

IN THE UNITED STATES DISTRICT COURT FILED

FTC Trade Regulation Rule entitled the "Mail or Telephone Order Merchandise Rule."

whose names appear hereafter, have agreed to the entry by this Court of this Stipulated

Final Order of Permanent Injunction and Equitable Relief ("Final Order") to resolve all

Wesko, Jr., have entered into this Final Order freely and without coercion, and after having read and understood its provisions, are prepared to abide by its terms and

conditions;

6 Defendants Jeffrey M. Wesko, Wanda M. Wesko, and Richard A. Wesko,

of this Final Order and further waive and release any claim they may have against the

Wide Web, newsgroups, Internet Relay Chat, instant messaging, and file transfers protocols thereon, and remote computer access from anywhere in the world thereto.

3. "Mail Order Rule" or "Rule" means the Federal Trade Commission's Trade Regulation Rule, the "Mail or Telephone Order Merchandise Rule," codified at 16 C.F.R. Part 435, or as the Rule may hereafter be amended. A copy of the Rule is attached hereto as Appendix A.

attorney, employee, dealer, or independent

[REDACTED]

in or for on behalf of any of the named
[REDACTED]

THOUSAND DOLLARS (\$200,000) prior to engaging in such activities. The terms and conditions of the bond requirement are as follows:

- A. The bond shall be conditioned upon compliance with all of the provisions of this Order by such defendant(s). The bond shall be deemed continuous and remain in full force and effect as long as such defendant(s) engage(s) in or assist(s) others engaging in the advertising, marketing, or offering goods or services via

the Internet. Such defendant(s) shall maintain the bond for a period of five (5) years after having ceased, and having provided notice to the Plaintiff and the FTC that such defendant(s) has/have ceased, engaging in or assisting others engaged in the advertising, marketing, or offering goods or services via the Internet. The bond shall cite this Final Order as the subject matter of the bond, and shall provide surety thereunder against financial loss resulting from whole or

- C. The bond required pursuant to this subparagraph is in addition to, and not in lieu of, any other bonds required by federal, state, or local law;
- D. At least ten (10) days before commencing any activity that requires obtaining a bond, such defendant(s) shall provide notice to the Plaintiff and to the FTC

of the bond obtained; and

- E. Such defendant(s) shall not disclose the existence of the bond to any consumer without simultaneously and conspicuously making the following disclosure in the same medium: "THE BOND IS REQUIRED BY ORDER OF THE U.S. DISTRICT COURT AS PART OF A FINAL ORDER AGAINST [name(s) of such defendant(s)] in United States v. Computers by Us, Inc., et al., Civ. Action No. L-00-3232, U.S. District Court for the District of Maryland (Northern Division)."

is, expressly or by implication, that any defendant or

any agent of any defendants is in possession of goods or able to perform

the time stated by the defendants, or (2) if no time is stated, within thirty

[REDACTED]

[REDACTED]

- B. Failing to offer to the buyer, clearly and conspicuously and without prior demand, an option either to consent to any necessary delay in shipping or to cancel the order and receive a prompt refund; or
- C. Failing to make a prompt refund if the buyer does not consent to a delay in shipping pursuant to Subparagraph B, or if shipment does not take place

however, that the defendants may disclose such identifying information to a law enforcement agency, or as required by any law, regulation or court order.

V. RIGHT TO REOPEN

[REDACTED]

the Court's approval of this Final Order is expressly premised upon the truthfulness.

[REDACTED]

A. In the event that the Court modifies this Final Order pursuant to this Paragraph, only the defendant(s) who failed to disclose any material asset the value of which exceeds \$1,000, materially misrepresented the value of any asset, or made any

statements and financial information shall be individually liable, or jointly and severally liable, for the sum for consumer redress specified in this Paragraph.

With respect to the motion by the Plaintiff, the Court modifies this Final Order

Should this Final Order be modified pursuant to this Paragraph, this Final Order, in all other respects, shall remain in full force and effect unless otherwise ordered by this Court. Any proceedings instituted under this Paragraph shall be in addition to, and

_____ together with all other criminal remedies available by law. Solely for the

_____ enforcing this Paragraph, defendants waive any right to

3. Any proposed change in the name or structure of any business entity owned or controlled by the defendants, such as the use of a new business name, the creation, incorporation, dissolution, assignment, sale or merger of any such business entity, the creation or dissolution of subsidiaries, the proposed filing of a bankruptcy petition, a change in the corporate 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 in a corporation about which the defendants learn fewer

4. A copy of each acknowledgment of receipt of this Final Order obtained by

~~_____~~

5. A statement describing the manner in which the defendants have complied and are complying with this Final Order.

C. Upon written request by a representative of the Plaintiff or the FTC, the defendants 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 Paragraph, "employment" includes the performance of services as an employee, consultant, or independent contractor; and "employers" include any individual or entity for whom the defendant performs services as an

process pursuant to Fed. R. Civ. P. 45, for the purpose of monitoring and
investigating any one or more of the defendants' compliance with any provision

of this Final Order, and copy of such process shall be provided to such
defendant or defendants, unless such defendant or defendants has or have
advised the Plaintiff and the FTC in writing that such notice shall be transmitted
to a designated attorney or attorneys whose name(s) and address(es) have been
provided to the Plaintiff and the FTC;

B. Defendants agree that the Plaintiff and the FTC are authorized to use
representatives posing as consumers and suppliers to any of the defendants,

their employees, or any other entity managed or controlled in whole or in part by
any of the defendants, without the necessity of identification or prior notice to any

of the defendants or to a designated attorney; and

Nothing in this Final Order shall limit the Plaintiff's or the FTC's lawful use of

A. Access during normal business hours to any office, or facility storing documents, of any business where (1) any of the defendants is the majority owner of the business or manages or controls its business practices, and (2) the business is engaged in the sale or offering for sale of goods or services via the Internet, or assists others engaged in the sale of goods or services via the Internet. In providing such access, such defendant or defendants shall permit representatives of the Plaintiff or the FTC to inspect and copy all documents relevant to any matter contained in this Final Order; and shall permit Plaintiff or FTC 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

~~defendant shall permit Plaintiff or FTC 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~~

legible copies, at such defendant's or defendants' expense; and

B. To interview the officers, directors, and employees, including all personnel

or shipped any goods or services, or from whom such business accepted money or other items of value;

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

~~the consumer's name, address, telephone number and the dollar amount~~

paid by the consumer;

the written complaint or refund request, if any, and the date of the

§ 87(2)(b) (5) 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

§ 87(2)(b) from each officer or director, each individual owning in a

Fed. R. Civ. P. 4 (c)(2), this Final Order may be served by agents of the Plaintiff, and by agents of any process service retained by the Plaintiff.

XII. ACKNOWLEDGMENT OF RECEIPT OF ORDER

~~IT IS FURTHER ORDERED~~ that within five (5) business days after receipt by

~~the defendants of this Final Order entered by the Court, the defendants shall submit~~

Federal Trade Commission, H-238
600 Pennsylvania Avenue, NW
Washington, DC 20580.

XIV. RETENTION OF JURISDICTION AND ENTRY OF JUDGMENT

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

The parties whose signatures appear below hereby consent to the terms and conditions of this Final Order and to entry thereof without further proceedings.

FOR THE PLAINTIFF

FOR DEFENDANTS

STUART E. SCHIFFER
Acting Assistant Attorney General



JEFFREY M. WESKO

STEPHEN M. SCHENNING

[REDACTED]