

FILED

02 MAR 14 AM 11:30

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

BY: *AmcDaniel* DEPUTY

IN THE UNITED STATES DISTRICT COURT

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On May 1, 2001, the Clerk of Court entered default against

[REDACTED]

The

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 5. The activities of the Default Defendants charged in the
2 Complaint are in or affecting commerce, as defined in Section 4 of
3 the FTC Act, 15 U.S.C. § 44.

4 6. In numerous instances, Default Defendants have
5 misrepresented, directly or indirectly, in connection with the
6 advertising, sale, and offering for sale of computer hardware and
7 consumer electronics, that consumers who offered the highest bids
8 and sent defendants the agreed-on payment for the merchandise
9 pursuant to those bids would receive the promised merchandise.
10 The Default Defendants are therefore jointly and severally liable
11 for violating Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

1 consent to a delay in shipping or to cancel the order and receive

1 and all persons or entities directly or indirectly under the
2 control of any of them, and all other persons or entities in
3 active concert or participation with any of them who receive
4 actual notice of this Order by personal service or otherwise, and
5 each such person.

6 ORDER

7 T.

1 implication, any other fact material to a consumer's decision to
2 buy or accept the good or service from any of the Defendants.

3 III.

4 PROHIBITION ON VIOLATING MAIL AND TELEPHONE ORDER SALES RULE

5 IT IS FURTHER ORDERED, in connection with any sales in which

1 consent to a delay in shipping or to cancel the order and receive
2 a prompt refund;

3 3. Violating Section 435.1(c) of the Rule, 16 C.F.R.
4 § 435.1(c), by failing to make a "prompt refund," as that term is
5 defined in 16 C.F.R. § 435.2(f), to buyers when such refunds are
6 required by Section 435.1(c) of the Rule; and

7

V.

USE OF CONSUMER REDRESS AND DISGORGEMENT FUNDS

IT IS FURTHER ORDERED that all funds collected from the judgment herein shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including but not limited to consumer redress 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

1 or by fax, with such merchandise to be shipped to the customer, is
2 hereby restrained and enjoined from:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 training materials, advertisements, or other marketing materials
2 utilized.

3 VII.

4 COMPLIANCE REPORTING

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

7 A. Each of the individual **Default Defendants** shall, for a
8 period of five (5) years from the date of entry of this Order,
9 notify the Commission of:

10 1. Any changes in his or her residence, mailing
11 address, and telephone numbers, within ten (10) business days of
12 the date of such change; and

13 2. Any changes in his or her employment status

1 proposed change about which the defendant learns less than thirty

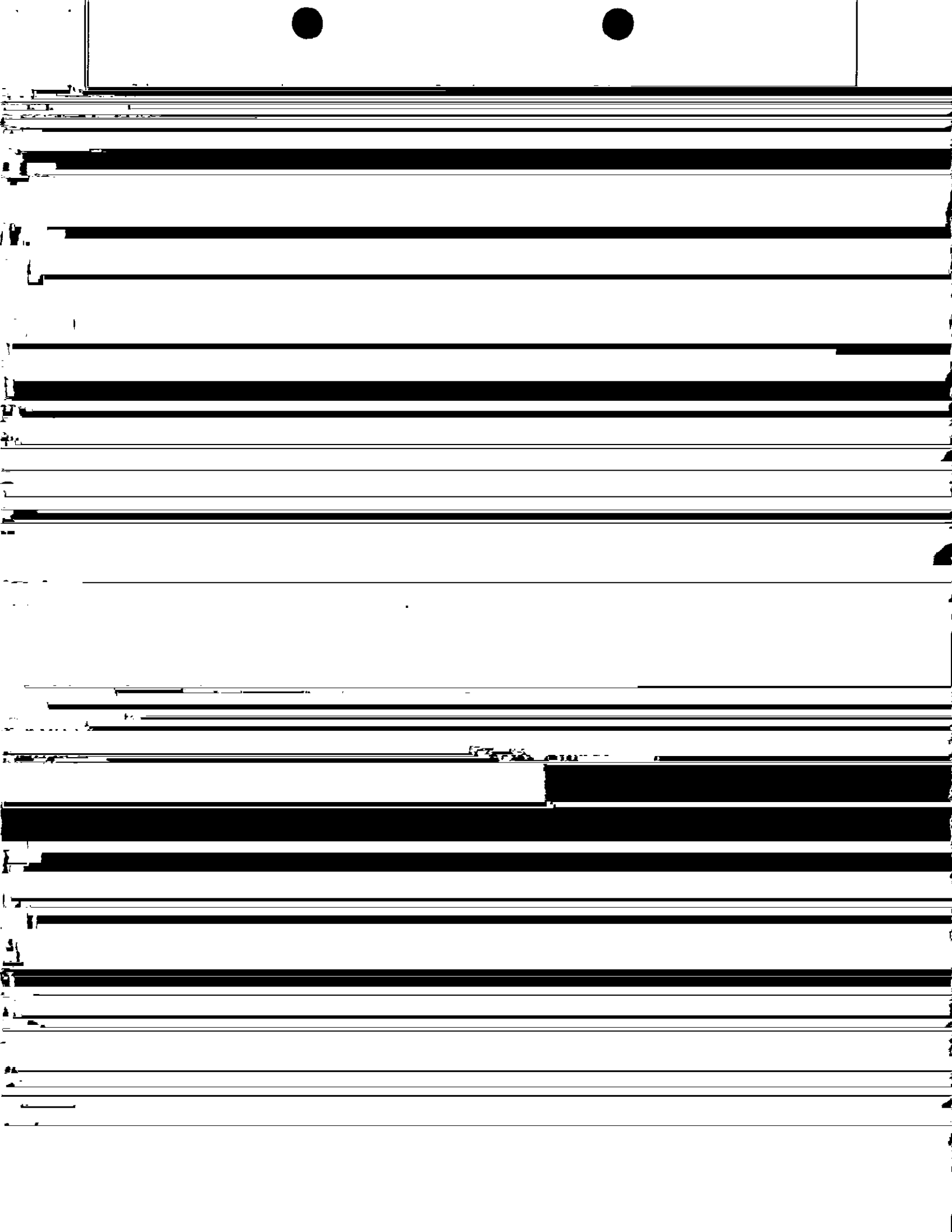
(b) (5) - DPP

1 or entity for whom the defendant performs services as an employee,
2 consultant or independent contractor.

3 . VIII.

4 ACCESS TO BUSINESS PREMISES

5 IT IS FURTHER ORDERED that, for a period of five (5) years
6 from the date of entry of this Order for the purpose of further



1 the FTC Act, 15 U.S.C. §§ 49, 57b-1, for the purpose of
2 investigating compliance with this Order, Section 5 of the FTC
3 Act, 15 U.S.C. § 45, or the Rule, 16 C.F.R. Part 435.

4 X.

5 ORDER DISTRIBUTION

6 IT IS FURTHER ORDERED that, for a period of five (5) years
7 from the date of entry of this Order, each of the Defendant

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ASSISTANT REGIONAL DIRECTOR
Federal Trade Commission
Western Region-Los Angeles
10877 Wilshire Blvd., Ste. 700
Los Angeles, CA 90024

XV.

ENTRY BY CLERK

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There being no just reason for delay, the Clerk of the Court
is hereby directed to enter this Order.

IT IS SO ORDERED.

Dated: 3/13/02

M. Lane Perry

PA

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