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8	IN THE UNITED STATES DISTRICT COURT	
9	FOR THE CENTRAL DISTRICT OF CALIFORNIA	
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11	FEDERAL TRADE COMMISSION,	No. 2:18-cv-00729 JAK (MRWx)
12	Plaintiff,	STIPULATED ORDER FOR
13	VS.	PERMANENT INJUNCTION AND MONETARY JUDGMENT
14	DIGITAL ALTITUDE LLC, ET AL.,	AGAINST MORGAN JOHNSON
15	Defendants.	
		JS-6: Morgan Johnson Only
16		JS-6: Morgan Johnson Only
16 17	This matter comes before the court	JS-6: Morgan Johnson Only upon the stipulation of Plaintiff, the
	This matter comes before the court Federal Trade Commission ("FTC" or "C	upon the stipulation of Plaintiff, the
17		upon the stipulation of Plaintiff, the ommission"), and Settling Defendant
17 18	Federal Trade Commission ("FTC" or "C	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant
17 18 19	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against
17 18 19 20	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson.	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent
17 18 19 20 21	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson. On January 29, 2018, the FTC filed	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent Section 13(b) of the Federal Trade
17 18 19 20 21 22	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson. On January 29, 2018, the FTC filed Injunction And Other Relief pursuant to S	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent Section 13(b) of the Federal Trade § 53(b) (Dkt. 1). Pursuant to Fed. R. Civ.
 17 18 19 20 21 22 23 	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson. On January 29, 2018, the FTC filed Injunction And Other Relief pursuant to S Commission Act ("FTC Act"), 15 U.S.C.	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent Section 13(b) of the Federal Trade § 53(b) (Dkt. 1). Pursuant to Fed. R. Civ. oplication for a temporary restraining
 17 18 19 20 21 22 23 24 	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson. On January 29, 2018, the FTC filed Injunction And Other Relief pursuant to S Commission Act ("FTC Act"), 15 U.S.C. P. 65(b), the FTC also filed an ex parte ap	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent Section 13(b) of the Federal Trade § 53(b) (Dkt. 1). Pursuant to Fed. R. Civ. plication for a temporary restraining and an order to show cause why a
 17 18 19 20 21 22 23 24 25 	Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson. On January 29, 2018, the FTC filed Injunction And Other Relief pursuant to S Commission Act ("FTC Act"), 15 U.S.C. P. 65(b), the FTC also filed an ex parte ap order, asset freeze, other equitable relief, a	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent Section 13(b) of the Federal Trade § 53(b) (Dkt. 1). Pursuant to Fed. R. Civ. oplication for a temporary restraining and an order to show cause why a gainst Digital Altitude LLC, Digital
 17 18 19 20 21 22 23 24 25 26 	 Federal Trade Commission ("FTC" or "C Morgan Johnson ("Johnson") for the entry Johnson. On January 29, 2018, the FTC filed Injunction And Other Relief pursuant to S Commission Act ("FTC Act"), 15 U.S.C. P. 65(b), the FTC also filed an ex parte ap order, asset freeze, other equitable relief, a preliminary injunction should not issue ag Altitude Limited, Aspire Processing LLC 	upon the stipulation of Plaintiff, the ommission"), and Settling Defendant y of a Permanent Injunction against I its Complaint for a Permanent Section 13(b) of the Federal Trade § 53(b) (Dkt. 1). Pursuant to Fed. R. Civ. oplication for a temporary restraining and an order to show cause why a gainst Digital Altitude LLC, Digital

Systems & Enterprise LLC (Nevada), Soar International Limited Liability 1 2 Company, The Upside, LLC, Thermography for Life, LLC, d/b/a Living 3 Exceptionally, Inc., Michael Force, Mary Dee, Morgan Johnson, Alan Moore, and Sean Brown (collectively, "Defendants). Dkt. 5. 4 5 The Court granted the application, issuing a temporary restraining order ("TRO") on February 1, 2018, including an asset freeze, appointment of a receiver, 6 7 immediate access to Defendants' business premises, and other temporary relief. 8 Dkt. 34. The TRO also ordered Defendants to appear on February 15, 2018 and show cause why a preliminary injunction should not issue against them. The 9 10 parties stipulated to a continuance of the show cause hearing and the court granted 11 that request, extending the TRO and continuing the hearing to March 5, 2018. Dkt. 61. Prior to the hearing, the FTC and Defendant Johnson agreed to the entry of a 12 13 preliminary injunction for the duration of this litigation. This Court entered a 14 Preliminary Injunction on March 1, 2018. Dkt. 91. The Commission and Defendant 15 Johnson now stipulate to the entry of this Stipulated Order for Permanent 16 Injunction and Monetary Judgment ("Order") to resolve all matters in dispute in this action between them. 17 THEREFORE, IT IS ORDERED as follows: 18 **FINDINGS** 19 20 A. This Court has jurisdiction over this matter. В. 21 The Complaint charges that Defendant Johnson participated in 22 deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45. 23 C. Defendant Johnson neither admits nor denies any of the allegations in 24 the Complaint, except as specifically stated in this Order. Only for purposes of this 25 action, Defendant admits the facts necessary to establish jurisdiction. 26 D. Defendant Johnson waives any claim that she may have under the 27 Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this 28

action through the date of this Order, and agrees to bear her own costs and attorney 1 2 fees. 3 E. Defendant Johnson and the Commission waive all rights to appeal or otherwise challenge or contest the validity of this Order. 4 5 **DEFINITIONS** For the purpose of this Order, the following definitions apply: 6 "Acquirer" or "Acquiring Bank" means a business organization, 7 A. 8 Financial Institution, or an agent of a business organization or Financial Institution 9 that has authority from an organization that operates or licenses a credit card 10 system (e.g., Visa, MasterCard, American Express or Discover) to authorize 11 Merchants to accept, transmit, or process payment by credit card through the credit 12 card system for money, products, or anything else of value. "Business Coaching Program" means any program, plan, or product, 13 B. 14 including those related to work-at-home-opportunities, that is represented, 15 expressly or by implication, to train or teach a participant or purchaser how to 16 establish a business or earn money or other consideration through a business or other activity. 17 "Corporate Defendants" means Digital Altitude LLC; Digital 18 C. Altitude Limited; Aspire Processing LLC; Aspire Processing Limited; Aspire 19 20 Ventures Ltd; Disc Enterprises Inc.; RISE Systems & Enterprise LLC (Utah); 21 RISE Systems & Enterprise LLC (Nevada); Soar International Limited Liability 22 Company; The Upside, LLC; Thermography for Life, LLC, d/b/a Living 23 Exceptionally, Inc., and each of their subsidiaries, affiliates, successors, and 24 assigns. 25 D. "Credit Card Laundering" means: (a) presenting or depositing into, or causing or allowing another to present or deposit into, the credit card system for 26 27 payment, a Credit Card Sales Draft generated by a transaction that is not the result

28 of a credit card transaction between the cardholder and the Merchant; (b)

employing, soliciting, or otherwise causing or allowing a Merchant, or an 1 2 employee, representative, or agent of a Merchant, to present to or deposit into the 3 credit card system for payment, a Credit Card Sales Draft generated by a 4 transaction that is not the result of a credit card transaction between the cardholder 5 and the Merchant; or (c) obtaining access to the credit card system through the use of a business relationship or an affiliation with a Merchant, when such access is not 6 7 authorized by the Merchant Account agreement or the applicable credit card 8 system. "Credit Card Sales Draft" means any record or evidence of a credit 9 E. 10 card transaction. 11 F. "Defendant(s)" means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination. 12 "Financial Institution" means any institution the business of which is 13 G. 14 engaging in financial activities as described in section 4(k) of the Bank Holding 15 Company Act of 1956 (12 U.S.C. § 1843(k)). An institution that is significantly 16 engaged in financial activities is a Financial Institution. "Individual Defendant(s)" means Michael Force, Mary Dee, 17 H. Morgan Johnson, Alan Moore, and Sean Brown. 18 "Investment Opportunity" means anything, tangible or intangible, 19 I. that is offered, offered for sale, sold, or traded based wholly or in part on 20 21 representations, either express or implied, about past, present, or future income, 22 profit, or appreciation. 23 J. "Merchant" means (a) any Person or entity engaged in the sale or 24 marketing of any goods or services, or soliciting a charitable contribution, or (b) any Person or entity who applies for or obtains Payment Processing services. 25 "Merchant Account" means any account with an Acquiring Bank or 26 Κ. 27 other Financial Institution, service provider, payment processor, independent sales 28

organization, or other entity that enables an individual, a business, or other 1 2 organization to accept payments of any kind.

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L. "Payment Processing" means providing a Person, directly or indirectly, with the means used to charge or debit accounts through the use of any 4 5 payment method or mechanism, including, but not limited to, remotely created 6 payment orders, remotely created checks, ACH debits, or debit, credit, prepaid, or stored value cards. Whether accomplished through the use of software or 7 8 otherwise, Payment Processing includes, among other things: (a) reviewing and 9 approving Merchant applications for payment processing services; (b) providing 10 the means to transmit sales transactions data from Merchants to Acquiring Banks 11 or other Financial Institutions; (c) clearing, settling, or distributing proceeds of sales transactions from Acquiring Banks or Financial Institutions to Merchants; or 12 13 (d) processing chargebacks or returned remotely created payment orders, remotely 14 created checks, or ACH checks.

"Person" means a natural person, organization, or other legal entity, 15 M. 16 including a corporation, limited liability company, partnership, proprietorship, association, cooperative, government or governmental subdivision or agency, or 17 any other group or combination acting as an entity. 18

"Settling Defendant" means Morgan Johnson.

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I.

PROHIBITIONS RELATED TO THE SALE OF BUSINESS COACHING PROGRAMS AND INVESTMENT OPPORTUNITIES

ORDER

23 IT IS ORDERED that Settling Defendant is permanently restrained and 24 enjoined from:

25 Creating, advertising, marketing, promoting, offering for sale, or A. selling, or assisting others in creating, advertising, marketing, promoting, offering 26 27 for sale, or selling any Business Coaching Program or any Investment Opportunity; 28

B. Holding, directly or through a third-Person, any ownership or other
financial interest in any business entity that is creating, advertising, marketing,
promoting, offering for sale, or selling, or that assists others in creating,
advertising, marketing, promoting, offering for sale, or selling any Business
Coaching Program, any Investment Opportunity, or any product to assist in the
creation or development of a Business Coaching Program or an Investment
Opportunity.

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II. PROHIBITIONS RELATED TO MERCHANT ACCOUNTS

9 IT IS FURTHER ORDERED that Settling Defendant is permanently
10 restrained and enjoined from:

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A. Credit Card Laundering;

B. Making, or assisting others in making, directly or by implication, any
false or misleading statement in order to obtain Payment Processing services;

14 C. Failing to disclose to an Acquiring Bank or other Financial Institution, 15 service provider, payment processor, independent sales organization, or other entity 16 that enables a Person to accept payments of any kind any material information related to a Merchant Account including, but not limited to, the identity of any 17 owner, manager, director, or officer of the applicant for or holder of a Merchant 18 19 Account, and any connection between an owner, manager, director, or officer of the applicant for or holder of a Merchant Account and any third person who has been 20 or is placed in a Merchant Account monitoring program, had a Merchant Account 21 22 terminated by a payment processor or a Financial Institution, or has been fined or 23 otherwise disciplined in connection with a Merchant Account by a payment 24 processor or a Financial Institution; and

D. Engaging in any tactics to avoid fraud and risk monitoring programs
established by any Financial Institution, Acquiring Bank, or the operators of any
payment system, including, but not limited to, tactics such as balancing or
distributing sales transactions among multiple Merchant Accounts or merchant

billing descriptors; splitting a single sales transaction into multiple smaller 1 2 transactions; or using a shell company to apply for a Merchant Account. 3 III. **PROHIBITION AGAINST MISREPRESENTATIONS** 4 IT IS FURTHER ORDERED that Settling Defendant, Defendants' 5 officers, agents, employees, and attorneys, and all other Persons in active concert or participation with any of them, who receive actual notice of this Order, whether 6 7 acting directly or indirectly, in connection with the advertising, marketing, 8 promoting, or offering for sale of any good or service, are permanently restrained 9 and enjoined from misrepresenting or assisting others in misrepresenting, expressly 10 or by implication, any material fact, including, but not limited to: 11 Consumers who purchase Defendants' goods or services will earn or A. are likely to earn substantial income; 12 13 B. Consumers who purchase Defendants' goods or services will receive business coaching that will provide what the consumers need to build a successful 14 online business; and 15 16 С. Any other fact material to consumers concerning any good or service, such as: the total costs; any refund policy; any material restrictions, limitations, or 17 conditions; or any material aspect of its performance, efficacy, nature, or central 18 characteristics. 19 20 IV. **MONETARY JUDGMENT AND SUSPENSION** 21 Judgment in the amount of fifty-four million Dollars (\$54,000,000) is A. 22 entered in favor of the Commission against Settling Defendant as equitable 23 monetary relief. 24 B. The judgment is suspended, subject to the Subsections below. 25 С. The Commission's agreement to the suspension of the judgment is 26 expressly premised upon the truthfulness, accuracy, and completeness of Settling

- 27 Defendant's sworn financial statements and related documents (collectively,
- 28 "financial representations") submitted to the Commission, namely:

- the Financial Statement of Settling Defendant signed by Morgan 1 1. 2 Johnson on February 18, 2018, including the attachments; 3 2. the additional documentation submitted by email from Settling Defendant Johnson to Commission counsel Andrew Hudson, Laura Basford, and 4 Jody Goodman on February 28, 2018, attaching bank statements and other 5 financial documents; 6 7 3. the additional documentation submitted by email from Settling 8 Defendant Johnson to Commission counsel Andrew Hudson, Laura Basford, and 9 Jody Goodman on March 19, 2018, attaching tax documents; 10 the additional documentation submitted by secure file transfer from 4. Settling Defendant Johnson to Commission counsel Andrew Hudson, Laura 11 Basford, and Jody Goodman on April 11, 2018, attaching bank statements; and 12 Settling Defendant Johnson's sworn declaration dated April 17, 2018 5. 13 regarding certain financial matters. 14 The suspension of the judgment will be lifted as to Settling Defendant 15 D. if, upon motion by the Commission, the Court finds that Settling Defendant failed 16 to disclose any material asset, materially misstated the value of any asset, or made 17 any other material misstatement or omission in the financial representations 18 identified above. 19 If the suspension of the judgment is lifted, the judgment becomes 20 E. 21 immediately due as to Settling Defendant in the amount specified in Subsection A 22 above (which the parties stipulate only for purposes of this Section represents the 23 consumer injury alleged in the Complaint), less any payment previously made 24 pursuant to this Section, and any payment(s) made by or on behalf of any other
- 25 Defendant to the Commission pursuant to a Final Order in this action as to such
- 26 Defendant, plus interest computed from the date of entry of this Order.
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F. Settling Defendant relinquishes dominion and all legal and equitable
 right, title, and interest in all assets transferred pursuant to this Order and may not
 seek the return of any assets.

G. The facts alleged in the Complaint will be taken as true, without
further proof, in any subsequent civil litigation by or on behalf of the Commission,
including in a proceeding to enforce its rights to any payment or monetary
judgment pursuant to this Order, such as a nondischargeability complaint in any
bankruptcy case.

9 H. The facts alleged in the Complaint establish all elements necessary to
10 sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the
11 Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral
12 estoppel effect for such purposes.

- I. Settling Defendant acknowledges that her Taxpayer Identification
 Number (Social Security Number), which Settling Defendant previously submitted
 to the Commission, may be used for collecting and reporting on any delinquent
 amount arising out of this Order, in accordance with 31 U.S.C. §7701.
- All money paid to the Commission pursuant to this Order may be 17 J. deposited into a fund administered by the Commission or its designee to be used 18 19 for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides 20 21 that direct redress to consumers is wholly or partially impracticable or money 22 remains after redress is completed, the Commission may apply any remaining 23 money for such other equitable relief (including consumer information remedies) 24 as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any money not used for such equitable relief is to be deposited to the 25 26 U.S. Treasury as disgorgement. Settling Defendant has no right to challenge any 27 actions the Commission or its representatives may take pursuant to this Subsection. The asset freeze is dissolved as to Defendant Johnson. 28 K.

1 V. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, and all other
Persons in active concert or participation with her, who receive actual notice of this
Order, whether acting directly or indirectly, are permanently restrained and
enjoined from:

A. Failing to provide sufficient customer information to enable the
Commission to efficiently administer consumer redress. If a representative of the
Commission requests in writing any information related to redress, Settling
Defendant must provide it, in the form prescribed by the Commission, within 14
days; and

11 B. Disclosing, using, or benefitting from customer information, including the name, address, birth date, telephone number, email address, credit card number, 12 bank account number, Social Security number, other identifying information, or 13 14 any data that enables access to a customer's account (including a credit card, bank 15 account, or other financial account), that any Defendant obtained prior to entry of this Order in connection with any activity that pertains to the sale of money-16 making opportunities and/or purported educational or coaching products or 17 services provided online; and 18

C. Failing to destroy such customer information in all forms in Settling
Defendant's possession, custody, or control within 30 days after receipt of written
direction to do so from a representative of the Commission.

- Provided, however, that customer information need not be disposed of, and
 may be disclosed, to the extent requested by a government agency or required by
 law, regulation, or court order.
- 25 VI. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate
with representatives of the Commission in this case and in any investigation related
to or associated with the transactions or the occurrences that are the subject of the

Complaint. Settling Defendant must provide truthful and complete information, 1 2 evidence, and testimony. Settling Defendant must appear for interviews, discovery, 3 hearings, trials, and any other proceedings that a Commission representative may reasonably request upon 5 days written notice, or other reasonable notice, at such 4 5 places and times as a Commission representative may designate, without the service of a subpoena. 6

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VII. ORDER ACKNOWLEDGMENTS

8 IT IS FURTHER ORDERED that Settling Defendant obtain 9 acknowledgments of receipt of this Order:

- 10 Settling Defendant, within 7 days of entry of this Order, must submit A. 11 to the Commission an acknowledgment of receipt of this Order sworn under 12 penalty of perjury.
- 13 For 20 years after entry of this Order, Settling Defendant, for any В. 14 business that she, individually or collectively with any other Defendant, is the 15 majority owner of or controls directly or indirectly, must deliver a copy of this 16 Order to: (1) all principals, officers, directors, and LLC managers and members; 17 (2) all employees having managerial responsibilities for conduct related to the 18 subject matter of the Order and agents and representatives who participate in 19 conduct related to the subject matter of the Order; and (3) any business entity 20 resulting from any change in structure as set forth in the Section titled Compliance 21 Reporting. Delivery must occur within seven (7) calendar days of entry of this 22 Order for current personnel. For all others, delivery must occur before they 23 assume their responsibilities.
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C. From each individual or entity to which Settling Defendant delivered 25 a copy of this Order, Settling Defendant must obtain, within 30 days, a signed and 26 dated acknowledgment of receipt of this Order.

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1 **VIII. COMPLIANCE REPORTING**

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Commission:

4 A. One year after entry of this Order, Settling Defendant must submit a 5 compliance report, sworn under penalty of perjury. In the report, Settling 6 Defendant must: (a) identify the primary physical, postal, and email address and 7 telephone number, as designated points of contact, which representatives of the 8 Commission may use to communicate with Settling Defendant; (b) identify all of 9 Settling Defendant's businesses by all of their names, telephone numbers, and 10 physical, postal, email, and Internet addresses; (c) describe the activities of each 11 business, including the goods and services offered, the means of advertising, 12 marketing, and sales, and the involvement of any other Defendant (which Settling 13 Defendant must describe if she knows or should know due to her own 14 involvement); (d) describe in detail whether and how Settling Defendant is in 15 compliance with each Section of this Order; (e) provide a copy of each Order 16 Acknowledgment obtained pursuant to this Order, unless previously submitted to 17 the Commission; (f) identify all telephone numbers and all physical, postal, email 18 and Internet addresses, including all residences; (g) identify all business activities, 19 including any business for which Settling Defendant performs services whether as 20 an employee or otherwise and any entity in which Settling Defendant has any 21 ownership interest; and (h) describe in detail Settling Defendant's involvement in 22 each such business, including title, role, responsibilities, participation, authority, 23 control, and any ownership.

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For 20 years after entry of this Order, Settling Defendant must submit B. 25 a compliance notice, sworn under penalty of perjury, within 14 days of any change 26 in the following:

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any designated point of contact;

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1	2)	the structure of any entity that Settling Defendant has any	
2		ownership interest in or controls directly or indirectly that may	
3		affect compliance obligations arising under this Order,	
4		including: creation, merger, sale, or dissolution of the entity or	
5		any subsidiary, parent, or affiliate that engages in any acts or	
6		practices subject to this Order;	
7	3)	name, including aliases or fictitious name, or residence address;	
8		or	
9	4)	title or role in any business activity, including any business for	
10		which Settling Defendant performs services whether as an	
11		employee or otherwise and any entity in which Settling	
12		Defendant has any ownership interest, and identify the name,	
13		physical address, and any internet address of the business or	
14		entity.	
15	C. Settli	ng Defendant must submit to the Commission notice of the filing	
16	of any bankruptcy petition, insolvency proceeding, or similar proceeding by or		
17	against her within 14 days of its filing.		
18	D. Any s	submission to the Commission required by this Order to be	
19	sworn under penalty of perjury must be true and accurate and comply with 28		
20	U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under		
21	the laws of the United States of America that the foregoing is true and correct.		
22	Executed on:" and supplying the date, signatory's full name, title (if		
23	applicable), and signature.		
24	E. Unles	ss otherwise directed by a Commission representative in writing,	
25	all submissions to the Commission pursuant to this Order must be emailed to		
26	DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:		
27	Associate Director for Enforcement, Bureau of Consumer Protection, Federal		
28	Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The		

1 subject line must begin: FTC v. Digital Altitude, et al. (Morgan Johnson), No.

2 X180021.

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IX. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain
records for 20 years after entry of the Order, and retain each such record for 5
years. Specifically, for any business that Settling Defendant, individually or
collectively with any other Defendants, is a majority owner or controls directly or
indirectly, must create and retain the following records:

9 A. accounting records showing the revenues from all goods or services
10 sold;

B. personnel records showing, for each person providing services,
whether as an employee or otherwise, that person's: name; addresses; telephone
numbers; job title or position; dates of service; and (if applicable) the reason for
termination;

C. records of all consumer complaints and refund requests, whether
received directly or indirectly, such as through a third party, and any response;

D. all records necessary to demonstrate full compliance with each
provision of this Order, including all submissions to the Commission; and

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E. a copy of each unique advertisement or other marketing material.

20 X. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling
Defendant's compliance with this Order, including the financial representations
upon which part of the judgment was suspended, and any failure to transfer any
assets as required by this Order:

A. Within 14 days of receipt of a written request from a representative of
the Commission, Settling Defendant must: submit additional compliance reports
or other requested information, which must be sworn under penalty of perjury;
appear for depositions; and produce documents for inspection and copying. The

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Commission is also authorized to obtain discovery, without further leave of court, 1 2 using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 3 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

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For matters concerning this Order, the Commission is authorized to B. 5 communicate directly with Settling Defendant. Settling Defendant must permit 6 representatives of the Commission to interview any employee or other person affiliated with any Defendant who has agreed to such an interview. The person 7 interviewed may have counsel present. 8

9 The Commission may use all other lawful means, including posing, C 10 through its representatives as consumers, suppliers, or other individuals or entities, to Settling Defendant or any individual or entity affiliated with Defendants, 11 without the necessity of identification or prior notice. Nothing in this Order limits 12 the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 13 14 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

Upon written request from a representative of the Commission, any 15 D. consumer reporting agency must furnish consumer reports concerning Defendant 16 Johnson, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. 17 §1681b(a)(1). 18

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RETENTION OF JURISDICTION XI.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this 20 matter for purposes of construction, modification, and enforcement of this Order. 21

22 XII. LIMITED EFFECT OF THIS ORDER

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IT IS FURTHER ORDERED that this Order is entered pursuant to the stipulation of the Settling Defendant and the FTC. The approval of the terms of this 24 Order will not affect a later determination as to whether the same or similar terms 25 proposed by the FTC are appropriate with respect to a defendant who has defaulted 26 27 in this matter, or whose liability is determined through proceedings in this matter. 28

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Any such later determinations will be made based on a de novo review of the relevant facts and circumstances. **IT IS SO ORDERED.** Dated: July 5, 2018 gm n JOHN A. KRONSTADT UNITED STATES DISTRICT JUDGE