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IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF OKLAHOMA

FILED

JAN 28 2003

Phil Lombardi, Clerk
U.S. DISTRICT COURT

FEDERAL TRADE COMMISSION,)
)
 Plaintiff,)
)
 v.)
)
 SKYBIZ.COM, INC., *et al.*)
)
 Defendants.)
)

NO: 01-CV-396-EA (M) ✓

ENTERED ON DOCKET
DATE 1-29-03

**STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION
AS TO DEFENDANT SKYBIZ.COM, INC., SKYBIZ INTERNATIONAL LTD.,
WORLD SERVICE CORPORATION, Nanci CORPORATION INTERNATIONAL,
WORLDWIDE SERVICE CORPORATION, JAMES S. BROWN,
ELIAS F. MASSO, Nanci H. MASSO AND KIER E. MASSO**

On May 30, 2001, Plaintiff, the Federal Trade Commission ("FTC" or the "Commission"), filed its complaint for injunctive 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), charging Defendants SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Stephen D. McCullough, Elias F. Masso, Nanci H. Masso, Kier E. Masso, and Ronald E. Blanton with violations of Section 5 of the FTC Act, 15 U.S.C. § 45(a). On June 6, 2001, this Court entered an *ex parte* temporary Restraining Order. On June 25, 2001, Plaintiff filed its amended complaint naming SkyBiz International Ltd. as a Defendant. Dkt #80. On August 2, 2001, this Court entered a preliminary

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injunction against Nanci Masso and Nanci Corporation International. Dkt #157. On August 31, 2001, this Court entered a preliminary injunction against SkyBiz.com, Inc., World Service Corporation, WorldWide Service Corporation, James S. Brown, Stephen D. McCullough, Elias F. Masso and Kier E. Masso. Dkt #227. On January 2, 2002, this Court entered a preliminary injunction against SkyBiz International Ltd. Dkt #521. On January 14, 2002, this Court entered a Stipulated Final Judgment and Order for Permanent Injunction As to Defendant Ronald E. Blanton. Dkt #562.

The Commission, by its attorneys, and Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso have agreed and stipulated to the entry by this Court of a Stipulated Final Judgment and Order for Permanent Injunction ("Final Order"). Pursuant to agreement and stipulation, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** as follows:

I. FINDINGS

1. This Court has jurisdiction over the subject matter of this action and has personal jurisdiction over Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso;
2. Venue in this district is proper;
3. The Commission's amended complaint states a claim upon which relief may be granted against Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F.

Masso, Nanci H. Masso and Kier E. Masso under Section 5(a) of the FTC Act, 15 U.S.C. § 45(a);

4. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso waive any claim each may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended by Pub. L. No. 104-121, 110 Stat. 846, 863-64 (1996), concerning the prosecution of this action;

5. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso have waived all rights to seek judicial review or otherwise challenge or contest the validity of this Final Order, and further waive and release any claim each may have arising from this law enforcement action against the FTC and the employees, agents, or representatives of the FTC;

6. As to Defendants Nanci H. Masso and Nanci Corporation International, Counts 1, 3 and 4 of the Amended Complaint (Dkt #80) are dismissed with prejudice. The Court finds that Nanci H. Masso did not participate in the marketing of the illegal pyramid scheme.

7. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso deny liability for any of the actions alleged in the Amended Complaint and this Final Order does not constitute, and shall not be interpreted to constitute, either an admission by Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation,

James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso of any wrongdoing or a finding by the Court that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso has engaged in any violations of law.

8. On or about April 11, 2000, an involuntary petition for relief under Chapter 7 of the Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (the "Code"), was filed against Defendant Elias F. Masso in the United States Bankruptcy Court for the Northern District of Oklahoma (the "Bankruptcy Court"), Case No. 00-01332-R (the "Elias Masso Bankruptcy Case"). On or about March 16, 2001, the Bankruptcy Court entered an Order for relief in the Elias Masso Bankruptcy Case under Chapter 7 of the Code. The Commission's action against Defendant Elias F. Masso and the entry of this Final Order is not stayed by 11 U.S.C. § 362(a) because it is an exercise of the Commission's police or regulatory power as a governmental unit pursuant to 11 U.S.C. § 362(b)(4) and thus falls within an exception to the automatic stay. In addition, the sums required to be paid hereunder by the Defendants do not constitute property of the estate in the Elias Masso Bankruptcy Case, pursuant to 11 U.S.C. § 541.

9. Entry of this Final Order is in the public interest.

II. DEFINITIONS

For the purposes of this Final Order, the following definitions apply:

A. "**Defendant**" means Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, whether acting directly, indirectly,

in concert or participation with others, or through any entity, corporation, subsidiary, division, or other device.

B. "**Marketing Program**" includes, but is not limited to, any multi-level marketing program (e.g. network sales program), business venture, or prohibited marketing scheme.

C. "**Multi-level Marketing Program**" means any marketing program in which participants pay money to the program promoter in return for which the participants obtain the right to: (1) recruit additional participants, or have additional participants placed by the promoter or any other person into the program participant's downline, tree, cooperative, income center, or other similar program grouping; (2) sell goods or services; and (3) receive payment or other compensation, in whole or in part, based upon the sales of those in the participant's downline, tree, cooperative, income center or similar program grouping.

D. "**Business Venture**" means any written or oral business arrangement, however denominated, whether or not covered by 16 C.F.R. Part 436, that consists of the payment of any consideration for: 1) the right or means to offer, sell, or distribute goods or services (whether or not identified by a trademark, service mark, trade name, advertising or other commercial symbol); and 2) assistance to any person in connection with or incident to the establishment, maintenance, or operation of a new business, or the entry by an existing business into a new line or type of business.

E. "**Prohibited Marketing Scheme**" means a pyramid sales scheme, Ponzi scheme, chain marketing scheme, or other marketing plan or program in which participants pay money or valuable consideration to the company in return for which they receive the right to receive in return for recruiting other participants into the program rewards which are unrelated to sale of

products or services to ultimate users. For the purposes of this definition, "sale of products or services to ultimate users" does not include sales to other participants or recruits in the multi-level marketing program or to participants' own accounts.

F. "**Participating**" in a prohibited marketing scheme includes, but is not limited to, promoting, marketing, advertising, offering for sale, or selling, or assisting others in the offering for sale or selling the right to participate in, the prohibited marketing scheme, as well as acting or serving as an officer, director, employee, salesperson, agent, shareholder, advisor, consultant, independent contractor, or distributor, or acting as a speaker or spokesperson on behalf of, any prohibited marketing scheme.

G. "**Receiver**" means Robb Evans and Robb Evans & Associates, the receiver appointed by the Court in this matter as a receiver over the Receivership Defendants.

H. "**Receivership Defendants**" means SkyBiz.com, Inc., SkyBiz International, Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, their subsidiaries or affiliates, and all other corporations or business entities owned or controlled by any of the Receivership Defendants. The term Receivership Defendants does not include any such entity, the stock, ownership, legal, beneficial, or other interests held in any such entity, or any Assets held by any such entity for the benefit of Elias F. Masso which are determined to constitute property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541.

I. "**Receivership Estate**" includes all assets of the Receivership Defendants and all Related Entities.

J. "**Receivership Entities**" means the Receivership Defendants and Related Entities.

K. "**Related Entities**" means all entities related to any Receivership Defendant, of

whatever form, including, but not limited to, corporations, proprietorships, trusts, partnerships, limited partnerships or limited liability companies that hold any assets for or for the benefit of any Receivership Defendant. The term Related Entities does not include any such entity, the stock, ownership, legal, beneficial, or other interests held in any such entity, or any Assets held by any such entity for the benefit of Elias F. Masso which are determined to constitute property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541.

L. “**Assets**” means all real and personal property of any Receivership Defendant or held for the benefit of any Receivership Defendant, or in which any Receivership Defendant has any legal or equitable interest, or right or claim to, including all assets held by any Related Entities, including, but not limited to, chattels, goods, instruments, equipment, fixtures, general intangibles, leaseholds, inventory, checks, notes, accounts, credits, contracts, receivables, shares of stock, and all cash, wherever located. The term Assets does not include any property determined to constitute property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541.

M. “**Masso Bankruptcy Estate**” means the bankruptcy estate that was created when an order for relief was entered pursuant to 11 U.S.C. § 303 (h) in the bankruptcy cases styled *In re Elias F. Masso*, U.S. Bankruptcy Court, Northern District of Oklahoma, Case No. 00-01332-R (Chapter 7).

N. “**Bankruptcy Trustee**” means Steven W. Soulé, the Chapter 7 trustee in *In re Elias F. Masso*, Case No. 00-01332-R (Chapter 7), and *In re Elias Ventures, Inc.*, Case No. 99-04155-R (Chapter 7), pending in the Bankruptcy Court.

O. “**Assisting**” means knowingly providing any of the following goods or services to another entity: (1) performing customer service functions, including, but not limited to,

receiving or responding to consumer complaints; (2) formulating or providing, or arranging for the formulation or provision of, any telephone sales script or any other marketing material; (3) providing names of, or assisting in the generation of, potential customers; (4) performing marketing services of any kind; or (5) performing financial services of any kind, including but not limited to, providing merchant accounts, processing credit card charges or chargebacks, and providing or arranging loans or other extensions of credit.

III. PROHIBITED CONDUCT

A. CONDUCT RESTRICTION AS TO DEFENDANTS SKYBIZ.COM, INC., SKYBIZ INTERNATIONAL LTD., WORLD SERVICE CORPORATION, Nanci CORPORATION INTERNATIONAL, WORLDWIDE SERVICE CORPORATION , JAMES S. BROWN, ELIAS F. MASSO, Nanci H. MASSO AND KIER E. MASSO

IT IS ORDERED that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from engaging, participating or assisting in any manner or capacity whatsoever, in any Prohibited Marketing Scheme, including, but not limited to, the advertising, promotion, offering for sale, or sale of, or the provision of services to or for any such Prohibited Marketing Scheme.

**B. CONDUCT RESTRICTION AS TO DEFENDANT
NANCI CORPORATION INTERNATIONAL**

IT IS ORDERED that Defendant Nanci Corporation International, its successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with it, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from engaging, participating or assisting in any manner or capacity whatsoever, in any Multi-level Marketing Program, including, but not limited to, the advertising, promotion, offering for sale, or sale of, or the provision of services to or for any such Multi-level Marketing Program.

**C. CONDUCT RESTRICTION AS TO DEFENDANT
JAMES S. BROWN**

IT IS ORDERED that Defendant James S. Brown his assigns, agents, servants, employees, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from engaging, participating or assisting in any manner or capacity whatsoever, in any Multi-level Marketing Program, including, but not limited to, the advertising, promotion, offering for sale, or sale of, or the provision of services to or for any such Multi-level Marketing Program, for the duration of ten (10) years from the date of entry of this Final Order.

D. CONDUCT RESTRICTION AS TO DEFENDANT KIER E. MASSO

IT IS ORDERED that Defendant Kier E. Masso, his assigns, agents, servants, employees, and those persons in active concert or participation with them, individually or jointly,

who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from engaging, participating or assisting in any manner or capacity whatsoever, in any Multi-level Marketing Program, including, but not limited to, the advertising, promotion, offering for sale, or sale of, or the provision of services to or for any such Multi-level Marketing Program, for the duration of seven (7) years from the date of entry of this Final Order.

E. CONDUCT RESTRICTION AS TO DEFENDANT ELIAS F. MASSO

IT IS ORDERED that Defendant Elias F. Masso, his assigns, agents, servants, employees, and those persons in active concert or participation with him, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from engaging, participating or assisting in any manner or capacity whatsoever, in any Multi-level Marketing Program, including, but not limited to, the advertising, promotion, offering for sale, or sale of, or the provision of services to or for any such Multi-level Marketing Program, for the duration of twenty-two (22) years from the date of entry of this Order.

F. PROHIBITED REPRESENTATIONS

IT IS ORDERED that, in connection with the advertising, promotion, offering for sale, sale, or providing, or assisting others in the advertising, promotion, offering for sale, sale, or providing of any Marketing Program, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns,

officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from making or assisting in the making of, expressly or by implication, orally or in writing, any statement or representation of material fact that is false or misleading, including, but not limited to, the following:

1. Misrepresentations about the amount of sales, income, profits or rewards that a person who participates in such Marketing Program can reasonably expect to achieve;
2. Misrepresentations about the amount of sales, income, profits, or rewards that a person who has participated in such Marketing Program has actually achieved; and
3. Misrepresentations that a person who participates in such Marketing Program can reasonably expect to recoup his investment.

G. PROHIBITION AGAINST PROVIDING MEANS AND INSTRUMENTALITIES

IT IS ORDERED that, in connection with the advertising, promotion, offering for sale, sale, or providing, or assisting others in the advertising, promotion, offering for sale, sale, or providing of any Marketing Program, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity,

corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from providing to others the means and instrumentalities with which to make, expressly or by implication, orally or in writing, any false or misleading statement or representation of material fact, including, but not limited to, the misrepresentations listed in Paragraph III(F), above.

H. PROHIBITION AGAINST MATERIAL OMISSIONS

IT IS ORDERED that in connection with the advertising, promotion, offering for sale, sale, or providing, or assisting others in the advertising, promotion, offering for sale, sale, or providing of any Marketing Program, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from failing to disclose, clearly and conspicuously, to any prospective participant in any Marketing Program to whom any earnings, profits or sales volume claims have been made:

1. The number and percentage of Marketing Program participants who have made a profit through their participation in the Marketing Program; and
2. The average and median amount of money made by each Marketing Program participant.

I. PROHIBITION AGAINST FAILING TO MONITOR

IT IS ORDERED that in connection with the advertising, promotion, offering for sale,

sale, or providing, or assisting others in the advertising, promotion, offering for sale, sale, or providing of any Marketing Program, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from:

1. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged in sales or other customer service functions comply with Paragraph III of this Final Order. Such steps shall include adequate monitoring of sales presentations or other calls with customers, and shall also include, at a minimum, the following: (1) listening to the oral representations made by persons engaged in sales or other customer service functions; (2) establishing a procedure for receiving and responding to consumer complaints; and (3) ascertaining the number and nature of consumer complaints regarding transactions in which each employee or independent contractor is involved; provided that this Paragraph does not authorize or require the Defendant to take any steps that violate any federal, state, or local laws;
2. Failing promptly to investigate fully any consumer complaint received by any business to which this Paragraph applies; and
3. Failing to take corrective action with respect to any sales or customer service

person whom Defendant determines is not complying with this Final Order, which may include training, disciplining, and/or terminating the employment of such salesperson.

J. PROHIBITION AGAINST TRANSFER OF CUSTOMER LISTS AND GENEALOGY

IT IS ORDERED that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them, individually or jointly, who receive actual notice of this Final Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from selling, renting, leasing, transferring or otherwise disclosing the name, address, telephone number, credit card number, bank account number, e-mail address, or other identifying information of any person who has paid any money to any Defendant in this matter at any time prior to entry of this Final Order, in connection with the Defendants' programs, goods or services; *provided, however*, that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso may disclose such identifying information to a law enforcement agency, or to a consumer redress administrator pursuant to this Final Order, or as required by law or regulation, including the limited disclosures required by the Franchise Rule, or court order.

IV. MONETARY JUDGMENT

IT IS ORDERED that:

A. Judgment in the amount of ONE HUNDRED AND EIGHTY-TWO MILLION DOLLARS (\$182,000,000.00) is entered jointly and severally against Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso; *provided*, however, that upon the fulfillment of the payment obligations of Paragraph IV(B) and Paragraph IV(C) of this Final Order by Defendants, this judgment shall be suspended until further order of the Court.

B. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall be jointly and severally liable for payment of equitable monetary relief, including, but not limited to, consumer redress, in the amount of TWENTY MILLION DOLLARS (\$20,000,000.00), and *provided further* that this judgment shall be subject to the conditions set forth in Paragraph V of this Final Order.

C. Within sixty (60) days of the date of entry of this Final Order, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall jointly and severally transfer the amount of TWENTY MILLION DOLLARS (\$20,000,000.00), in the form of wire transfers or certified or cashier's checks, made payable to the Receiver, on behalf of and for the benefit of the Commission, into a Qualified Settlement Fund Account, maintained at Bank of Ireland, ~~with account number~~

_____ . The Qualified Settlement Fund Account shall not constitute property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541.

D. Time is of the essence for the payments specified above. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso, and each of them, shall use their best efforts to effectuate the transfer and payment obligations of Paragraph IV(C) of this Final Order. For the purposes of this Paragraph, "best efforts" means taking any and all actions necessary to effectuate the provisions of this Paragraph in the most expeditious manner possible, including, but not limited to, executing all necessary releases, stipulations, agreements, or other documents; diligently pursuing all legal actions; filing required court or legal documents and papers; and securing all necessary releases or waivers from any entities or individuals. "Best efforts" requires exercise of diligence and imposes an element of duty of good faith. In the event that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso do not fulfill, or only partially fulfill, the payment obligations set forth in this Paragraph within one hundred and twenty (120) days from the date of entry of this Final Order, Defendants shall be immediately jointly and severally liable for payment of the entire amount due under Paragraph IV(A) of this Final Order, plus interest, less any payments already made.

Notwithstanding any other provision of this Final Order, Defendants agree that, if they fail to meet the transfer and payment obligations set forth in that Paragraph, the facts as alleged in the Amended Complaint filed in this matter shall be taken as true in any subsequent litigation filed

by the Commission to enforce its rights pursuant to this Final Order, including, but not limited to, a nondischargeability complaint in any bankruptcy case.

E. All funds paid pursuant to this Final Order shall be used for equitable relief, including but not limited to consumer redress, consumer education, and any attendant expenses for the administration of any redress fund. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the Defendants' practices alleged in the Amended Complaint. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall have no right to challenge the Commission's choice of remedies under this Paragraph.

F. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall have no right to contest the manner of distribution chosen by the Commission. No portion of any payments under the judgment herein shall be deemed a payment of any fine, penalty, or punitive assessment.

V. RIGHT TO RE-OPEN WITH SUM CERTAIN

IT IS FURTHER ORDERED that:

A. The Commission's agreement to, and the Court's approval of, this Final Order is expressly premised upon the truthfulness, accuracy and completeness of Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation

International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso's financial statements dated January 10, 2003. Each Defendant's financial statement contains material information upon which the Commission relied in negotiating and agreeing to this Final Order. If the Commission should have evidence that the above-referenced financial statements and information failed to disclose any material asset, materially misrepresented the value of any asset, or made any other material misrepresentation or omission, the Commission may move that the Court reopen this Final Order for the sole purpose of allowing the Commission to modify the monetary liability of that Defendant. If the Court finds that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, WorldWide Service Corporation, James S. Brown, Elias F. Masso, and Kier E. Masso, individually or in combination with other Defendants, failed to disclose any material asset, the value of which is in excess of ONE THOUSAND DOLLARS (\$1,000.00), materially misrepresented the value of any asset, or made any other material misrepresentation or omission in the above-referenced financial statements and information, the Court shall enter a judgment against that Defendant in favor of the Commission for the value of the asset in question, *provided* that should the Court find that the Defendant intentionally failed to disclose any material asset, intentionally and materially misrepresented the value of any asset, or intentionally made any other material misrepresentation or omission in the above-referenced financial statements and information, the Court shall reinstate the judgment against that Defendant or those Defendants, in favor of the Commission, in the amount of FIFTY-TWO MILLION DOLLARS (\$52,000,000.00), which shall become immediately due and payable, less any amounts previously paid. In determining whether the act by the Defendant was an intentional act, the

Court shall rebuttably deem the act to be a material, intentional act if the value of the asset is in excess of TWENTY-FIVE THOUSAND DOLLARS (\$25,000). If the Court finds that Defendants Nanci H. Masso, and/or Nanci Corporation International failed to disclose any material asset, the value of which is in excess of ONE THOUSAND DOLLARS (\$1000.00), materially misrepresented the value of any asset, or made any other material misrepresentation or omission in the above-referenced financial statements and information, the Court shall enter a judgment against that Defendant, in favor of the Commission, for the value of the asset in question. Should this judgment be modified as to the monetary liability of any Defendant, this Final Order, in all other respects, shall remain in full force;

B. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso authorize the Commission to verify all information provided on their respective financial statements with all appropriate third parties, including, but not limited, to financial institutions or credit reporting bureaus; and

C. Proceedings instituted under this Paragraph are in addition to, and not in lieu of, any and all other proceedings and remedies as may be provided by law, including any other proceedings the Commission may initiate to enforce this Final Order. Solely for the purposes of reopening this Paragraph, Defendants waive any right to contest any of the allegations set forth in the Amended Complaint filed in this matter.

VI. FREEZE OF DEFENDANTS' ASSETS

A. ASSET FREEZE

IT IS FURTHER ORDERED that, except as required by Paragraphs IV (B) and (C), and Paragraphs VI (B) and (C), below, and as ordered by this Court in Docket Numbers 21, 43, 251, 988, Defendants are hereby restrained and enjoined from:

1. Transferring, converting, encumbering, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, perfecting a security interest in, or otherwise disposing of any funds, property, accounts, contracts, shares of stock, lists of consumer names, or other assets, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, wherever located, including outside the United States, other than to make transfers to the Receiver, that are (1) owned or controlled, directly or indirectly, by any Defendant, in whole or in part; (2) in the actual or constructive possession of any Defendant; or (3) owned, controlled by, or in the actual or constructive possession of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by, or under common control with any Defendant, including but not limited to, any assets held by, for, or under the name of any Defendant at any bank or savings and loan institution, or with any broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, or other financial institution or depository of any kind;
2. Opening or causing to be opened any safe deposit boxes, not including any safe deposit box the contents of which are property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, titled in the name of any Defendant, or subject to access by any Defendant; and
3. Incurring charges or cash advances on any credit card issued in the name, singly

or jointly, of any Defendant.

IT IS FURTHER ORDERED that the assets affected by this Paragraph shall include both existing assets and assets acquired after the effective date of this Order.

B. LIFTING OF ASSET FREEZE TO SETTLE PLAINTIFF'S CLAIMS

IT IS FURTHER ORDERED that any freeze against the assets of the Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso entered by this Court shall be lifted to the extent necessary for the transfer of assets required by Paragraphs IV(B) and (C), and this Paragraph of this Final Order.

**C. LIFTING OF ASSET FREEZE TO
SETTLE BANKRUPTCY TRUSTEE'S CLAIMS**

IT IS FURTHER ORDERED that any freeze against the assets of the Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso entered by this Court shall be lifted to the extent necessary for the transfer of assets in the amount of SEVEN HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS (\$725,000) to the Bankruptcy Trustee, for the purpose resolving all claims and issues arising in those matters.

D. TERMINATION OF THE ASSET FREEZE

IT IS FURTHER ORDERED that only upon full compliance with the requirements of Paragraphs IV (B) and (C), and upon written verification by the Commission, the Receiver and the Bankruptcy Trustee that the two transfers of Paragraphs VI (B) and (C) have taken place, the

freeze against assets shall be lifted permanently as to Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso.

**VII. DISMISSAL OF THE ELIAS MASSO BANKRUPTCY CASE;
NON-DISCHARGEABILITY OF FTC'S CLAIM**

IT IS FURTHER ORDERED that:

A. Within ten (10) days of the Defendants' fulfillment of the payment obligations of Paragraph IV(B) and Paragraph IV(C) of this Final Order, Defendant Elias F. Masso shall file a motion with the Bankruptcy Court, and serve a copy thereof on the FTC, seeking the dismissal of the Elias Masso Bankruptcy Case, with prejudice.

B. In the event that the Bankruptcy Court does not enter an Order dismissing the Elias Masso Bankruptcy Case, Defendant Elias F. Masso agrees and stipulates to: (a) the entry by the Bankruptcy Court of a judgment determining that the debt owing by Defendant Elias F. Masso to the FTC pursuant to this Final Order is non-dischargeable pursuant to 11 U.S.C. § 523(a)(2)(A), (a)(4) and/or (a)(6); or, in the alternative, (b) reaffirm the debt owing by Defendant Elias F. Masso to the FTC pursuant to this Final Order in accordance with an agreement filed with the Bankruptcy Court and complying with the requirements of 11 U.S.C. § 524(c). Defendant Elias F. Masso agrees to take any and all actions necessary to effectuate the provisions of this Paragraph in the most expeditious manner possible, including, but not limited to, executing all necessary stipulations, agreements, or other documents and filing required court or legal documents and papers, including but not limited to an agreed Complaint and stipulated judgment. If the Defendants have fulfilled the payment obligations of Paragraph IV(B) and

Paragraph IV(C) of this Final Order, within ten (10) days of the Bankruptcy Court's entry of a final judgment determining the debt owing by Defendant Elias F. Masso to the FTC pursuant to this Final Order to be non-dischargeable pursuant to 11 U.S.C. § 523(a)(2)(A), (a)(4) and/or (a)(6), or in the alternative the filing of an agreement reaffirming the debt owing by Defendant Elias F. Masso to the FTC pursuant to this Final Order in accordance with the requirements of 11 U.S.C. § 524(c), the FTC agrees and stipulates to withdraw its claim in the Masso Bankruptcy Case.

VIII. COOPERATION WITH RECEIVER

IT IS FURTHER ORDERED that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall cooperate fully with the Receiver.

IT IS FURTHER ORDERED that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall execute and return to the Receiver all documents, pleadings and stipulations which the Receiver deems appropriate in order to effectuate the transfers of assets as described in Paragraphs IV(B) and (C) and Paragraphs VI (B) and (C), above.

IX. WINDING DOWN OF THE RECEIVER'S APPOINTMENT

IT IS FURTHER ORDERED that, within seven (7) days of verification by the Commission, the Receiver and the Bankruptcy Trustee that the two transfers have taken place, the Receiver shall submit for the Court's approval a Final Report and Accounting of the

disposition of the Receivership Estate, along with the Receiver's final application for fees and expenses. Upon approval of the Receiver's Final Report and Accounting and the Receiver's final application for fees and expenses, the Receivership in the case shall cease.

**X. CLAIMS AGAINST THE RECEIVER
OR THE RECEIVERSHIP ESTATE**

IT IS FURTHER ORDERED that any claims that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso, and Kier E. Masso may have against the Receiver or the Receivership Estate are hereby dissolved.

XI. COOPERATION WITH THE FEDERAL TRADE COMMISSION

IT IS FURTHER ORDERED that :

A. Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall cooperate fully with the Federal Trade Commission in its administration of the redress fund, including but not limited to providing complete information concerning consumers; and

B. Defendants Elias F. Masso, Kier E. Masso, Nanci H. Masso and James S. Brown shall cooperate with the Commission in the prosecution of this case by being available for and testifying at the trial of this case.

XII. COMPLIANCE REPORTING

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

A. For a period of five (5) years after the date of entry of this Final Order, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall notify the Plaintiff in writing of the following:

1. Any changes in Defendant's residence, mailing addresses and telephone numbers, within ten (10) days of the date of such change;
2. Any changes in Defendant's employment status (including self-employment), within ten (10) days of such change. Such notice shall include the name and address of each business that Defendant is affiliated with or employed by, a statement of the nature of the business, and a statement of Defendant's duties and responsibilities in connection with the business or employment;
3. Any proposed change in the structure of any business entity owned or controlled by Defendant such as creation, incorporation, organization, dissolution, assignment, sale, merger, creation, dissolution of subsidiaries, proposed filing of a bankruptcy petition, or change in name or address, or any other change that may affect compliance obligations arising out of this Final Order, thirty (30) days prior to the effective date of any proposed change; *provided*, however, that, with respect to any proposed change about which Defendant learns less than thirty (30) days prior to the date such action is to take place, Defendant shall notify the

Commission as soon as is practicable after learning of such proposed change;

4. Any filing by Defendant of a petition for relief under the United States Bankruptcy Code, contemporaneously upon the filing of such petition; and
5. Any filing by any creditor of Defendant of a petition for relief under the United States Bankruptcy Code against Defendant, within five (5) days of receipt of notice of such petition;

B. One hundred eighty (180) days after the date of entry of this Final Order, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which Defendant has complied and is complying with this Final Order. This report shall include but not be limited to:

1. Defendant's then current residence addresses and telephone numbers;
2. Defendant's then current employment, business addresses and telephone numbers, a description of the business activities of each such employer, and Defendant's title and responsibilities for each employer;
3. A copy of each acknowledgment of receipt of this Final Order obtained by Defendant pursuant to Paragraph XIII; and
4. A statement describing the manner in which Defendant has complied and is complying with this Final Order;

C. Upon written request by a representative of the Commission, Defendants SkyBiz.com,

Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall submit additional written reports (under oath, if requested) and produce documents on fifteen (15) days' notice with respect to any conduct subject to this Final Order;

- D. For the purposes of this Final Order, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Director, Southwest Region
Federal Trade Commission
Suite 2150, 1999 Bryan Street
Dallas, Texas 75201

Re: *FTC v. SkyBiz.com, Inc., et al.*
CA No. 01-CV-396-EA (M)

- E. For the purposes of this Paragraph, "employment" includes the performance of services as an employee, consultant, or independent contractor; and "employers" includes any individual or entity for whom Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso or Kier E. Masso performs services as an employee, consultant, or independent contractor; and
- F. For purposes of the compliance reporting required by this Paragraph, the Commission is authorized to communicate directly with Defendants SkyBiz.com, Inc., SkyBiz

International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso.

XIII. AUTHORITY TO MONITOR COMPLIANCE

IT IS FURTHER ORDERED that the Commission is authorized to monitor Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso's compliance with this Final Order by all lawful means, including, but not limited to, the following means:

- A. The Commission is authorized, without further leave of Court, to obtain discovery from any person in the manner provided by Chapter V of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 26-34, 36-37, including the use of compulsory process pursuant to Fed. R. Civ. P. 45, for the purpose of monitoring and investigating Defendant's compliance with any provision of this Final Order; *provided* that the Commission shall not be restricted in the number of depositions it may take;
- B. The Commission is authorized to use representatives posing as consumers and suppliers to Defendant, his employees, or any other entity managed or controlled in whole or in part by Defendant, without the necessity of identification or prior notice; and
- C. Nothing in this Final Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. § § 49 and 57b-1, to investigate whether Defendant has violated any provision of this Final Order or Section 5 of the FTC Act, 15 U.S.C. § 45.

XIV. ACCESS TO BUSINESS PREMISES

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Final Order, for the purpose of further determining compliance with this Final Order, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall permit representatives of the Commission, within three (3) business days of receipt of written notice from the Commission:

A. Access during normal business hours to any office, or facility storing documents, of any business where (1) Defendant is the majority owner of the business or directly or indirectly manages or controls the business, and where (2) the business appears to be engaged in a Marketing Program, or assists others engaged in a Marketing Program. In providing such access, Defendant shall permit representatives of the Commission to inspect and copy all documents relevant to any matter contained in this Final Order; and shall permit Commission representatives to remove documents relevant to any matter contained in this Final Order for a period not to exceed five (5) business days so that the documents may be inspected, inventoried, and copied; and

B. To interview the officers, directors and employees, including all personnel involved in responding to consumer complaints or inquiries, and all sales personnel, whether designated as employees, consultants, independent contractors or otherwise, of any business to which Subsection A of this Paragraph applies, concerning matters relating to compliance with the terms of this Final Order. The person interviewed may have counsel present.

Provided that, upon application of the Commission and for good cause shown, the Court

may enter an *ex parte* order granting immediate access to Defendant's business premises for the purposes of inspecting and copying all documents relevant to any matter contained in this Final Order.

XV. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Final Order, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso and their agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from failing to create and retain the following records:

- A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;
- C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;

- D. Complaint and refund requests (whether received directly, indirectly or through any third party) and any responses to those complaints or requests;
- E. Copies of all sales scripts, training materials, advertisements, or other marketing materials;
- F. Copies of all merchant account applications, agreements, and statements; and
- G. Copies of all Internet sites and pages.

XVI. DISTRIBUTION OF ORDER BY DEFENDANT

IT IS FURTHER ORDERED that Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall:

- A. For a period of five (5) years from the date of entry of this Final Order, provide a copy of this Final Order to, and obtain a signed and dated acknowledgment of receipt of same from, each officer or director, each individual serving in a management capacity, all personnel involved in responding to consumer complaints or inquiries, and all sales personnel, whether designated as employees, consultants, independent contractors or otherwise, immediately upon employing or retaining any such persons, for any business where (1) Defendant is the majority owner of the business or directly or indirectly manages or controls the business, and where (2) the business is engaged in a Marketing Program, or assists others engaged in a Marketing Program; and
- B. Maintain for a period of three (3) years after creation, and upon reasonable notice make available to representatives of the Commission, the original signed and dated acknowledgments of the receipt of copies of this Final Order, as required in Subsection A of this Paragraph.

XVII. SERVICE OF ORDER

IT IS FURTHER ORDERED that copies of this Final Order may be served by any means, including facsimile transmission, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets, as defined in this Final Order, of the Defendant, or that may be subject to any provision of this Final Order. Pursuant to Fed. R. Civ. P. 4(c)(2), this Final Order and the initial papers filed in this matter may be served by agents of plaintiff, and by agents of any process service retained by the plaintiff.

XVIII. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that within five (5) business days of receipt of this Final Order as entered by the Court, Defendants SkyBiz.com, Inc., SkyBiz International Ltd., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation, James S. Brown, Elias F. Masso, Nanci H. Masso and Kier E. Masso shall submit to the Plaintiff a truthful sworn statement, in the form shown on Appendix A, that shall acknowledge the receipt of the Final Order.

XIX. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes.


XX. FINAL JUDGMENT AND ORDER

The parties hereby consent to entry of the foregoing Order which shall constitute a final judgment and order in this matter.

IT IS FURTHER ORDERED that there being no just reason for delay of entry of this judgment, and, pursuant to Fed. R. Civ. P. 54(b), the Clerk shall enter this Final Order immediately.

IT IS SO ORDERED.

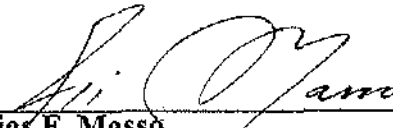
ENTERED this 28th day of January, 2003.



CLAIRE V. EAGAN
UNITED STATES DISTRICT JUDGE

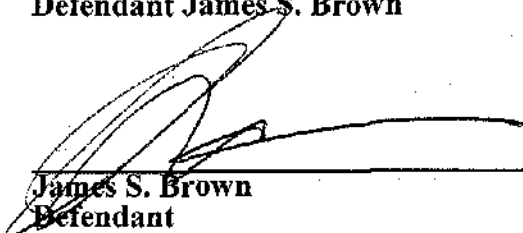
STIPULATED AND AGREED:

Defendant Elias F. Masso




Elias F. Masso
Defendant

Defendant James S. Brown



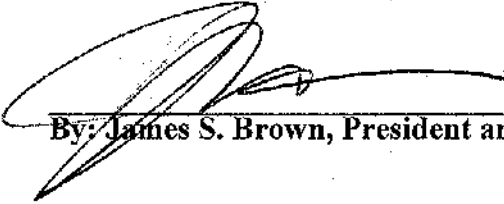
James S. Brown
Defendant

Defendant Kier E. Masso



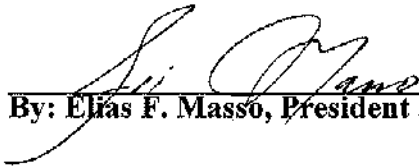
Kier E. Masso
Defendant

Defendant SkyBiz.com, Inc.




By: James S. Brown, President and Sole Director

Defendant World Service Corporation

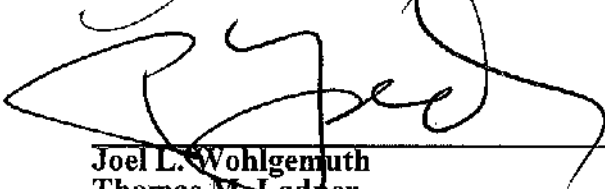


By: Elias F. Masso, President and Sole Director

Defendant WorldWide Service Corporation



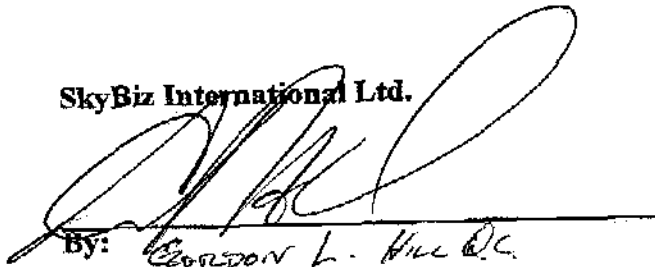
By: Elias F. Masso, President and Sole Director



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SkyBiz.com, Inc., World Service Corporation,
and WorldWide Service Corporation

SkyBiz International Ltd.



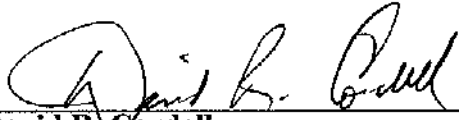
By: *Gordon L. Hill*
Director of GLOBE SERVICES LTD
sole director of Skybiz International Ltd.

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Defendant Nanci H. Masso

Nanci H. Masso

Nanci H. Masso
Defendant

Defendant Nanci Corporation International


Nanci H. Masso, President

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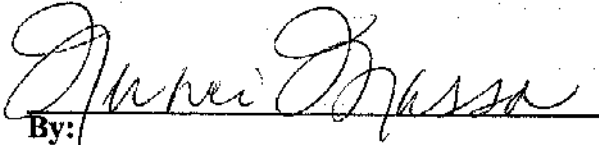
Attorneys for Defendants
Nanci H. Masso and
Nanci Corporation International

Defendant Nanci H. Masso



**Nanci H. Masso
Defendant**

Defendant Nanci Corporation International



By:

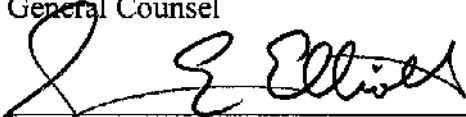


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and

Cathryn D. McClanahan
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ATTORNEYS FOR PLAINTIFF
FEDERAL TRADE COMMISSION

ROBB EVANS & ASSOCIATES, RECEIVER

By: _____

Robb Evans, Receiver

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FEDERAL TRADE COMMISSION

ROBB EVANS & ASSOCIATES, RECEIVER

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ATTORNEYS FOR RECEIVER
ROBB EVANS AND ROBB EVANS & ASSOCIATES

Appendix A

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF OKLAHOMA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

SKYBIZ.COM, INC., *et al.*

Defendants.

NO: 01-CV-396-EA(M)

AFFIDAVIT OF DEFENDANT [NAME OF INDIVIDUAL DEFENDANT]

I, [NAME OF INDIVIDUAL DEFENDANT], being duly sworn, hereby state and affirm as follows:

1. My name is [NAME OF INDIVIDUAL DEFENDANT]. 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. SkyBiz.com, Inc., et al.*, CA No. 01-CV-396-EA(M), in the United States District Court for the Northern District of Oklahoma.
3. On _____ [date], I received a copy of the Stipulated Final Judgment and Order For Permanent Injunction As to [NAME OF INDIVIDUAL DEFENDANT], which was signed by the Honorable Claire V. Eagan and entered by the Court on _____ [date of entry of Order]. A true and correct copy of the Order I received is appended to this Affidavit.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed on _____ [date], at _____ [city and state].

[NAME OF INDIVIDUAL DEFENDANT]

Subscribed and sworn to before me this _____ day of _____, 2001.

Notary Public

My Commission Expires:
