, employees, officers, and  
16 servants, and those persons in active concert or participation  
17 with her who receive actual notice of this order by personal  
18 service or otherwise, are hereby permanently restrained and  
19 enjoined from providing to any person, except agents of the  
20 Commission or other law enforcement authorities, the name,  
21 address, telephone number, or credit card or bank account  
22 number of any consumer who provided such information to or did  
23 business with the defendant, her successors, assigns, agents,  
24 employees, officers, servants, and persons who acted in  
25 concert or participation with her; provided, however, that  
26 defendant and the aforementioned entities may provide such  
27 information if required to do so by Court Order.

#### 28 V. RECORDING OF SALES CALLS



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

10       A. After obtaining permission from the consumer to  
11 record the conversation, the recording shall reflect the  
12 entirety of the conversation;

13       B. The recording must include clear, complete, and  
14 understandable disclosures of all material terms of the  
15 purchase, and the consumer's express agreement to such terms.  
16 The material terms disclosed in the recorded conversation  
17 shall be consistent with any information previously disclosed  
18 to the consumer. Material terms include, but are not limited  
19 to:

- 20           1. A description of the service or product;
  - 21           2. The cost of the service or product;
  - 22           3. The amount of any recurring charges;
  - 23           4. Limitations on any right to obtain a refund; and
  - 24           5. The business name, address, and telephone number
- 25 to which the consumer may address any questions or complaints.

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

1                                   **VI. CONSUMER REDRESS**

2           **IT IS FURTHER ORDERED** that judgment in the amount of  
3 \$14,715,453 be entered in favor of the Commission against  
4 defendant Wiggs, for equitable monetary relief, including but  
5 not limited to, consumer redress and/or disgorgement, and for  
6 paying any attendant expenses of administering any redress  
7 fund.

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

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

20                   2. Determine the manner and timing of any notices  
21 to be given to consumers regarding the existence and terms of  
22 such programs; and

23                   3. Delegate any and all tasks connected with such  
24 redress program to any individuals, partnerships, or  
25 corporations; and pay the fees, salaries, and expenses  
26 incurred thereby from the payments made pursuant to this  
27 Order;

28           B. Defendant expressly waives her rights to litigate the

1 issue of disgorgement;

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

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

14 E. Defendant shall also furnish to the Commission, in  
15 accordance with 31 U.S.C. § 7701, her taxpayer identification  
16 number (social security number, social insurance number,  
17 employer identification number, or Revenue Canada  
18 identification number), which shall be used for purposes of  
19 collecting and reporting on any delinquent amount arising out  
20 the defendant's relationship with the government; and

21 F. Any redress administrator shall destroy all records  
22 relating to this matter six years after the transfer of any  
23 remaining redress funds to the FTC Treasury account or the  
24 closing of the account from which such funds were disbursed,  
25 whichever is earlier, provided that no records shall be  
26 destroyed unless and until a representative of the Commission  
27 has received and approved the administrator's final accounting  
28 report. Records shall be destroyed in accordance with

1 disposal methods and procedures to be specified by the  
2 Commission. The Commission may, in its sole discretion,  
3 require that such records, in whole or in part, be  
4 transferred, in lieu of destruction, to the Commission.

5 **VII. MONITORING COMPLIANCE OF SALES PERSONNEL**

6 **IT IS FURTHER ORDERED** that defendant Wiggs, in connection  
7 with any business where (1) defendant Wiggs is the majority  
8 owner of the business or directly or indirectly controls the  
9 business and where (2) the business is engaged in  
10 telemarketing, or assisting others engaged in telemarketing,  
11 is hereby permanently restrained and enjoined from:

12 A. Failing to take reasonable steps sufficient to  
13 monitor and ensure that all employees and independent  
14 contractors engaged in sales or other customer service  
15 functions comply with the restrictions placed on defendant by  
16 Section III of this Order, the FTC Act, and the TSR. Such  
17 steps shall include adequate monitoring of sales presentations  
18 or other calls with customers, and shall also include, at a  
19 minimum, the following:

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

22 2. Establishing a procedure for receiving and  
23 responding to consumer complaints;

24 3. Ascertaining the number and nature of consumer  
25 complaints regarding transactions in which each employee or  
26 independent contractor is involved;

27 provided that this Section does not authorize or require the  
28 defendant to take any steps that violate any federal, state,

1 or local laws;

2 B. Failing promptly to fully investigate any consumer  
3 complaint received by any business to which this Section  
4 applies; and

5 C. Failing to take corrective action with respect to any  
6 sales person whom defendant Wiggs determines is not complying  
7 with the conditions stated in this Order. Such corrective  
8 action may include training, disciplining, and/or terminating  
9 such sales person.

#### 10 **VIII. RECORD KEEPING PROVISIONS**

11 **IT IS FURTHER ORDERED** that, for a period of five years  
12 from the date of entry of this Order, defendant Wiggs, in  
13 connection with any business where (1) she is the majority  
14 owner of the business or directly or indirectly controls the  
15 business and where (2) the business is engaged selling or  
16 marketing any product or service, is hereby restrained and  
17 enjoined from failing to create, and from failing to retain  
18 for a period of three years following the date of such  
19 creation, unless otherwise specified:

20 A. Books, records and accounts that, in reasonable  
21 detail, accurately and fairly reflect the cost of goods or  
22 services sold, revenues generated, and the disbursement of  
23 such revenues;

24 B. Records accurately reflecting: the name, address,  
25 and telephone number of each person employed in any capacity  
26 by such business, including as an independent contractor; that  
27 person's job or position; the date upon which the person  
28 commenced work; and the date and reason for the person's

1 termination, if applicable. The businesses subject to this  
2 Section shall retain such records for any terminated employee  
3 for a period of two years following the date of termination;

4 C. Records containing the names, addresses, phone  
5 numbers, dollar amounts paid, quantity of items or services  
6 purchased or provided, and description of items or services  
7 purchased or provided for all consumers to whom such business  
8 has sold or provided any goods or services;

9 D. Records that reflect, for every consumer complaint  
10 or refund request, whether received directly or indirectly or  
11 through any third party:

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

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

16 3. The basis of the complaint, including the name  
17 of any salesperson complained against, and the nature and  
18 result of any investigation conducted concerning any  
19 complaint;

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

21 5. Any final resolution and the date of the  
22 resolution; and

23 6. In the event of a denial of a refund request,  
24 the reason for the denial; and

25 E. Copies of all sales scripts, training materials,  
26 advertisements, or other marketing materials utilized;  
27 provided that copies of all sales scripts, training materials,  
28 advertisements, or other marketing materials utilized shall be

1 retained for three years after the last date of dissemination  
2 of any such materials.

3 **IX. COMPLIANCE REPORTING BY DEFENDANT**

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

6 A. For a period of five years from the date of entry of  
7 this Order, defendant Wiggs shall notify the Commission of the  
8 following:

9 1. Any changes in her residence, mailing addresses,  
10 and telephone numbers, within ten days of the date of such  
11 change;

12 2. Any changes in her employment status (including  
13 self-employment) within ten days of such change. Such notice  
14 shall include the name and address of each business that she  
15 is affiliated with or employed by, a statement of the nature  
16 of the business, and a statement of her duties and  
17 responsibilities in connection with the business or  
18 employment; and

19 3. Any proposed change in the corporate structure  
20 of any corporate defendant, or any proposed change in the  
21 structure of any business entity owned or controlled by  
22 defendant Wiggs, such as creation, incorporation, dissolution,  
23 assignment, sale, merger, creation, dissolution of  
24 subsidiaries, proposed filing of a bankruptcy petition, or  
25 change in the corporate name or address, or any other change  
26 that may affect compliance obligations arising out of this  
27 Order, thirty days prior to the effective date of any  
28 proposed change; provided, however, that, with respect to any

1 proposed change in the corporation about which defendant Wiggs  
2 learns of less than thirty days prior to the date such action  
3 is to take place, she shall notify the Commission as soon as  
4 is practicable after learning of such proposed change;

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

11 1. Her then current residence address and telephone  
12 number;

13 2. Her current employment, business addresses and  
14 telephone numbers, a description of the business activities of  
15 each such employer, and responsibilities for each employer;

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

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

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

27 D. For the purposes of this Order, defendant Wiggs  
28 shall, unless otherwise directed by the Commission's



1 authorized representatives, mail all written notifications to  
2 the Commission to: Assistant Regional Director, Federal Trade  
3 Commission, 10877  
4 Wilshire Blvd., Suite 700, Los Angeles, California 90024, or  
5 such other address as the Commission shall designate in  
6 writing;

7 E. For the purposes of this Section, "employment"  
8 includes the performance of services as an employee,  
9 consultant, or independent contractor; and "employers" include  
10 any individual or entity for whom defendant Wiggs performs  
11 services as an employee, consultant, or independent  
12 contractor; and

13 F. For purposes of the compliance reporting required by  
14 this Section, the Commission is authorized to communicate  
15 directly with defendant Wiggs.

#### 16 **X. AUTHORITY TO MONITOR COMPLIANCE**

17 **IT IS FURTHER ORDERED** that the Commission is authorized  
18 to monitor defendant Wiggs' compliance with this Order by all  
19 lawful means, including but not limited to the following:

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

27 B. The Commission is authorized to use representatives  
28 posing as consumers or suppliers to defendant, her employees,

1 or any other entity managed or controlled in whole or in part  
2 by her, without the necessity of identification or prior  
3 notice; and

4 C. Nothing in this Order shall limit the Commission's  
5 lawful use of compulsory process, pursuant to Sections 9 and  
6 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to investigate  
7 whether  
8 she has violated any provision of this Order, the FTC Act, or  
9 the TSR.

#### 10 **XI. ACCESS TO BUSINESS PREMISES**

11 **IT IS FURTHER ORDERED** that, for a period of five years  
12 from the date of entry of this Order, for the purpose of  
13 further determining compliance with this Order, defendant  
14 Wiggs shall permit representatives of the Commission, within  
15 three business days of receipt of written notice from the  
16 Commission:

17 A. Access during normal business hours to any office,  
18 or facility storing documents, of any business where (1)  
19 defendant Wiggs is the majority owner of the business or  
20 directly or indirectly controls the business, and where (2)  
21 the business is engaged selling or marketing any product or  
22 service. In providing such access, defendant Wiggs shall  
23 permit representatives of the Commission to inspect and copy  
24 all documents relevant to any matter contained in this Order;  
25 and shall permit Commission representatives to remove  
26 documents relevant to any matter contained in this Order for a  
27 period not to exceed five business days so that the documents  
28 may be inspected, inventoried, and copied; and

1 B. To interview the officers, directors, and employees,  
2 including all personnel involved in responding to consumer  
3 complaints or inquiries, and all sales personnel, whether  
4 designated as employees, consultants, independent contractors  
5 or otherwise, of any business to which Subsection (A) applies,  
6 concerning matters relating to compliance with the terms of  
7 this Order. The person interviewed may have counsel present;  
8 and

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

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

15 **IT IS FURTHER ORDERED** that, for a period of five years  
16 from the date of entry of this Order, defendant Wiggs shall:

17 A. Provide a copy of this Order to, and obtain a signed  
18 and dated acknowledgment of receipt of same from, each officer  
19 or director, each individual serving in a management capacity,  
20 all personnel involved in responding to consumer complaints or  
21 inquiries, and all sales personnel, whether designated as  
22 employees, consultants, independent contractors or otherwise,  
23 immediately upon employing or retaining any such persons, for  
24 any business where (1) either defendant is the majority owner  
25 of the business or directly or indirectly controls the  
26 business, and where (2) the business is engaged in selling or  
27 marketing any product or service; and

28 B. Maintain for a period of three years after creation,

1 and upon reasonable notice, make available to representatives  
2 of the Commission, the original signed and dated  
3 acknowledgments of the receipt of copies of this Order, as  
4 required in  
5 Subsection A.

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

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

12 **XIV. RETENTION OF JURISDICTION**

13 **IT IS FURTHER ORDERED** that this Court will retain  
14 jurisdiction of this matter for the purpose of enabling any of  
15 the parties to this Order to apply to the Court at any time  
16 for such further orders or directives as may be necessary or  
17 appropriate for the interpretation or modification of this  
18 Order, for the enforcement of compliance therewith or the  
19 punishment of violations thereof.

20 Defendant Wiggs and the Commission, through its counsel,  
21 hereby consent to the terms and conditions of this Stipulation  
22 as set forth above and consent to the entry of a Court order  
23 with the same terms. Defendant Wiggs waives any rights that  
24 may arise

25 / / /

26 / / /

27 / / /

28 / / /

1 under the Equal Access to Justice Act, 28 U.S.C. § 2412,  
2 amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996).  
3

4 DATED: \_\_\_\_\_

\_\_\_\_\_  
COURTNEY WIGGS  
Defendant

6  
7 DATED: \_\_\_\_\_

8 \_\_\_\_\_  
RAYMOND E. MCKOWN

9 KENNETH H. ABBE  
Attorneys for Plaintiff  
Federal Trade Commission  
10

11 APPROVED AS TO FORM:

12 DATED: \_\_\_\_\_

13 \_\_\_\_\_  
ROBERT MOTHERSHEAD  
Attorney for Defendant  
Courtney Ann Wiggs  
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ATTACHMENT A

WARNING

DON'T SIGN UP OR PAY MONEY UNTIL YOU READ THIS NOTICE

Please initial where applicable:

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

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

*[if product/service relates to low interest credit cards]*

2. I understand that (\*company name, to be completed by seller) cannot help me get any credit card. I understand that they are selling a list of banks that offer credit cards, that the banks will decide whether or not they will issue me a credit card and at what interest rate, that (\*company name) has not determined whether I will qualify for credit with any of those banks, and that I could get bank information myself from other sources.

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

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

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

*[if proposed transaction is an account debit]*

4. I understand that, once this authorization is received by the company selling me this service, my bank account number \_\_\_\_\_ will be debited the amount of \$ \_\_\_\_\_.

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

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

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

CONSUMER'S SIGNATURE:

\_\_\_\_\_

CONSUMER'S NAME (please print):

\_\_\_\_\_

STREET ADDRESS:

CITY, STATE, ZIP CODE:

TELEPHONE NUMBER:

**ATTACHMENT B**

UNITED STATES DISTRICT COURT

DISTRICT OF ARIZONA

_____	)	CV 99 - 1636 PHX RCB
FEDERAL TRADE COMMISSION,	)	
	)	
Plaintiff,	)	
	)	AFFIDAVIT OF COURTNEY WIGGS
vs.	)	
	)	
SOURCE ONE PUBLICATIONS, INC.,	)	
and	)	
	)	
COURTNEY WIGGS, individually	)	
and as an officer of Source	)	
One Publications, Inc.,	)	
	)	
Defendants.	)	
_____	)	

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

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

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

2. I am a defendant in FTC v. Source One Publications,

1 Inc., et al. CV. 99 - 1636 PHX RCB (United States District  
2 Court for the District of Arizona).

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

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

12  
13 \_\_\_\_\_  
14 [Name of Defendant & signature]

15  
16  
17  
18 State of \_\_\_\_\_, City of \_\_\_\_\_

19  
20 Subscribed and sworn to before me  
21 this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

22  
23  
24 \_\_\_\_\_  
25 Notary Public  
26 My Commission Expires:  
27 \_\_\_\_\_  
28



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8 CERTIFICATE OF SERVICE  
9

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

19 United States Trustee  
20 2929 North Central Avenue, Room 700  
Phoenix, AZ 85012

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

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

26 Joseph M. Hillegas, Jr., Esq.  
27 Ayers & Brown, PC  
4227 No. 32<sup>nd</sup> Street, First Floor  
Phoenix, AZ 85018  
28

1 Sue A. Klein, Esq.  
Office of the United States Attorney  
2 U.S. Courthouse  
230 North 1<sup>st</sup> Avenue, Room 4000  
3 Phoenix, AZ 85025  
4  
5  
6

7 / / /  
8 Richard Hinz, Esq.  
Office of the Arizona Attorney General  
9 1275 West Washington  
Phoenix, AZ 85007  
10  
11

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

15 \_\_\_\_\_  
Raymond E. McKown  
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