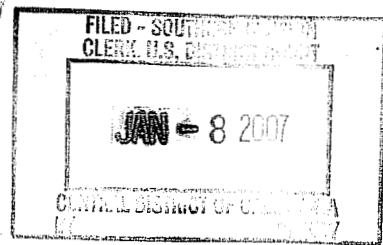


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11 Attorneys for Plaintiff
12 Federal Trade Commission



13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA

15 FEDERAL TRADE COMMISSION,

CV SACV05-801 AHS (MLGx)

16 Plaintiff,

17 v.

18 CONSUMERINFO.COM, INC., a
19 corporation,

SUPPLEMENTAL STIPULATED
JUDGMENT AND ORDER FOR
PERMANENT INJUNCTION AND
MONETARY RELIEF

20 doing business as

21 EXPERIAN CONSUMER DIRECT,
22 QSPACE, INC., and IPLACE, INC.

23 Defendant.

24
25 Plaintiff Federal Trade Commission ("FTC" or "Commission") and Defendant
26 Consumerinfo.com, Inc., doing business as Experian Consumer Direct, Qspace,
27 Inc., and Iplace, Inc., jointly stipulate to this Supplemental Stipulated Judgment
28

LOGGED

2007 JAN 4 PM 4:10
DISTRICT COURT
CENTRAL DIST. OF CALIF.
SANTA ANA

1 and Order for Permanent Injunction and Monetary Relief ("Supplemental
2 Order"), which resolves the FTC's allegation that Defendant violated the
3 Stipulated Permanent Injunction ("Final Order") entered by this Court on August
4 31, 2005.

5 **NOW THEREFORE IT IS HEREBY ORDERED AS FOLLOWS:**

6 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

- 7 A. This Court has jurisdiction over the subject matter of this case and over
8 Defendant.
- 9 B. Venue in this district is proper under 28 U.S.C. § 1391(b) and (c), and 15
10 U.S.C. § 53(b).
- 11 C. The acts and practices of Defendant are in or affecting commerce, as
12 "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
- 13 D. The Final Order, *inter alia*, requires Defendant to make certain
14 disclosures in connection with the marketing of Defendant's credit reports
15 and credit monitoring program.
- 16 E. All provisions of the Final Order remain in full force and effect except as
17 otherwise stated in this Supplemental Order.
- 18 F. Defendant ran television advertisements regarding its credit monitoring
19 program in September and October 2005. The FTC alleges that these
20 advertisements violated the Final Order by failing to make certain
21 required disclosures.
- 22 G. Defendant agrees to the entry of this Supplemental Order without any
23 finding or admission of liability as to any violation of the Final Order.
- 24 H. Defendant waives: (a) all rights to seek appellate review or otherwise
25 challenge or contest the validity of this Supplemental Order; (b) any claim
26 Defendant may have against the Commission, its employees,
27 representatives, or agents that relate to the matter stated herein; (c) all
28 claims under the Equal Access to Justice Act, 28 U.S.C. § 2412, as

1 amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996); and (d) any
2 rights to attorney's fees that may arise under said provision of law.

3 I. Entry of this Supplemental Order is in the public interest.

4 **I. PROHIBITED BUSINESS ACTIVITIES**

5 **IT IS ORDERED** that Defendant and Defendant's successors, assigns,
6 officers, agents, and all other persons or entities within the scope of Fed. R. Civ.
7 P. 65, whether acting directly or through any sole proprietorship, partnership,
8 limited liability company, corporation, subsidiary, branch, division, or other
9 entity, including all other persons or entities in active concert or participation
10 with them, who receive actual notice of this Supplemental Order by personal
11 service or otherwise, in connection with the advertising, promoting, offering for
12 sale, or sale of consumer reports, credit scores, credit monitoring programs, or
13 any other product, program, or service relating to consumer reports, are hereby
14 permanently restrained and enjoined from misrepresenting, or assisting others in
15 misrepresenting, expressly or by implication, Defendant's affiliation with the
16 annual credit report available to consumers under the Fair Credit Reporting Act,
17 15 U.S.C. § 1681j, or any other federal law.

18 **II. MONETARY RELIEF**

19 **IT IS FURTHER ORDERED** that:

20 Defendant is ordered to pay THREE HUNDRED THOUSAND DOLLARS
21 (\$300,000.00) to the Commission, within five (5) days of entry of this
22 Supplemental Order, pursuant to payment instructions provided by the
23 Commission.

24 A. All funds paid pursuant to this Paragraph shall be deposited into a fund
25 administered by the Commission or its agent to be used for equitable
26 relief, including but not limited to consumer redress and any attendant
27 expenses for the administration of any redress fund. In the event that
28 direct redress to consumers is wholly or partially impracticable or funds

1 remain after redress is completed, the Commission may apply any
2 remaining funds for such other equitable relief (including consumer
3 information remedies) as it determines to be reasonably related to
4 Defendant's alleged violations of the Final Order. Any funds not used for
5 such equitable relief shall be deposited to the United States Treasury as
6 equitable disgorgement. Defendant shall have no right to challenge the
7 Commission's choice of remedies or the manner of distribution.

8 B. Defendant acknowledges and agrees that all money paid pursuant to this
9 Supplemental Order is irrevocably paid to the Commission for purposes
10 of settlement between the parties, and Defendant relinquishes all rights,
11 title, and interest to such money. Defendant shall make no claim or
12 demand for the return of the funds, directly or indirectly, through counsel
13 or otherwise, and in the event of bankruptcy of Defendant, Defendant
14 acknowledges that the funds are not part of the debtor's estate, nor does
15 the estate have any claim or interest therein.

16 C. The monetary relief entered pursuant to this Paragraph is equitable
17 monetary relief, solely remedial in nature, and not a fine, penalty, punitive
18 assessment, or forfeiture. Defendant's payment of the monetary relief
19 shall be deemed to satisfy completely the monetary relief for the alleged
20 violation of the Final Order.

21 III. CHANGE OF NOTIFICATION ADDRESS

22 **IT IS FURTHER ORDERED** that the address for all written notifications
23 to the Commission shall be changed from the address listed in Subparagraph V.C.
24 of the Final Order to the following address:

25 Associate Director
26 Division of Enforcement
27 Federal Trade Commission
28 600 Pennsylvania Avenue, N.W., Room NJ-2122
Washington, D.C. 20580
RE: FTC v. Consumerinfo.com, Inc.

1 **IV. RECORD KEEPING**

2 **IT IS FURTHER ORDERED** that, for a period of six (6) years from the date
3 of entry of this Supplemental Order, in connection with any business where
4 Defendant is the majority owner of the business or directly or indirectly manages
5 or controls the business, Defendant and its agents, employees, officers,
6 corporations, successors, and assigns, and those persons in active concert or
7 participation with them who receive actual notice of this Supplemental Order by
8 personal service or otherwise, are hereby restrained and enjoined from failing to
9 create and retain the following records:

10 A. Accounting records that reflect the cost of goods or services sold,
11 revenues generated, and the disbursement of such revenues.

12 B. Personnel records accurately reflecting: the name, address, and telephone
13 number of each person employed in any capacity by such business; that person's
14 job title or position; the date upon which the person commenced work; and the
15 date and reason for the person's termination, if applicable.

16 C. Customer files containing the names, addresses, phone numbers, dollar
17 amounts paid, quantity of items or services purchased, and description of items or
18 services purchased, to the extent such information is obtained in the ordinary
19 course of business.

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

22 E. Copies of all sales scripts, training materials, advertisements, or other
23 marketing materials.

24 F. All records and documents necessary to demonstrate full compliance with
25 each provision of this Supplemental Order, including but not limited to, copies of
26 acknowledgments of receipt of this Supplemental Order, required by Paragraph

27 V.

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1 **V. DISTRIBUTION OF SUPPLEMENTAL ORDER BY DEFENDANT**

2 **IT IS FURTHER ORDERED** that, for a period of three (3) years from the
3 date of entry of this Supplemental Order, Defendant shall deliver a copy of this
4 Supplemental Order to all of its principals, officers, and directors, and to all
5 managers who have responsibility directly or indirectly for any matters covered
6 by this Supplemental Order. Defendant also shall deliver an accurate summary of
7 this Supplemental Order to all of its employees who are engaged in conduct
8 related to the advertising, marketing, sale, or delivery of, or who respond to
9 consumer complaints or inquiries regarding consumer reports, credit scores, or
10 any credit monitoring program. For current personnel, delivery shall be within
11 five (5) days of service of this Supplemental Order upon Defendant. For new
12 personnel, delivery shall occur prior to their assuming their responsibilities.
13 Defendant must secure a signed and dated statement acknowledging receipt of
14 this Supplemental Order, within thirty (30) days of delivery, from all persons
15 receiving a copy of this Supplemental Order pursuant to this Paragraph V.

16 **VI. RETENTION OF JURISDICTION**

17 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this
18 matter for purposes of construction, modification, and enforcement of this
19 Supplemental Order.

20 **VII. COSTS AND ATTORNEY'S FEES**

21 **IT IS FURTHER ORDERED** that each party shall bear its own costs and
22 attorney's fees incurred in connection with this action.

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1 **VII. NOTICE OF ENTRY OF SUPPLEMENTAL ORDER**

2 **IT IS FURTHER ORDERED** that entry in the docket of this
3 Supplemental Order by the Clerk of Court shall constitute notice to Defendant of
4 the terms and conditions of this Supplemental Order, and that Defendant waives
5 all rights to contest in any future proceeding whether Defendant was properly
6 served with this Supplemental Order.

7 **IT IS SO ORDERED:** ALICEMARIE H. STOTLER
8 CHIEF U.S. DISTRICT JUDGE

9 Dated this _____ day of _____, 2006

10 JAN -8 2007

11 Hon. Alicemarie H. Stotler
12 United States District Judge

13 **STIPULATED BY:**

14 *Malini Mithal*
15 Raymond B. McKown, Esq.
16 Karen Jagielaki, Esq.
17 Malini Mithal, Esq.
18 Attorneys for Plaintiff
Federal Trade Commission

Edward S. Ojdana
Consumerinfo.com dba Experian
Consumer Direct, Qspact, Inc., and
Inplace, Inc.
by: Edward S. Ojdana
Chief Executive Officer

19 *[Signature]*
20 by: Richard Grabowski, Esq.
21 Attorney for Defendant
Jones Day
3 Park Plaza, Suite 1100
Irvine, California 92614-8505

22 *Anna P. Fortney*
23 by: Anna P. Fortney, Esq.
24 Attorney for Defendant
Hudson Cook, LLP
1020 19th Street, N.W.
Washington, D.C. 20036