

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

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

Federal Trade Commission,

Plaintiff,

v.

Federal Loan Modification

Law Center, LLP, et al.

Defendants.

Case No. SACV09-401 CJC (MLGx)

**STIPULATED FINAL ORDER
FOR PERMANENT INJUNCTION
AND SETTLEMENT OF CLAIMS
AS TO
JEFFREY BROUGHTON**

Judge: Hon. Cormac J. Carney

Plaintiff Federal Trade Commission ("FTC") commenced this civil action on April 3, 2009, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), to obtain preliminary and permanent injunctive and other equitable relief for Defendants' violations of Section 5 of the FTC Act, 15 U.S.C. § 45, in connection with the marketing and sale of mortgage loan modification and foreclosure relief services. The FTC subsequently filed an amended complaint on June 24, 2009, naming Defendants Federal Loan Modifications, SBSC Corporation, and Venture Legal Support, PLC and Relief Defendants Legal Turn, LLC and MGO Capital. The Court

1 entered a Preliminary Injunction Order (“PI Order”) in this case enjoining
2 Defendants from, among other things, collecting advance fees from consumers, from
3 making certain representations about their services, and from disposing of assets
4 outside the ordinary course of business. The FTC and Defendant Jeffrey Broughton
5 stipulate to the entry of this Final Order for Permanent Injunction and Settlement of
6 Claims.

7 FINDINGS

8 By stipulation of the parties and being advised of the premises, the Court
9 finds:

10 1. This is an action by the FTC brought pursuant to Sections 5 and 13(b)
11 of the FTC Act, 15 U.S.C. §§ 45, 53(b), and 57(b). The Amended Complaint seeks
12 both permanent injunctive relief and consumer redress for the Defendants’ alleged
13 deceptive acts or practices in connection with the marketing and sale of mortgage
14 loan modification and foreclosure relief services.

15 2. The FTC has authority under Section 13(b) of the FTC Act to seek the
16 relief it has requested, and the Amended Complaint states a claim upon which relief
17 can be granted against Defendant Jeffrey Broughton.

18 3. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§
19 1331, 1337(a) and 1345, and 15 U.S.C. §§ 45(a) and 53(b) and has jurisdiction over
20 the Defendant. Venue in the Central District of California is proper.

21 4. The activities of Defendant Jeffrey Broughton, as alleged in the
22 Amended Complaint, are in or affecting commerce, as defined in Section 4 of the
23 FTC Act, 15 U.S.C. § 44.

24 5. Defendant Jeffrey Broughton enters into this Order freely and without
25 coercion and acknowledges that he has read, understands, and is prepared to abide
26 by, the provisions of this Order.

27
28

1 in any way alter the terms of payment or other terms of the debt between a consumer
2 and one or more unsecured creditors, servicers, or debt collectors, including but not
3 limited to, a reduction in the balance, interest rate, or fees owed by a consumer to an
4 unsecured creditor, servicer, or debt collector.

5 4. ***“Defendant”*** means Jeffrey Broughton individually.

6 5. ***“Financial related good or service”*** means any good, service, plan, or
7 program that is represented, expressly or by implication, to (A) provide any
8 consumer, arrange for any consumer to receive, or assist any consumer in receiving,
9 credit, debit, or stored value cards; (B) improve, or arrange to improve, any
10 consumer’s credit record, credit history, or credit rating; (C) provide advice or
11 assistance to any consumer with regard to any activity or service the purpose of
12 which is to improve a consumer’s credit record, credit history, or credit rating; (D)
13 provide any consumer, arrange for any consumer to receive, or assist any consumer
14 in receiving, a loan or other extension of credit; (E) provide any consumer, arrange
15 for any consumer to receive, or assist any consumer in receiving, debt relief goods or
16 services; (F) provide any consumer, arrange for any consumer to receive, or assist
17 any consumer in receiving any service represented, expressly or by implication, to
18 renegotiate, settle, or in any way alter the terms of payment or other terms of the debt
19 between a consumer and one or more secured creditors, servicers, or debt collectors.

20 6. ***“Federal homeowner relief or financial stability program”*** means any
21 program (including its sponsoring agencies, telephone numbers, and Internet
22 websites) operated or endorsed by the United States government to provide relief to
23 homeowners or stabilize the economy, including but not limited to (A) the Making
24 Home Affordable Program; (B) the Financial Stability Plan; (C) the Troubled Asset
25 Relief Program and any other program sponsored or operated by the United States
26 Department of the Treasury; (D) the HOPE for Homeowners program, any program
27 operated or created pursuant to the Helping Families Save Their Homes Act, and any
28 other program sponsored or operated by the Federal Housing Administration; or (E)

1 any program sponsored or operated by the United States Department of Housing and
2 Urban Development (“HUD”), the HOPE NOW Alliance, the Homeownership
3 Preservation Foundation, or any other HUD-approved housing counseling agency.

4 7. **“For-profit”** means any activity organized to carry on business for the
5 profit of the entity engaging in the activity or that of its members.

6 8. **“Material fact”** means any fact that is likely to affect a person’s choice
7 of, or conduct regarding, goods or services.

8 9. **“Mortgage loan modification or foreclosure relief service”** means any
9 good, service, plan, or program that is represented, expressly or by implication, to
10 assist a consumer in any manner to (A) stop, prevent, or postpone any home
11 mortgage or deed of trust foreclosure sale; (B) obtain or arrange a modification of
12 any term of a home loan, deed of trust, or mortgage; (C) obtain any forbearance from
13 any mortgage loan holder or servicer; (D) exercise any right of reinstatement of any
14 mortgage loan; (E) obtain, arrange, or attempt to obtain or arrange any extension of
15 the period within which the owner of property sold at foreclosure may cure his or
16 her default or reinstate his or her obligation; (F) obtain any waiver of an acceleration
17 clause contained in any promissory note or contract secured by a deed of trust or
18 mortgage on a residence in foreclosure or contained in that deed of trust; (G) obtain a
19 loan or advance of funds that is connected to the consumer's home ownership; (H)
20 avoid or ameliorate the impairment of the consumer’s credit record, credit history, or
21 credit rating that is connected to the consumer's home ownership; (I) save the
22 consumer’s residence from foreclosure; (J) assist the consumer in obtaining proceeds
23 from the foreclosure sale of the consumer’s residence; (K) obtain or arrange a
24 pre-foreclosure sale, short sale, or deed-in-lieu of foreclosure; (L) obtain or arrange a
25 refinancing, recapitalization, or reinstatement of a home loan, deed of trust, or
26 mortgage; (M) audit or examine a consumer’s mortgage or home loan application; or
27 (N) obtain, arrange, or attempt to obtain or arrange any extension of the period
28 within which the renter of property sold at foreclosure may continue to occupy the

1 property. The foregoing shall include any manner of claimed assistance, including,
2 but not limited to, debt, credit, budget, or financial counseling; receiving money for
3 the purpose of distributing it to creditors; contacting creditors or servicers on behalf
4 of the consumer; and giving advice of any kind with respect to filing for bankruptcy.

5 10. "*Person*" means a natural person, organization, or other legal entity,
6 including a corporation, partnership, proprietorship, association, cooperative, or any
7 other group or combination acting as an entity.

8 11. "*Servicer*" means any beneficiary, mortgagee, trustee, loan servicer,
9 loan holder, or any entity performing loan or credit account administration or
10 processing services and/or its authorized agents.

11 ORDER

12 BAN ON MORTGAGE LOAN MODIFICATION AND FORECLOSURE 13 RELIEF SERVICES

14 I. IT IS THEREFORE ORDERED that Defendant, whether acting directly or
15 through any other person, is permanently restrained and enjoined from

16 A. Advertising, marketing, promoting, offering for sale, or selling any
17 mortgage loan modification or foreclosure relief service; and

18 B. Assisting others engaged in advertising, marketing, promoting, offering
19 for sale, or selling any mortgage loan modification or foreclosure relief service.

20 PROHIBITED REPRESENTATIONS RELATING TO FINANCIAL 21 RELATED GOODS AND SERVICES

22 II. IT IS FURTHER ORDERED that Defendant and his successors, assigns,
23 officers, agents, servants, employees, and attorneys, and those persons or entities in
24 active concert or participation with any of them who receive actual notice of this
25 Order by personal service, facsimile transmission, email, or otherwise, whether
26 acting directly or through any corporation, subsidiary, division, or other device, in
27 connection with the advertising, marketing, promotion, offering for sale or sale of
28

1 any financial related good or service, are hereby permanently restrained and enjoined
2 from:

3 A. Misrepresenting or assisting others in misrepresenting, expressly or by
4 implication, any material fact, including but not limited to:

5 1. The terms or rates that are available for any loan or other
6 extension of credit, including but not limited to:

7 (a) closing costs or other fees;

8 (b) the payment schedule, the monthly payment amount(s), or
9 other payment terms, or whether there is a balloon payment; interest rate(s), annual
10 percentage rate(s), or finance charge; the loan amount, the amount of credit, the draw
11 amount, or outstanding balance; the loan term, the draw period, or maturity; or any
12 other term of credit;

13 (c) the savings associated with the credit;

14 (d) the amount of cash to be disbursed to the borrower out of
15 the proceeds, or the amount of cash to be disbursed on behalf of the borrower to any
16 third parties;

17 (e) whether the payment of the minimum amount specified
18 each month covers both interest and principal, and whether the credit has or can
19 result in negative amortization;

20 (f) that the credit does not have a prepayment penalty or that
21 no prepayment penalty and/or other fees or costs will be incurred if the consumer
22 subsequently refinances; and

23 (g) that the interest rate(s) or annual percentage rate(s) are
24 fixed rather than adjustable or adjustable rather than fixed;

25 2. That any person can improve any consumer's credit record, credit
26 history, or credit rating by permanently removing negative information from the
27 consumer's credit record, credit history, or credit rating, even where such
28 information is accurate and not obsolete;

1 3. Any person's ability to improve or otherwise affect a consumer's
2 credit record, credit history, or credit rating or ability to obtain credit;

3 4. Any aspect of any debt relief good or service, including but not
4 limited to, the amount of savings a consumer will receive from purchasing, using, or
5 enrolling in such debt relief good or service; the amount of time before which a
6 consumer will receive settlement of the consumer's debts; or the reduction or
7 cessation of collection calls; and

8 5. That a consumer will receive legal representation;

9 B. Advertising or assisting others in advertising credit terms other than
10 those terms that actually are or will be arranged or offered by a creditor or lender.

11 **PROHIBITED REPRESENTATIONS RELATING TO ANY GOODS OR**
12 **SERVICES**

13 **III. IT IS FURTHER ORDERED** that Defendant and his successors, assigns,
14 officers, agents, servants, employees, and attorneys, and those persons or entities in
15 active concert or participation with any of them who receive actual notice of this
16 Order by personal service, facsimile transmission, email, or otherwise, whether
17 acting directly or through any corporation, subsidiary, division, or other device, in
18 connection with the advertising, marketing, promotion, offering for sale or sale of
19 any good, service, plan, or program, are hereby permanently restrained and enjoined
20 from misrepresenting or assisting others in misrepresenting, expressly or by
21 implication, any material fact, including but not limited to:

22 A. Any material aspect of the nature or terms of any refund, cancellation,
23 exchange, or repurchase policy, including, but not limited to, the likelihood of a
24 consumer obtaining a full or partial refund, or the circumstances in which a full or
25 partial refund will be granted to the consumer;

26 B. That any person is affiliated with, endorsed or approved by, or
27 otherwise connected to any other person, government entity, any federal homeowner
28 relief or financial stability program, or any other program;

1 C. The total costs to purchase, receive, or use, and the quantity of, the good
2 or service;

3 D. Any material restriction, limitation, or condition to purchase, receive, or
4 use the good or service; and

5 E. Any material aspect of the performance, efficacy, nature, or
6 characteristics of the good or service.

7 **PROHIBITIONS ON USE OF CUSTOMER INFORMATION**

8 **IV. IT IS FURTHER ORDERED** that Defendant and his successors, assigns,
9 officers, agents, servants, employees, and attorneys, and those persons or entities in
10 active concert or participation with any of them who receive actual notice of this
11 Order by personal service, facsimile transmission, email, or otherwise, whether
12 acting directly or through any corporation, subsidiary, division, or other device, are
13 permanently restrained and enjoined from:

14 A. disclosing, using, or benefitting from customer information, including
15 the name, address, telephone number, email address, Social Security number, other
16 identifying information, or any data that enables access to a customer's account
17 (including a credit card, bank account, or other financial account), of any person
18 which any defendant obtained prior to entry of this Order in connection with the
19 advertising, marketing, promotion, offering for sale or sale of any mortgage loan
20 modification or foreclosure relief service, and

21 B. failing to dispose of such customer information in all forms in his
22 possession, custody, or control within thirty (30) days after entry of this Order.
23 Disposal shall be by means that protect against unauthorized access to the customer
24 information, such as by burning, pulverizing, or shredding any papers, and by
25 erasing or destroying any electronic media, to ensure that the customer information
26 cannot practicably be read or reconstructed.

27

28

1 D. The Defendant relinquishes all dominion, control, and title to the funds
2 paid to the fullest extent permitted by law. The Defendant shall make no claim to or
3 demand for return of the funds, directly or indirectly, through counsel or otherwise.

4 E. Defendant agrees that the facts as alleged in the Amended Complaint
5 filed in this action shall be taken as true without further proof in any bankruptcy case
6 or subsequent civil litigation pursued by the Commission to enforce its rights to any
7 payment or money judgment pursuant to this Order, including but not limited to a
8 nondischargeability complaint in any bankruptcy case. Defendant further stipulates
9 and agrees that the facts alleged in the Amended Complaint establish all elements
10 necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A)
11 of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and that this Order shall have
12 collateral estoppel effect for such purposes.

13 F. The judgment entered pursuant to this Section is equitable monetary
14 relief, solely remedial in nature, and not a fine, penalty, punitive assessment or
15 forfeiture.

16 G. Upon request, the Defendant is hereby required, in accordance with 31
17 U.S.C. § 7701, to furnish to the FTC his tax identification number, which shall be
18 used for purposes of collecting and reporting on any delinquent amount arising out
19 of this Order.

20 H. Pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C.
21 § 1681b(1), any consumer reporting agency may furnish a consumer report
22 concerning Defendant to the FTC, which shall be used for purposes of collecting and
23 reporting on any delinquent amount arising out of this Order.

24 **RIGHT TO REOPEN**

25 **VI. IT IS FURTHER ORDERED** that, the FTC's agreement to, and the Court's
26 approval of, this Order is expressly premised on the truthfulness, accuracy and
27 completeness of Defendant's financial statement previously submitted to the FTC.
28 If, upon motion by the FTC, the Court finds that: (1) the financial statements of

1 Defendant contain any material misrepresentation or omission, or (2) the Defendant
2 receives any money or assets owed to him as of the date of entry of this Order by any
3 Defendant or Relief Defendant named in this civil action, or their officers, agents,
4 servants, employees, and all persons and entities in active concert or participation
5 with them, including pursuant to any chose of action to recover money or assets from
6 such persons, the suspended judgment entered in Section V of this Order shall
7 become immediately due and payable as to the Defendant, less any amounts turned
8 over to the FTC pursuant to Section V of this Order; *provided, however*, that in all
9 other respects this Order shall remain in full force and effect unless otherwise
10 ordered by the Court; and, *provided further*, that proceedings instituted under this
11 provision would be in addition to, and not in lieu of, any other civil or criminal
12 remedies as may be provided by law, including any other proceedings that the FTC
13 may initiate to enforce this Order. For purposes of this Section, the Defendant
14 waives any right to contest any of the allegations in the Amended Complaint.

15 COOPERATION WITH FTC

16 **VII. IT IS FURTHER ORDERED** that the Defendant shall, in connection with
17 this action or any subsequent investigation or litigation related to or associated with
18 the transactions or the occurrences that are the subject of the Amended Complaint,
19 cooperate in good faith with the FTC and appear at such places and times as the FTC
20 shall reasonably request, after written notice, for interviews, conferences, pretrial
21 discovery, review of documents, and for such other matters as may be reasonably
22 requested by the FTC. If requested in writing by the FTC, the Defendant shall
23 appear and provide truthful testimony in any trial, deposition, or other proceeding
24 related to or associated with the transactions or the occurrences that are the subject of
25 the Amended Complaint, without the service of a subpoena, *provided, however*, that
26 the Defendant shall be entitled to receive any witness fees and expenses allowable
27 pursuant to Federal Rule of Civil Procedure 45.

28

1 **COMPLIANCE MONITORING**

2 **VIII. IT IS FURTHER ORDERED** that, for the purpose of (i) monitoring and
3 investigating compliance with any provision of this Order, and (ii) investigating the
4 accuracy of Defendant's financial statements upon which the FTC's agreement to
5 this Order is expressly premised:

6 A. Within ten (10) days of receipt of written notice from a representative of
7 the FTC, the Defendant shall submit additional written reports, which are true and
8 accurate and sworn to under penalty of perjury; produce documents for inspection
9 and copying; appear for deposition; and provide entry during normal business hours
10 to any business location in Defendant's possession or direct or indirect control to
11 inspect the business operation;

12 B. In addition, the FTC is authorized to use all other lawful means,
13 including but not limited to:

14 1. obtaining discovery from any person, without further leave of
15 court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, 45 and
16 69;

17 2. posing as consumers and suppliers to the Defendant, his
18 employees, or any other entity managed or controlled in whole or in part by the
19 Defendant, without the necessity of identification or prior notice; and

20 C. The Defendant shall permit representatives of the FTC to interview any
21 employer, consultant, independent contractor, representative, agent, or employee
22 who has agreed to such an interview, relating in any way to any conduct subject to
23 this Order. The person interviewed may have counsel present.

24 D. *Provided however*, that nothing in this Order shall limit the FTC's
25 lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15
26 U.S.C. §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony,
27 or information relevant to unfair or deceptive acts or practices in or affecting
28 commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

1 **COMPLIANCE REPORTING**

2 **IX. IT IS FURTHER ORDERED** that, in order that compliance with the
3 provisions of this Order may be monitored:

4 A. For a period of seven (7) years from the date of entry of this Order,

5 1. Defendant shall notify the FTC of the following:

6 a. Any changes in Defendant's residence, mailing addresses,
7 and telephone numbers, within ten (10) days of the date of such change;

8 b. Any changes in Defendant's employment status (including
9 self-employment), and any change in Defendant's ownership in any business entity,
10 within ten (10) days of the date of such change. Such notice shall include the name
11 and address of each business that Defendant is affiliated with, employed by, creates
12 or forms, or performs services for; a detailed description of the nature of the
13 business; and a detailed description of Defendant's duties and responsibilities in
14 connection with the business or employment; and

15 c. Any changes in Defendant's name or use of any aliases or
16 fictitious names;

17 2. The Defendant shall notify the FTC of any changes in structure of
18 any corporate defendant or any business entity that Defendant directly or indirectly
19 controls, or has an ownership interest in, that may affect compliance obligations
20 arising under this Order, including but not limited to: incorporation or other
21 organization; a dissolution, assignment, sale, merger, or other action; the creation or
22 dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices
23 subject to this Order; or a change in the business name or address, at least thirty (30)
24 days prior to such change, *provided* that, with respect to any proposed change in the
25 business entity about which Defendant learns less than thirty (30) days prior to the
26 date such action is to take place, Defendant shall notify the FTC as soon as is
27 practicable after obtaining such knowledge.

28

1 B. One hundred eighty (180) days after the date of entry of this Order and
2 annually thereafter for a period of seven (7) years, the Defendant shall provide a
3 written report to the FTC, which is true and accurate and sworn to under penalty of
4 perjury, setting forth in detail the manner and form in which he has complied and is
5 complying with this Order. This report shall include, but not be limited to:

6 1. Defendant's then-current residence address, mailing addresses,
7 and telephone numbers;

8 2. Defendant's then-current employment status (including self-
9 employment), including the name, addresses, and telephone numbers of each
10 business that Defendant is affiliated with, employed by, or performs services for; a
11 detailed description of the nature of the business; and a detailed description of
12 Defendant's duties and responsibilities in connection with the business or
13 employment; and

14 3. Any other changes required to be reported under Subsection A of
15 this Section.

16 4. A copy of each acknowledgment of receipt of this Order,
17 obtained pursuant to the Section titled "Distribution of Order;" and

18 5. Any other changes required to be reported under Subsection A of
19 this Section.

20 C. Defendant shall notify the FTC of the filing of a bankruptcy petition by
21 Defendant within fifteen (15) days of filing.

22 D. For the purposes of this Order, the Defendant shall, unless otherwise
23 directed by the FTC's authorized representatives, send by overnight courier all
24 reports and notifications required by this Order to the FTC, to the following address:

25 Associate Director for Enforcement
26 Federal Trade Commission
27 600 Pennsylvania Avenue, N.W., Room NJ-2122
28 Washington, D.C. 20580
 RE: *FTC v. Federal Loan Modification Law Center*, Case No.
 SACV09-401 CJC (MLGx) (C.D. Ca.)

1 *Provided* that, in lieu of overnight courier, the Defendant may send such reports or
2 notifications by first-class mail, but only if Defendant contemporaneously sends an
3 electronic version of such report or notification to the FTC at: DEBrief@ftc.gov.

4 E. For purposes of the compliance reporting and monitoring required by
5 this Order, the FTC is authorized to communicate directly with Defendant .

6 **RECORD KEEPING PROVISIONS**

7 **X. IT IS FURTHER ORDERED** that, for a period of ten (10) years from the
8 date of entry of this Order, in connection with any business where Defendant is the
9 majority owner of the business or directly or indirectly manages or controls the
10 business, Defendant and his agents, employees, officers, corporations, and those
11 persons in active concert or participation with them who receive actual notice of this
12 Order by personal service or otherwise, are hereby restrained and enjoined from
13 failing to create and retain the following records:

14 A. Accounting records that reflect the cost of goods or services sold,
15 revenues generated, and the disbursement of such revenues;

16 B. Personnel records accurately reflecting: the name, address, and
17 telephone number of each person employed in any capacity by such business,
18 including as an independent contractor; that person's job title or position; the date
19 upon which the person commenced work; and the date and reason for the person's
20 termination, if applicable;

21 C. Customer files containing the names, addresses, phone numbers, dollar
22 amounts paid, quantity of items or services purchased, and description of items or
23 services purchased, to the extent such information is obtained in the ordinary course
24 of business;

25 D. Complaints and refund requests (whether received directly, indirectly,
26 or through any third party) and any responses to those complaints or requests;

27 E. Copies of all sales scripts, training materials, advertisements, or other
28 marketing materials; and

1 F. All records and documents necessary to demonstrate full compliance
2 with each provision of this Order, including but not limited to, copies of
3 acknowledgments of receipt of this Order required by the Sections titled
4 "Distribution of Order" and "Acknowledgment of Receipt of Order" and all reports
5 submitted to the FTC pursuant to the Section titled "Compliance Reporting."

6 **DISTRIBUTION OF ORDER**

7 **XI. IT IS FURTHER ORDERED** that, for a period of seven (7) years from the
8 date of entry of this Order, Defendant shall deliver copies of the Order as directed
9 below:

10 A. Defendant as Control Person: For any business that Defendant controls,
11 directly or indirectly, or in which Defendant has a majority ownership interest,
12 Defendant must deliver a copy of this Order to (1) all principals, officers, directors,
13 and managers of that business; (2) all employees, agents, and representatives of that
14 business who engage in conduct related to the subject matter of the Order; and
15 (3) any business entity resulting from any change in structure set forth in Subsection
16 A.2 of the Section titled "Compliance Reporting." For current personnel, delivery
17 shall be within five (5) days of service of this Order upon Defendant. For new
18 personnel, delivery shall occur prior to them assuming their responsibilities. For any
19 business entity resulting from any change in structure set forth in Subsection A.2 of
20 the Section titled "Compliance Reporting," delivery shall be at least ten (10) days
21 prior to the change in structure.

22 B. Defendant as employee or non-control person: For any business where
23 an Defendant is not a controlling person of a business but otherwise engages in
24 conduct related to the subject matter of this Order, Defendant must deliver a copy of
25 this Order to all principals and managers of such business before engaging in such
26 conduct.

1 C. The Defendant must secure a signed and dated statement
2 acknowledging receipt of the Order, within thirty (30) days of delivery, from all
3 persons receiving a copy of the Order pursuant to this Section.

4 **ACKNOWLEDGMENT OF RECEIPT OF ORDER**

5 **XII. IT IS FURTHER ORDERED** that Defendant, within five (5) business days
6 of receipt of this Order as entered by the Court, must submit to the FTC a truthful
7 sworn statement acknowledging receipt of this Order.

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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

RETENTION OF JURISDICTION

XIII. IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.


SO STIPULATED AND AGREED:

SO STIPULATED:



Jeffrey Broughton, Defendant
Pro Se

**FOR THE PLAINTIFF
FEDERAL TRADE COMMISSION**



LAURA M. SULLIVAN
JAMES L. CHEN
LEAH E. FRAZIER
Attorneys
Federal Trade Commission
Washington, D.C. 20580
Tel: (202) 326-3327 (Sullivan); (-3332) Frazier; (-2659) Chen
Fax: (202) 326-3768
Email: lsullivan@ftc.gov; lfrazier@ftc.gov; jchen2@ftc.gov

IT IS SO ORDERED, this _____ day of _____, 2010

Cormac J. Carney
United States District Judge