#### 1 UNITED STATES DISTRICT COURT DISTRICT OF NEVADA 2 3 Civil Action No. 2:09-cv-01112-**GMN-LRL** 4 STIPULATED FINAL 5 JUDGMENT AND ORDER FEDERAL TRADE COMMISSION, FOR PERMANENT 6 INJUNCTION AND OTHER Plaintiff, **EQUITABLE RELIEF AS TO** 7 **INFUSION MEDIA, INC.;** WEST COAST INTERNET v. 8 MEDIA. INC.: TWO INFUSION MEDIA, INC., et al., WARNINGS, LLC; TWO PART INVESTMENTS, LLC; Defendants. PLATINUM TELESERVICES, 10 **INC.**; **JONATHAN EBORN**; STEPHANIE BURNSIDE; 11 MICHAEL McLAIN MILLER: AND TONY NORTON 12 13 This matter comes before the Court on the stipulation of Plaintiff, the Federal Trade Commission ("FTC" or the "Commission"), and Defendants Infusion Media, Inc.; 14 15 West Coast Internet Media, Inc.; Two Warnings, LLC; Two Part Investments, LLC; 16 Platinum Teleservices, Inc.; Jonathan Eborn; Stephanie Burnside; Michael McLain 17 Miller; and Tony Norton (collectively, "Defendants"). On June 22, 2009, the 18 Commission filed a Complaint for Permanent Injunction and Other Equitable Relief 19 ("Complaint") in this matter, alleging violations of Section 5(a) of the Federal Trade 20 Commission Act ("FTC Act"), 15 U.S.C. § 45(a), Section 907(a) of the Electronic Fund 21 Transfer Act ("EFTA"), 15 U.S.C. § 1693e(a), and Section 205.10(b) of Regulation E, 22 12 C.F.R. § 205.10(b). The Commission and Defendants have agreed to the entry of this 23 Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable 24 Relief ("Order") as a settlement of the claims against Defendants alleged in the 25 Complaint. Accordingly, the Court makes the following findings and enters judgment in 26

this action as set forth below:

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**FINDINGS** 

- 1. This Court has jurisdiction of the subject matter of this case and over the parties. The District of Nevada is a proper venue for this action.
- 2. The activities of Defendants described in the Complaint were in or affecting commerce within the meaning of the FTC Act, 15 U.S.C. §§ 44, 45.
- 3. If the factual allegations therein are accepted as true, the Complaint states a claim upon which relief may be granted against Defendants.
- 4. Defendants enter into this Order freely and without coercion. Defendants acknowledge that they have each read, understand, and are prepared to abide by the provisions of this Order.
- 5. The parties stipulate and agree to this Order, without trial or adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising from the Complaint to the date of this Order.
- 6. By entering into this Order, Defendants do not admit to the allegations set forth in the Complaint, other than the jurisdictional facts.
- 7. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order.
- 8. Each party shall bear its own costs and attorney fees. Defendants further waive and release any claims they may have against the Commission, its employees, representatives, or agents. Defendants agree that this Order does not entitle them to seek or to obtain attorney fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, *amended by* Pub. L. No. 104-121, 110 Stat. 847, 863–64 (1996), and they further waive any rights to attorney fees that may arise under said provision of law.

- 9. This Order is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any proceedings that the Commission may initiate to enforce this Order.
  - 10. This Order should not be construed as providing for payment of a fine, penalty, punitive assessment, or forfeiture, and the monetary judgment provided herein is based on the amount of money the Commission could have sought as restitution for consumers if the parties had not stipulated to this Order.
    - 11. Entry of this Order is in the public interest.

## **DEFINITIONS**

For the purpose of this Order, the following definitions shall apply:

- 1. "Asset" means any legal or equitable interest in, right to, or claim to, any real and personal property, including but not limited to, "goods," "instruments," "equipment," "fixtures," "general intangibles," "inventory," "checks," "notes" (as these terms are defined in the Uniform Commercial Code), and all chattel, leaseholds, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, reserve funds, and cash, wherever located.
- 2. "Assisting Others" includes but is not limited to: (a) performing customer service functions, including but not limited to, receiving or responding to consumer complaints; (b) developing or providing or arranging for the development or provision of sales scripts and other marketing materials; (c) providing names of, or arranging for the provision of, names of potential customers; or (d) performing marketing services of any kind.
- 3. "Charge" means any amount charged or debited to a consumer's credit card, debit card, checking, savings, share or similar financial account, or collected from a

consumer by any other method.

- 4. "Clear and Conspicuous" or "Clearly and Conspicuously" mean that:
  - a. in print communications, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears; and in multi-page print communications, the disclosure shall appear on the cover or first page;
  - in communications disseminated orally, the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it; and
  - c. in Internet communications, the disclosure shall be made next to any advertised price or cost (including free), and where consumers' financial account information is required, without the use of pop-up windows or hyperlinks to other electronic pages to display Material information.
- 5. "Corporate Defendants" means Infusion Media, Inc.; West Coast Internet Media, Inc.; Two Warnings, LLC; Two Part Investments, LLC; and Platinum Teleservices, Inc., and their successors and assigns.
- 6. "Defendants" means all of the Individual Defendants and the Corporate Defendants.
- 7. "Defendants' Financial Statements" means (a) the letter describing the assets of the Receivership Defendants signed by the Individual Defendants and dated August 3, 2009 and (b) the Federal Trade Commission Financial Statement questionnaires concerning each of the Receivership Defendants, signed by the Individual

- 1 Defendants, and dated August 13, 2009; (c) the Federal Trade Commission Financial
- 2 | Statement questionnaire concerning Jonathan Eborn and Stephanie Burnside, signed by
- 3 Defendants Eborn and Burnside, and dated July 13, 2009; (d) the Federal Trade
- 4 | Commission Financial Statement questionnaire concerning Jonathan Eborn and
- 5 | Stephanie Burnside, signed by Defendants Eborn and Burnside, and dated June 6, 2010;
- 6 (e) the Federal Trade Commission Financial Statement questionnaire concerning
- 7 Michael McLain Miller, signed by Defendant Miller, and dated July 15, 2009; (f) the
- 8 | Federal Trade Commission Financial Statement questionnaire concerning Michael
- 9 | McLain Miller, signed by Defendant Miller, and dated June 8, 2010; (g) the Federal
- 10 Trade Commission Financial Statement questionnaire concerning Tony Norton, signed
- 11 by Defendant Norton, and dated July 14, 2009; and (h) the Federal Trade Commission
- 12 | Financial Statement questionnaire concerning Tony Norton, signed by Defendant
- 13 Norton, and dated June 9, 2010, including any amendments.
- 14 8. "Document" is synonymous in meaning and equal in scope to the usage of
- 15 the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings,
- 16 graphs, charts, photographs, audio and video recordings, computer records, and other
- 17 data compilations from which information can be obtained and translated, if necessary,
- 18 through detection devices into reasonably usable form. A draft or non-identical copy is a
- 19 separate document within the meaning of the term.
  - 9. "Individual Defendants" means Jonathan Eborn, Stephanie Burnside,
- 21 Michael McLain Miller, and Tony Norton.
- 22 10. "Material" means likely to affect a person's choice of, or conduct
- 23 | regarding, goods or services.
- 24 11. "Negative Option Feature" means, in an offer or agreement to sell

or provide any goods or services, a provision under which the customer's silence or failure to take an affirmative action to reject goods or services or to cancel the agreement is interpreted by the seller or provider as acceptance of the offer.

- 12. "Person" means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.
- 13. "Preauthorized Electronic Fund Transfer," as defined by the Electronic Fund Transfer Act, 15 U.S.C. § 1693a(9), means an electronic fund transfer authorized in advance to recur at substantially regular intervals.
- 14. "Receiver" shall mean Robert G. Wing, the receiver appointed in this action for the Receivership Defendants.
  - 15. "Receivership Defendants" means the Corporate Defendants.
- 16. "Representatives" means Defendants' successors, assigns, officers, agents, servants, employees, or attorneys, and any Person or entity in active concert or participation with them who receives actual notice of this Order by personal service or otherwise.

**ORDER** 

I.

## **BAN ON NEGATIVE OPTION PROGRAMS**

IT IS THEREFORE ORDERED that the Defendants are hereby permanently restrained and enjoined from engaging or participating in the advertisement, marketing, promotion, offering for sale, or sale of any product or service with a Negative Option Feature, whether acting directly or through any entity, corporation, subsidiary, division, affiliate, or other device. Nothing in this Order shall be read as an exception to this

Section I.

#### II.

### PROHIBITED BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that, in connection with the advertising, marketing, promotion, offering for sale, or sale of any product or service, the Defendants and their Representatives, whether acting directly or through any entity, corporation, subsidiary, division, affiliate, or other device, are hereby permanently restrained and enjoined from failing to disclose, Clearly and Conspicuously, the Material terms and conditions of the offer, including but not limited to

- A. All products and/or services that are part of the sales offer, including but not limited to products and/or services provided by third parties;
- B. That consumers' credit or debit account information will be used to Charge consumers for all products and/or services; and
- C. The cost and quantity of all products and/or services.

# III.

### PROHIBITED REPRESENTATIONS

IT IS FURTHER ORDERED that, in connection with the advertising, marketing, promotion, offering for sale, or sale of any product or service, Defendants and their Representatives, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, are hereby restrained and enjoined from

- A. Making, expressly or by implication,
  - Any Material representation about the benefits, performance, or efficacy of such product or service, including but not limited to representations about income, earnings, or profits that consumers

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who order such product or service are likely to earn, unless the representation is true and, at the time that the representation is made, the Defendants possess and rely upon competent and reliable evidence that substantiates the representation; or

- 2. Any false or misleading statement or representation of Material fact about such product or service, including but not limited to
  - i. Falsely representing an affiliation with, or endorsement or sponsorship by, any person, government entity, or business entity, including but not limited to Google Inc.;
  - ii. Falsely representing the total costs to purchase, receive, or use, and the quantity of, such products or services;
  - iii. Falsely representing any Material aspect of the nature or central characteristics of such product or service; and
  - iv. Falsely representing, expressly or by implication, any Material aspect of the nature or terms of the refund, cancellation, exchange, or repurchase policies applicable to such product or service;
- В. Assisting Others in making, expressly or by implication, a representation enumerated in Section III.A.1 under circumstances in which the Defendants know or consciously avoid knowing that the representation is untrue or unsubstantiated; or
- C. Assisting Others in making, expressly or by implication, a representation enumerated under Section III.A.2 under circumstances in which the Defendants know or consciously avoid knowing that the statement or

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representation is false or misleading.

# ACTIVITIES PROHIBITED PURSUANT TO THE ELECTRONIC FUND TRANSFER ACT

IV.

IT IS FURTHER ORDERED that the Defendants and their Representatives, whether acting directly or through any entity, corporation, subsidiary, division, affiliate, or other device, or any of them, in connection with any consumer who purchases any product or service subsequent to the date of this Order and who uses a debit card or other means of electronic funds transfer, are hereby restrained and enjoined from failing to obtain written authorization for Preauthorized Electronic Fund Transfers from the consumer's account before initiating any Preauthorized Electronic Fund Transfer and from failing to provide a copy of the written authorization to the consumer, as required by Section 907(a) of EFTA, 15 U.S.C. § 1693e(a), and Section 205.10(b) of Regulation E, 12 C.F.R. § 205.10(b), and as more fully set out in Section 205.10 of the Federal Reserve Board's Official Staff Commentary to Regulation E, 12 C.F.R. § 205, Supp. I, or as they may hereafter be amended.

V.

#### PROHIBITIONS AGAINST DISCLOSURE OF CUSTOMER INFORMATION

IT IS FURTHER ORDERED that the Defendants and their Representatives are permanently restrained and enjoined from

A. disclosing, using, or benefitting from customer information, including the name, address, telephone number, e-mail address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), of any person that was obtained by any Defendant in connection with the sale of any product or service during

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the period from January 1, 2007, through the date of entry of this Order; and

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

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 a law, regulation, or court order.

## MONETARY JUDGMENT AND SURRENDER OF ASSETS

VI.

IT IS FURTHER ORDERED that judgment is hereby entered in favor of the Commission and against Defendants, jointly and severally, in the amount of twenty-nine million, four hundred thousand, three hundred twenty dollars and fifty-seven cents (\$29,497,320.57), except that the judgement against Stephanie Burnside is in the amount of seven hundred forty-one thousand, nine hundred dollars (\$741,900), as equitable monetary relief for consumer injury; *provided, however*, subject to the provisions of Section VIII below, judgment shall be suspended upon Defendants' completion of the requirements stated in Subsections A–C of this Section.

- A. Effective upon the entry of this Order, Defendants surrender to the FTC all control, title, dominion, and interest in the following assets:
  - The Receivership Defendants and all assets of the Receivership Defendants;

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- 2. All funds of any of the Defendants in the possession of the Receiver;
- 3. The 2008 Infiniti FX titled to Stephanie Burnside with Vehicle Identification Number JNRAS08WX8X210535 and Utah title number UT8712155;
- The 2004 Nissan Titan Crew Cab 4x4 titled to Michael McLain Miller with Vehicle Identification Number 1N6AA07BX4N585815 and Utah title number UT8302058;
- Michael McLain Miller's interest in the 2004 Harley Davidson Road King motorcycle identified in Item 21 of the Federal Trade Commission Financial Statement questionnaire concerning Michael McLain Miller, signed by Defendant Miller, and dated July 15, 2009;
- Michael McLain Miller's interest in the Super Air Natique 230 towboat and engine – Boat Hull No. CTC 930 821 809, Engine No. 02-601V-01-485866, and Utah Vessel Registration No. UT 5287AF.
- 7. The gun collection owned by Michael McLain Miller and identified in Item 20 of the Federal Trade Commission Financial Statement questionnaire concerning Michael McLain Miller, signed by Defendant Miller, and dated July 15, 2009. The gun collection includes the following nine (9) guns, including Armalite AR 50 with Leupold scope and accessories; Sig. 556 SWAT; Benelli Super Black Eagle II 12 Gauge; Ruger 10/22; Yugo 7.62x39 with folding

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stock; Hi Point 9mm Carbine with scope; Glock 23 40SW with tritium sights; Springfield XD(m) 40SW Limited; Puma model 92.44 mag carbine.

- 8. All funds held by Hedgehog Solutions in the name of Infusion Media, Inc.;
- 9. All funds held by Process America, Inc., in any account in the name of any Defendant or any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant, or of which any Defendant is an Officer, Director, Member, or Manager, including but not limited to those accounts identified with the DBA designations INCOME INITIATIVE PRO, MONY TREE SYSTEMS, and SAFELOCK ID and identified by account number in Attachment A to this Order;
- All funds held by JPMorgan Chase Bank, N.A., in the name of TDN Holdings, Inc., including but not limited to the accounts ending in 9469 and 3537;
- 11. All funds held by Family First Federal Credit Union in the name of Michael McLain Miller and/or M. McLain Miller, including but not limited to the account ending in 5832; and
- 12. All funds held by America First Credit Union in the name of Stephanie Burnside or in accounts to which Stephanie Burnside is a signatory, including but not limited to the accounts ending in 3785-6 and 6017-5.
- B. Immediately upon entry of this Order, Defendants Eborn and Burnside

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shall deliver possession to the Receiver of the assets identified in Section VI.A.3 (the "Eborn-Burnside Assets"). The Receiver is hereby directed to market and sell the Eborn-Burnside Assets. Defendants Eborn and Burnside shall take all steps necessary to assist the Receiver in the sale of the Eborn-Burnside Assets and shall not add any encumbrances on the Eborn-Burnside Assets. Defendants Eborn and Burnside shall be responsible for all taxes and fees assessed against them resulting from the sale of the Eborn-Burnside Assets.

- C. Immediately upon entry of this Order, Defendant Miller shall deliver possession to the Receiver of the assets identified in Section VI.A.4–7 (the "Miller Assets"). The Receiver is hereby directed to market and sell the Miller Assets. Defendant Miller shall take all steps necessary to assist the Receiver in the sale of the Miller Assets and shall not add any encumbrances on the Miller Assets. Defendant Miller shall be responsible for all taxes and fees assessed against him resulting from the sale of the Miller Assets.
- D. To effect the surrender of the funds identified in Section VI.A.8–9, the Court directs that the entities holding the funds or their successors shall, immediately upon receiving notice of this Order, remit the funds to the Commission by certified check(s) or other guaranteed funds payable to the Federal Trade Commission, Financial Management Office, or by wire transfer in accordance with directions provided by counsel for the Commission. To the extent any identified third party cannot comply with this Subsection without the assistance of Defendants, such party must, within three (3) business days of receiving this Order, notify such Defendant(s) and counsel for the Commission of its inability to comply. Such notification shall specify the actions by such Defendant(s) that are necessary to comply with this Order. Defendants shall

immediately complete any action necessary to facilitate the identified third party's ability to timely comply with this Subsection, and the failure of such Defendant(s) to complete such action within ten (10) days shall be deemed a violation of the Order and interest at the rate prescribed in 28 U.S.C. § 1961 shall immediately begin to accrue.

- E. Defendants relinquish all dominion, control, and title to the assets surrendered or paid to the fullest extent permitted by law. Defendants shall make no claim to or demand return of these assets, directly or indirectly, through counsel or otherwise.
- F. Defendants acknowledge and agree that the Receiver has authority under this Order to take any steps necessary to dissolve and wind down the Receivership Defendants and liquidate the assets of the Receivership Defendants, the Eborn-Burnside Assets, and the Miller Assets.
- G. In the event that it is necessary to execute additional documents to transfer or liquidate assets of the Receivership Defendants or any other assets that are to be surrendered under this Order, or to dissolve and wind down the Receivership Defendants, Defendants shall execute such documents within three business days of a request from the Receiver or the FTC.
- H. The Receiver shall remit the assets of the Receivership Defendants, the proceeds of the sale of the Eborn-Burnside Assets, and the proceeds of the sale of the Miller Assets in accordance with the provisions of this Order concerning the Receiver's Final Report and Disbursement.
- I. Any funds transferred or paid to the Federal Trade Commission pursuant to this Section, Section VII.D, Section X.R, Section XII.D.2, or Section XII.F of this Order 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 funds remain after redress is completed, the Commission may apply any remaining funds to such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the acts and practices alleged in the Complaint. Any funds not used for such equitable relief shall be deposited in the United States Treasury as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Section.

- J. Defendants agree that the facts as alleged in the Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Commission to enforce its rights to any payment or money judgment pursuant to this Order, including but not limited to a nondischargeability complaint in any bankruptcy case. Defendants further stipulate and agree that the facts alleged in the Complaint establish all elements necessary to sustain an action pursuant to, and that this Order shall have collateral estoppel effect for purposes of,

  Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A).
- K. In accordance with 31 U.S.C. § 7701, Defendants are hereby required, unless they have done so already, to furnish to the Commission their taxpayer identification numbers (Social Security numbers and employer identification numbers), which shall be used for purposes of collecting and reporting on any delinquent amount arising out of Defendants relationship with the government.

#### VII.

# ESTABLISHMENT OF ESCROW ACCOUNT AND PAYMENT OF TAX LIABILITY

establish an interest-bearing escrow account and/or interest-bearing trust account (the "Escrow Account") for the purpose of paying federal and state personal income taxes due and owing to the Internal Revenue Service/United States Treasury or the State of Utah for (1) Defendants Eborn and Burnside for tax years 2007, 2008, and 2009, up to the amount of the funds identified in Section VI.A.12 and Section VII.B, and (2) Defendant Miller for tax years 2008 and 2009, up to the amount of the funds identified in Section VII.C, and (3) Defendant Norton for tax years 2007, 2008, and 2009, up to the amount of the funds identified in Section VI.A.10 (all collectively, the "Tax Liability"). The sole signatory to the account shall be the Escrow Agent selected by the Receiver, and access to the funds held in the account shall be solely through the Escrow Agent.

A. To effect the surrender of the funds identified in Section VI.A.10–12, the Court directs that the entities holding the funds or their successors shall, immediately upon receiving notice of this Order, remit the funds to the Escrow Account by certified check(s), by other guaranteed funds, or by wire transfer in accordance with directions provided by the Receiver. To the extent any identified third party cannot comply with this Subsection without the assistance of Defendants, such party must, within three (3) business days of receiving this Order, notify such Defendant(s) and counsel for the Commission of its inability to comply. Such notification shall specify the actions by such Defendant(s) that are necessary to comply with this Order. Defendants shall immediately complete any action necessary to facilitate the identified third party's ability

to timely comply with this Subsection, and the failure of such Defendant(s) to complete such action within ten (10) days shall be deemed a violation of the Order and interest at the rate prescribed in 28 U.S.C. § 1961 shall immediately begin to accrue.

- B. Within five (5) days of the entry of this Order, Defendants Eborn and Burnside shall, either acting directly or through counsel, deposit \$78,000 (seventy-eight thousand dollars) into the Escrow Account.
- C. Within five (5) days of the entry of this Order, the Receiver shall transfer \$118,483 (one hundred eighteen thousand, four hundred eighty-three dollars), representing personal funds of Defendant Miller that were placed in the custody of the Receiver, into the Escrow Account from the assets of the Receivership Defendants.
- D. Upon the Individual Defendants' provision to the Federal Trade

  Commission and the Escrow Agent of proof of filed returns concerning the Tax

  Liability, the Escrow Agent shall remit appropriate payment to the applicable
  government entity within ten (10) days, provided, however that no such payment shall be
  made for any tax return submitted to the Escrow Agent after November 1, 2010. Within
  fourteen (14) days of any such payment, the Escrow Agent shall provide written proof of
  payment to the Federal Trade Commission. Any portion of the Tax Liability not
  satisfied by the payments made pursuant to this Subsection shall be solely the
  responsibility of the Individual Defendants. Upon the earlier of either (1) the payment of
  the Tax Liability or (2) November 15, 2010, all funds remaining in the Escrow Account
  shall be remitted by the Escrow Agent to the Federal Trade Commission.
- E. To the extent allowable by the Internal Revenue Service and the taxing authorities of any relevant states, the Individual Defendants may take all deductions and other tax benefits that are legally available to them resulting from any payments by one

or more of the Defendants pursuant to Section VI of this Order, *except that* the Individual Defendants may not take any net operating loss carryforwards or otherwise take deductions or tax benefits resulting from such payments with regard to any tax liability other than the Tax Liability as defined in this Order. If Defendants Eborn, Burnside, Miller, or Norton obtain a credit or refund of any taxes or penalties paid for the Tax Liability, such defendant shall notify the FTC immediately of such credit or refund and pay to the Commission within five (5) days the amount of such credit or refund, together with any interest such defendant has earned in connection with the credit or refund. Within ten (10) days of a request by the FTC to Defendant Eborn, Burnside, Miller, or Norton, such defendant will complete, date, sign, and submit to the Internal Revenue Service, along with the applicable IRS fee, an IRS Form 4506 directing that a copy of such defendant's federal tax return and any amended return for tax years 2007, 2008, and 2009 be sent to the FTC.

14 VIII.

#### RIGHT TO REOPEN

#### IT IS FURTHER ORDERED that:

A. The Commission's agreement to and the Court's approval of this Order are expressly premised upon the truthfulness, accuracy, and completeness of Defendants' Financial Statements, all of which Defendants assert are truthful, accurate, and complete. Defendants and the Commission stipulate that Defendants' Financial Statements provide the basis for the monetary judgment in Section VI of this Order and that the Commission has relied on the truthfulness, accuracy, and completeness of Defendants' Financial Statements.

B. If, upon motion by the Commission, this Court finds that any Defendant(s)

has (1) materially misstated in Defendants' Financial Statements, the value of any asset, (2) made any material misrepresentation or omitted material information concerning his or her financial condition by failing to disclose any asset that should have been disclosed in Defendants' Financial Statements, or (3) made any other material misstatement or omission in Defendants' Financial Statements, the Court shall terminate, as to the offending Defendant(s), the suspension of the monetary judgment entered in Section VI.A. The Court, without further adjudication, shall enter a modified judgment holding the offending Defendant(s) liable to the Commission in the amount of \$29,497,320.57 for consumer redress, less any amounts turned over to the FTC pursuant to Section VI of this Order, provided however that Stephanie Burnside's liability to the Commission shall not exceed \$741,900. Upon such reinstatement of the monetary judgment, the Court shall make an express determination that the judgment shall become immediately due and payable by the offending Defendant(s), jointly and severally, and the Commission shall be entitled to interest computed from the day of entry of this Order at the rate prescribed under 28 U.S.C. § 1961, as amended, on the unpaid balance. The Commission shall be permitted to execute on the judgment immediately after the suspension is lifted and engage in discovery in aid of execution.

C. Defendants acknowledge and agree that (1) this monetary judgment is equitable monetary relief, solely remedial in nature, and not a fine, penalty, punitive assessment, or forfeiture; (2) any proceedings instituted under this Section would be in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings that the FTC may initiate to enforce this Order; and (3) all money paid to satisfy the monetary judgment is irrevocably paid for purposes of settlement between the parties.

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D. Should this Order be modified pursuant to this Section, this Order, in all other respects, shall remain in full force and effect unless otherwise ordered by the Court.

IX.

#### LIFTING OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze against the assets of the Defendants pursuant to the Amended Temporary Restraining Order entered by this Court on June 24, 2009, and by the Preliminary Injunction entered on September 9, 2009, shall be lifted for the sole purpose of transferring assets pursuant to Sections VI and VII of this Order, and shall be dissolved upon the transfer of all such assets.

X.

# APPOINTMENT OF RECEIVER TO WIND DOWN RECEIVERSHIP DEFENDANTS AND LIQUIDATE ASSETS

IT IS FURTHER ORDERED that Robert G. Wing, the Receiver appointed by prior orders of this Court, is hereby appointed Receiver for the Receivership Defendants for the purpose of taking the necessary steps to wind down the businesses of the Receivership Defendants, liquidate the assets of the Receivership Defendants, the Eborn-Burnside Assets, and the Miller Assets, and pay any net proceeds to the FTC to satisfy the monetary judgment in this Order. In carrying out these duties, the Receiver shall be the agent of this Court, shall be accountable directly to this Court, and is authorized and directed to:

- A. Take any and all steps that the Receiver concludes are appropriate to wind down the Receivership Defendants;
- B. Continue to exercise full control over the Receivership Defendants and continue to collect, marshal, and take custody, control, and possession of all the funds,

property, premises, accounts, documents, mail, and other assets of, or in the possession or under the control of the Receivership Defendants, wherever situated, the income and profits therefrom, and all sums of money now or hereafter due or owing to the Receivership Defendants, with full power to collect, receive, and take possession of all goods, chattels, rights, credits, monies, effects, lands, leases, books and records, limited partnership records, work papers, and records of accounts, including computermaintained information, contracts, financial records, monies on hand in banks and other financial institutions, and other papers and documents of other individuals, partnerships, or corporations whose interests are now held by or under the direction, possession, custody, or control of the Receivership Defendants ("Receivership Estate");

- C. Continue to have full control over the management and personnel of the Receivership Defendants, including the authority to remove, as the Receiver deems necessary or advisable, any director, officer, independent contractor, employee, or agent of these Defendants from control of, management of, or participation in, the affairs of these Defendants;
- D. Take all steps necessary or advisable, including issuing subpoenas, to locate and liquidate all other assets of the Receivership Defendants, cancel the Receivership Defendants' contracts, collect on amounts owed to the Receivership Defendants, and take such other steps as may be necessary to wind-down, terminate and dissolve the Receivership Defendants efficiently;
- E. Take all steps necessary or advisable, including issuing subpoenas, to identify the name, address, telephone number, date of purchase, program or product purchased, total amount paid, amount of any full or partial refund or chargeback, and payment information for consumers who were charged by the Receivership Defendants,

and provide the FTC, upon request, with any customer records or other business records of the Receivership Defendants;

- F. Make payments and disbursements from the Receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by the Receivership Defendants prior to the date of entry of the temporary restraining order in this action, except payments that the Receiver deems necessary or advisable to secure and liquidate assets of the Receivership Defendants, such as rental payments or payment of liens;
- G. Continue to perform all acts necessary or advisable to complete an accounting of the Receivership assets, and prevent unauthorized transfer, withdrawal, or misapplication of assets;
- H. Continue to maintain accurate records of all receipts and expenditures that he makes as Receiver;
- I. Continue to enter into contracts and purchase insurance as advisable or necessary;
- J. Continue to defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings instituted in the past or in the future against the Receiver in his role as Receiver, or against the Receivership Defendants, as the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;
- K. Continue to maintain bank accounts created as designated depositories for funds of the Receivership Defendants, and make all payments and disbursements from the Receivership estate from such an account;
  - L. Continue to perform all incidental acts that the Receiver deems to be

advisable or necessary, which includes retaining, hiring, or dismissing any employees, independent contractors, or agents;

- M. Continue to cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency;
- N. Dispose of, or arrange for the disposal of, the records of the Receivership Defendants no later than six months after the Court's approval of the Receiver's final report, except that:
  - 1. To the extent that such records are reasonably available, the Receiver shall arrange for records sufficient to ascertain the funds that an individual consumer paid to the Receivership Defendants to be retained for a minimum of one year from the entry of this Order, and
  - 2. If state or local law regulating the Receivership Defendants' business requires the retention of particular records for a specified period, the Receiver shall arrange for such records to be disposed of after the specified period has expired.

To safeguard the privacy of consumers, records containing personal financial information shall be shredded, incinerated, or otherwise disposed of in a secure manner. For records that must be retained, the Receiver may elect to retain records in their original form or to retain photographic or electronic copies so long as said records are: 1) kept in a secure, locked area; 2) stored electronically on a computer network or drive with restricted access or an encrypted electronic storage device; or 3) redacted of all personally identifiable information including dates of birth, Social Security numbers, driver's license numbers or other state identification numbers, passport numbers, financial account numbers, or credit or debit card numbers. *Provided, however*, that the Receiver may not

sell, rent, lease, transfer, disclose, use, or otherwise benefit from the name, address, telephone number, credit card number, bank account number, e-mail address, or other identifying information of any person who paid any money to Defendants in connection with the advertising, promotion, marketing, offering for sale, or sale of any product or service, except that the Receiver may disclose such identifying information to a law enforcement agency, or as required by any law, regulation, or court order;

- O. Perform all acts necessary to protect, conserve, preserve, and prevent waste or dissipation of the Eborn-Burnside Assets and the Miller Assets until their sale;
- P. Sell the Eborn-Burnside Assets and the Miller Assets without further order of the Court;
- Q. Enter into agreements in connection with the reasonable and necessary performance of the Receiver's duty to sell the Eborn-Burnside Assets and the Miller Assets, including but not limited to the retention of assistants, agents, or other professionals to assist in the sale of the Eborn-Burnside Assets and the Miller Assets; and
- R. Distribute to the Commission, without further order of the Court, the funds received from the sale of the Eborn-Burnside Assets and the Miller Assets.

XI.

COMPENSATION OF RECEIVER

IT IS FURTHER ORDERED that the Receiver and all personnel hired by the Receiver, including counsel to the Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the assets now held by, in the possession or control of, or which may be received by, the Receivership Defendants. The Receiver shall apply to the Court for approval of specific amounts of compensation and

expenses and must not increase the hourly rates used as the bases for such fee applications without prior approval of the Court.

#### XII.

# RECEIVER'S FINAL REPORT AND DISBURSEMENT

IT IS FURTHER ORDERED that:

A. No later than sixty (60) days from the date of the entry of this Order, the Receiver shall file and serve on the parties a report (the "Final Report") to the Court that details the steps taken to dissolve the Receivership estate. The Final Report must include an accounting of the Receivership estate's finances and total assets and a description of what other actions, if any, must be taken to wind down the Receivership.

B. The Receiver shall mail copies of the Final Report to all known creditors of the Receivership Defendants with a notice stating that any objections to paying any assets of the Receivership Defendants to satisfy the Receiver's costs and expenses and the monetary judgment set forth in this Order must be submitted to the Court and served by mail upon the Receiver and the parties within thirty (30) days of the mailing of the Final Report.

C. No later than fifteen (15) days after submission of the Final Report, the Receiver shall file an application for payment of compensation and expenses associated with his performance of his duties as Receiver.

D. The Court will review the Final Report and any objections to the report and, absent a valid objection, will issue an order directing that the Receiver:

 Pay the reasonable costs and expenses of administering the Receivership, including compensation of the Receiver and the Receiver's personnel authorized by Section XI of this Order or other

- orders of this Court and the actual out-of-pocket costs incurred by the Receiver in carrying out his duties;
- 2. Pay all remaining funds to the FTC or its designated agent to reduce the monetary judgment in Section VI.
- E. If subsequent actions (such as the completion of tax returns or further actions to recover funds for the Receivership Estate) are appropriate, the Receiver shall file an additional report or reports (the "Supplemental Reports") describing the subsequent actions and a subsequent application for the payment of fees and expenses related to the subsequent acts.
- F. With Court approval, the Receiver may hold back funds for a specified period as a reserve to cover additional fees and costs related to actions to be addressed in a Supplemental Report. If the Receiver does not make a supplemental application for fees and expenses within the specified period, or if funds remain in the reserve fund after the payment of fees and expenses approved by the Court in response to such a supplemental application, all funds in the reserve funds shall be immediately paid to the FTC or its designated agent.

XIII.

#### **COOPERATION WITH FTC COUNSEL**

IT IS FURTHER ORDERED that Defendants shall, in connection with this action or any subsequent investigations related to or associated with the transactions or the occurrences that are the subject of the FTC's Complaint, cooperate in good faith with the FTC and appear at such places and times as the FTC shall reasonably request, after written notice, for interviews, conferences, pretrial discovery, review of documents, and for such other matters as may be reasonably requested by the FTC. If requested in

writing by the FTC, Defendants shall appear and provide truthful testimony in any trial, deposition, or other proceeding related to or associated with the transactions or the occurrences that are the subject of the Complaint, without the service of a subpoena.

The Defendants shall also cooperate fully to assist the Commission in identifying the name, address, telephone number, date of purchase, program or product purchased, total amount paid, amount of any full or partial refund or chargeback, and payment information for consumers who were charged by Defendants, and any further information the Commission deems necessary to effectuate any redress program for consumers.

XIV.

#### **COMPLIANCE MONITORING**

IT IS FURTHER ORDERED that, for the purpose of (1) monitoring and investigating compliance with any provision of this Order and (2) investigating the accuracy of any of Defendants' Financial Statements upon which the Commission's agreement to this Order is expressly premised:

- A. Within ten (10) days of receipt of written notice from a representative of the Commission, the Defendants each shall submit additional written reports, which are true and accurate and sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and provide entry during normal business hours to any business location in each of the Defendant's possession or direct or indirect control to inspect the business operation;
- B. In addition, the Commission is authorized to use all other lawful means, including but not limited to:
  - 1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Rules 30, 31, 33, 34, 36, 45 and

1	69 of the Federal Rules of Civil Procedure;	
2	2. having its representatives pose as consumers and suppliers to the	
3	Defendants, their employees, or any other entity managed or	
4	controlled in whole or in part by any of the Defendants, without the	
5	necessity of identification or prior notice; and	
6	C. Defendants each shall permit representatives of the Commission to	
7	interview any employer, consultant, independent contractor, representative, agent, or	
8	employee who has agreed to such an interview, relating in any way to any conduct subjec	
9	to this Order. The person interviewed may have counsel present.	
10	Provided however, that nothing in this Order shall limit the Commission's lawful use of	
11	compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49,	
12	57b-1, to obtain any documentary material, tangible things, testimony, or information	
13	relevant to unfair or deceptive acts or practices in or affecting commerce (within the	
14	meaning of 15 U.S.C. § 45(a)(1)).	
15	XV.	
16	COMPLIANCE REPORTING	
17	IT IS FURTHER ORDERED that, in order that compliance with the provisions	
18	of this Order may be monitored:	
19	A. For a period of five (5) years from the date of entry of this Order,	
20	1. Each Individual Defendant shall notify the Commission of the	
21	following:	
22	a. Any changes in such Defendant's residence, mailing	
23	addresses, and telephone numbers, within ten (10) days of the	
24	date of such change;	
25		
26	-28-	

- b. Any changes in such Defendant's employment status

  (including self-employment), and any change in such

  Defendant's ownership in any business entity within ten (10)

  days of the date of such change. Such notice shall include the
  name and address of each business that such Defendant is

  affiliated with, employed by, creates or forms, or performs
  services for; a detailed description of the nature of the
  business; and a detailed description of such Defendant's
  duties and responsibilities in connection with the business or
  employment; and
- c. Any changes in such Defendant's name or use of any aliases or fictitious names within ten (10) days of the date of such change;
- 2. Defendants shall notify the Commission of any changes in structure of any business entity that any Defendant directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Order, including but not limited to incorporation or other organization; a dissolution, assignment, sale, merger, or other action; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; or a change in the business name or address, at least thirty (30) days prior to such change, *provided that*, with respect to any such change in the business entity about which a Defendant learns less than thirty (30) days prior to the date such action is to take place,

such Defendant shall notify the Commission as soon as is practicable after obtaining such knowledge.

- B. One hundred eighty (180) days after the date of entry of this Order and annually thereafter for a period of five (5) years, Defendants each shall provide a written report to the FTC, which is true and accurate and sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Order. This report shall include, but not be limited to:
  - 1. For each Individual Defendant:
    - a. such Defendant's then-current residence address, mailing addresses, and telephone numbers;
    - b. such Defendant's then-current employment status (including self-employment), including the name, addresses, and telephone numbers of each business that such Defendant is affiliated with, employed by, or performs services for; a detailed description of the nature of the business; and a detailed description of such Defendant's duties and responsibilities in connection with the business or employment; and
    - c. any other changes required to be reported under Subsection A of this Section.

#### 2. For all Defendants:

a copy of each acknowledgment of receipt of this Order,
 obtained pursuant to the Section titled "Distribution of Order"; and

1	b. any other changes required to be reported under Subsection A		
2	of this Section.		
3	C. Each Defendant shall notify the Commission of the filing of a bankruptcy		
4	petition by such Defendant within fifteen (15) days of filing.		
5	D. For the purposes of this Order, Defendants shall, unless otherwise directed		
6	by the Commission's authorized representatives, send by overnight courier all reports and		
7	notifications required by this Order to the Commission, to the following address:		
8			
9	Federal Trade Commission 600 Pennsylvania Avenue, N.W., Room NJ-2122		
10	Washington, D.C. 20580 RE: FTC v. Infusion Media, Inc.		
11	Provided that, in lieu of overnight courier, Defendants may send such reports or		
12	notifications by first-class mail, but only if Defendants contemporaneously send an		
13	electronic version of such report or notification to the Commission at DEBrief@ftc.gov.		
14	E. For purposes of the compliance reporting and monitoring required by this		
15	Order, the Commission is authorized to communicate directly with each Defendant.		
16	XVI.		
17	RECORDKEEPING		
18	IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of		
19	entry of this Order, the Corporate Defendants, and the Individual Defendants for any		
20	business for which they, individually or collectively, are the majority owner or directly or		
21	indirectly control, are hereby restrained and enjoined from failing to create and retain the		
22	following records:		
23	A. Accounting records that reflect the cost of goods or services sold, revenues		
24	generated, and the disbursement of such revenues;		
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- B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;
- C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;
- D. Complaints and refund requests (whether received directly or indirectly, such as through a third party) and any responses to those complaints or requests;
- E. Copies of all sales scripts, web pages, training materials, advertisements, or other marketing materials; and
- F. All records and documents necessary to demonstrate full compliance with each provision of this Order, including but not limited to, copies of acknowledgments of receipt of this Order required by the Sections titled "Distribution of Order" and "Acknowledgment of Receipt of Order" and all reports submitted to the FTC pursuant to the Section titled "Compliance Reporting."

XVII.

## **DISTRIBUTION OF ORDER**

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, Defendants shall deliver copies of the Order as directed below:

A. Corporate Defendant: Each Corporate Defendant must deliver, through the Receiver, a copy of this Order to (1) all of its principals, officers, directors, and managers; (2) all of its employees, agents, and representatives who engage in conduct related to the

subject matter of the Order; and (3) any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting." For current personnel, delivery shall be within five (5) days of service of this Order upon such Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.

- B. Individual Defendant as control person: For any business that an Individual Defendant controls, directly or indirectly, or in which such Defendant has a majority ownership interest, such Defendant must deliver a copy of this Order to (1) all principals, officers, directors, and managers of that business; (2) all employees, agents, and representatives of that business who engage in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting." For current personnel, delivery shall be within five (5) days of service of this Order upon such Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.
- C. Individual Defendant as employee or non-control person: For any business where an Individual Defendant is not a controlling person of a business but otherwise engages in conduct related to the subject matter of this Order, such Defendant must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.

1	D. Defendants must secure a signed and dated statement acknowledging	
2	receipt of the Order, within thirty (30) days of delivery, from all persons receiving a cop	
3	of the Order pursuant to this Section.	
4	XVIII.	
5	ACKNOWLEDGMENT OF RECEIPT OF ORDER	
6	IT IS FURTHER ORDERED that each Defendant, within five (5) business days	
7	of receipt of this Order as entered by the Court, must submit to the Commission a truthful	
8	sworn statement acknowledging receipt of this Order.	
9	XIX.	
10	RETENTION OF JURISDICTION	
11	IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this	
12	matter for purposes of construction, modification, and enforcement of this Order.	
13		
14	IT IS SO ORDERED this 4th day of October, 2010.	
15		
16	The	
17	Glotia M. Navarro United States District Judge	
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1	SU SIIPULAIED AND AGREED:
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3	FOR DEFENDANTS INFUSION MEDIA, INC.; WEST COAST INTERNET MEDIA, INC.; TWO WARNINGS, LLC; TWO PART
4	INVESTMENTS, LLC; AND PLATINUM TELESERVICES, INC.
5	Date: 8/6/10
6	MATTHEW L. LEWIS  D. ZACHARY WISEMAN  Pay Ovinney & Nebelsor P. C.
7	Ray/Quinney & Nebeker P.C. 36 South State Street, Suite 1400 Salt Lake City, UT 84111
8	(801) 323-3338/3349 (801) 326-3395 (facsimile)
9	mlewis@rqn.com; zwiseman@rqn.com
10	COUNSEL FOR INFUSION MEDIA, INC.; WEST COAST INTERNET MEDIA, INC.;
11	TWO WARNINGS, LLC; TWO PART INVESTMENTS, LLC; AND PLATINUM
12	TELESERVICES, INC.
13	
14	FOR DEFENDANTS JONATHAN EBORN; INFUSION MEDIA, INC.; WEST COAST INTERNET MEDIA, INC.; TWO WARNINGS,
15	LLC; AND TWO PART INVESTMENTS, LLC
16	Date: 7/13/8
17	JONATHAN EBORN, INDIVIDUALLY AND AS AN OFFICER OF INFUSION MEDIA,
18	INC.; WEST COAST INTERNET MEDIA,
19	INC · IWO WARNINGS IIIC · AND IWO
	INC.; TWO WARNINGS, LLC; AND TWO PART INVESTMENTS, LLC
20	PART INVESTMENTS, LLC; AND TWO
20 21	PART INVESTMENTS, LLC  FOR DEFENDANTS STEPHANIE BURNSIDE AND WEST COAST
	PART INVESTMENTS, LLC
21	FOR DEFENDANTS STEPHANIE BURNSIDE AND WEST COAST INTERNET MEDIA, INC.  Date: 7/13/10
21 22	FOR DEFENDANTS STEPHANIE BURNSIDE AND WEST COAST INTERNET MEDIA, INC.

-35-

1	FOR DEFENDANTS MICHAEL McLAIN MILLER; INFUSION
2	MEDIA, INC.; TWO WARNINGS, LLC; AND TWO PART INVESTMENTS, LLC
3	
	MICHAEL MCLAIN MILLER,  Date: 15 July 2010
4	MICHAEL McLAIN MILLER, INDIVIDUALLY AND AS AN OFFICER OF
5	INFUSION MEDIA, INC.; WEST COAST INTERNET MEDIA, INC.; TWO
6	WARNINGS, LLC; AND TWO PART
7	INVESTMENTS, LLC
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2	TELESERVICES, INC.	
3	KD JUAR	Date: 7-21-2010
	TONY NORTON, INDIVIDUALLY AND AS	Date.
4	AN'OFFICER OF PLATINUM TELESERVICES, INC.	
5	Tobbook (1020, 110)	
6		
7	FOR THE PLAINTIFF FEDERAL TRADE COMMISSION:	
7	FEDERAL TRADE COMMISSION:	
8	1 2	Date: 10/1/10
9	DANIEL O. HANKS	Daw. 1-11
10	KATHLEEN BENWAY Attorneys	
	Federal Trade Commission	
11	Washington, D.C. 20580 (202) 326-2472, -2024	
12	(202) 326-3395 (facsimile)	
13	dhanks@ftc.gov; kbenway@ftc.gov	
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#### **ATTACHMENT A**

# UNITED STATES DISTRICT COURT DISTRICT OF NEVADA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

INFUSION MEDIA, INC., et al.,

Defendants.

Civil Action No. 2:09-cv-01112-GMN-LRL

ACCOUNT SCHEDULE

The following list identifies the accounts referred to in Section VI.A.9 of the Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief as to Infusion Media, Inc.; West Coast Internet Media, Inc.; Two Warnings, LLC; Two Part Investments, LCC; Platinum Teleservices, Inc.; Jonathan Eborn; Stephanie Burnside; Michael Mclain Miller; and Tony Norton:

DBA	Account Number
Income Initiative Pro	xxxxxxxxxx383494
Income Initiative Pro	xxxxxxxxx385804
Income Initiative Pro	xxxxxxxxx390564
Income Initiative Pro	xxxxxxxxx391323
Income Initiative Pro	xxxxxxxxx391968
Income Initiative Pro	xxxxxxxxxx383551
Income Initiative Pro	xxxxxxxxx386554
Income Initiative Pro	xxxxxxxxxx390820
Income Initiative Pro	xxxxxxxxx392388
Income Initiative Pro	xxxxxxxxx393162
Mony Tree Systems	xxxxxxxxxx384518

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Mony Tree Systems	xxxxxxxxxx398658
Mony Tree Systems	xxxxxxxxxx399466
Mony Tree Systems	xxxxxxxxx400090
Mony Tree Systems	xxxxxxxxxx401775
Mony Tree Systems	xxxxxxxxxx405404
Mony Tree Systems	xxxxxxxxx405453
Mony Tree Systems	xxxxxxxxxx388253
Mony Tree Systems	xxxxxxxxxx385135
Mony Tree Systems	xxxxxxxxxx397007
Mony Tree Systems	xxxxxxxxx400793
Mony Tree Systems	xxxxxxxxxx398104
Mony Tree Systems	xxxxxxxxx402070
Mony Tree Systems	xxxxxxxxx403417
Mony Tree Systems	xxxxxxxxx404373
Mony Tree Systems	xxxxxxxxx405057
Mony Tree Systems	xxxxxxxxxx384765
Mony Tree Systems	xxxxxxxxxx389798
Mony Tree Systems	xxxxxxxxx400231
Mony Tree Systems	xxxxxxxxx401254
Mony Tree Systems	xxxxxxxxxx395878
Mony Tree Systems	xxxxxxxxx403490
Mony Tree Systems	xxxxxxxxx404068
Mony Tree Systems	xxxxxxxxx405263
Mony Tree Systems	xxxxxxxxxx383239
Mony Tree Systems	xxxxxxxxxx386489
Mony Tree Systems	xxxxxxxxx392347
Mony Tree Systems	xxxxxxxxxx395597
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Mony Tree Systems	xxxxxxxxx401692
Mony Tree Systems	xxxxxxxxx405479
Mony Tree Systems	xxxxxxxxx405503
Mony Tree Systems	xxxxxxxxxx383296
Mony Tree Systems	xxxxxxxxxx385911
Mony Tree Systems	xxxxxxxxx392099
Mony Tree Systems	xxxxxxxxxx392834
Mony Tree Systems	xxxxxxxxxx398534
Mony Tree Systems	xxxxxxxxxx399995
Mony Tree Systems	xxxxxxxxx401569
Mony Tree Systems	xxxxxxxxx405602
Mony Tree Systems	xxxxxxxxx405610
Mony Tree Systems	xxxxxxxxxx384450
Mony Tree Systems	xxxxxxxxxx399904
Mony Tree Systems	xxxxxxxxx401973
Mony Tree Systems	xxxxxxxxx403185
Mony Tree Systems	xxxxxxxxx405149
Mony Tree Systems	xxxxxxxxxx389442
Mony Tree Systems	xxxxxxxxx404191
Safelock ID	xxxxxxxxx436532
Safelock ID	xxxxxxxxx438058
Safelock ID	xxxxxxxxx438074
Safelock ID	xxxxxxxxx439098
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Safelock ID	xxxxxxxxx442993
Safelock ID	xxxxxxxxx436508
Safelock ID	xxxxxxxxx438595
Safelock ID	xxxxxxxxx438629
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Safelock ID	xxxxxxxxx436557
Safelock ID	xxxxxxxxx438132
Safelock ID	xxxxxxxxxx438157
Safelock ID	xxxxxxxxx438751
Safelock ID	xxxxxxxxx438769
Safelock ID	xxxxxxxxx442787
Safelock ID	xxxxxxxxxx436540
Safelock ID	xxxxxxxxxx438108
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Safelock ID	xxxxxxxxx438215
Safelock ID	xxxxxxxxx438231
Safelock ID	xxxxxxxxx438694
Safelock ID	xxxxxxxxx438702
Safelock ID	xxxxxxxxx442761