

The Honorable Ricardo S. Martinez

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

<p>FEDERAL TRADE COMMISSION,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>JOHN STEFANCHIK, individually and as an officer and director of Beringer Corporation,</p> <p>SCOTT B. CHRISTENSEN, individually and as an officer and director of Atlas Marketing, Inc.,</p> <p>JUSTIN W. ELY, individually and as an officer and director of Premier Consulting Group, Inc., and as a manager of Atlas Marketing, Inc.,</p> <p>BERINGER CORPORATION, dba The Stefanchik Organization, a Washington corporation,</p> <p>ATLAS MARKETING, INC., also dba The Stefanchik Organization, a Nevada Corporation, and</p> <p>PREMIER CONSULTING GROUP, INC., a Utah Corporation,</p> <p style="text-align: center;">Defendants.</p>
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CIVIL ACTION NO. 04-1852RSM

**STIPULATED FINAL JUDGMENT
AND ORDER FOR PERMANENT
INJUNCTION AND OTHER
EQUITABLE RELIEF AS TO
DEFENDANTS SCOTT B.
CHRISTENSEN AND ATLAS
MARKETING, INC.**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), has filed a First Amended Complaint for permanent injunction and other equitable relief pursuant to Section 13(b)

1 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), and the Telemarketing
2 and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108,
3 charging defendants John Stefanchik, Scott B. Christensen, Justin W. Ely, Beringer Corporation,
4 Atlas Marketing, Inc., and Premier Consulting Group, Inc., doing business collectively as “The
5 Stefanchik Organization,” with deceptive acts and practices in connection with the telemarketing
6 of course materials, in-person workshops, videotapes, audio tapes and other educational products
7 and services that purport to teach consumers how to broker, purchase, and/or resell privately-held
8 mortgages or promissory notes that are secured by real estate. The Commission’s First Amended
9 Complaint alleges that defendants’ deceptive acts and practices violate Section 5(a) of the FTC
10 Act, 15 U.S.C. § 45(a), and the FTC’s Trade Regulation Rule entitled “Telemarketing Sales
11 Rule” (“Rule”), 16 C.F.R. Part 310.

12 The Commission and defendants Scott B. Christensen (“Christensen”) and Atlas
13 Marketing, Inc. (“Atlas”), having been represented by counsel and, acting by and through such
14 counsel, have consented to the entry of this Stipulated Judgment for Permanent Injunction and
15 Other Equitable Relief (“Stipulated Judgment”) without a trial or adjudication of any issue of law
16 or fact herein.

17 **NOW, THEREFORE**, the Commission and defendants Christensen and Atlas, having
18 requested the Court to enter this Stipulated Judgment, it is **HEREBY ORDERED**,
19 **ADJUDGED, AND DECREED** as follows:

20 **FINDINGS**

21 1. This is an action by the Commission instituted under Sections 13(b) and 19 of the
22 FTC Act, 15 U.S.C. §§ 53(b) and 57b. Pursuant to these Sections, the Commission has the
23 authority to seek the relief contained herein.

24 2. The Commission’s First Amended Complaint states a claim upon which relief may
25 be granted against defendants Christensen and Atlas under Sections 5(a), 13(b) and 19 of the FTC
26 Act, 15 U.S.C. §§ 45(a), 53(b) and 57b, and the Telemarketing Act, 15 U.S.C. § 6101 *et seq.*

27 3. This Court has jurisdiction over the subject matter of this case and all parties
28 hereto. Venue in the Western District of Washington is proper.

1 4. The alleged activities of defendants Christensen and Atlas are in or affecting
2 commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

3 5. The parties shall each bear their own costs and attorney's fees incurred in this
4 action and have waived all rights to seek judicial review or otherwise to challenge the validity of
5 this Stipulated Judgment.

6 6. This Stipulated Judgment does not constitute, and shall not be interpreted to
7 constitute, either an admission by defendants Christensen and Atlas or a finding by the Court that
8 defendants Christensen and Atlas have engaged in any violations of Section 5(a) of the FTC Act,
9 15 U.S.C. § 45(a), the Telemarketing Sales Rule, 16 C.F.R. Part 310, or any other law or
10 regulation.

11 7. Entry of this Stipulated Judgment is in the public interest.

12 **Definitions**

13 1. **"Defendants"** means Scott B. Christensen and Atlas Marketing, Inc., each of
14 them, by whatever names each might be known, as well as their successors and assigns, whether
15 acting directly or through any corporation, subsidiary, division, or other device.

16 2. **"Assisting others"** means knowingly providing any of the following goods or
17 services to another entity: (1) performing customer service functions, including, but not limited to,
18 receiving or responding to consumer complaints; (2) formulating or providing, or arranging for
19 the formulation or provision of, any telephone sales script or any other marketing material; (3)
20 providing names of, or assisting in the generation of, potential customers; or (4) performing
21 marketing services of any kind.

22 3. **"Document"** is synonymous in meaning and equal in scope to the usage of the
23 term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts,
24 photographs, audio and video recordings, computer records, and other data compilations from
25 which information can be obtained and translated, if necessary, through detection devices into
26 reasonably usable form. A draft or non-identical copy is a separate document within the meaning
27 of the term.
28

1 4. **“Paper Business”** means the business of brokering the sale of, purchasing, and/or
2 selling privately-held mortgages or promissory notes that are secured by real estate.

3 5. **“Person”** means any individual, group, unincorporated association, limited or
4 general partnership, corporation, or other business entity.

5 6. **“Target product or service”** means course materials, in-person workshops,
6 seminars, videotapes, audio tapes, personal coaching services, and other educational products and
7 services that purport to teach consumers how to broker the sale of, purchase, and/or sell
8 privately-held mortgages or promissory notes that are secured by real estate.

9
10 **ORDER**

11 **I. PROHIBITED PRACTICES**

12 **IT IS THEREFORE ORDERED** that the defendants, and their officers, agents,
13 directors, employees, salespersons, independent contractors, subsidiaries, affiliates, successors,
14 assigns and all other persons or entities in active concert or participation with any of them who
15 receive actual notice of this Order by personal service or otherwise, including by facsimile, in
16 connection with the advertising, promotion, marketing, offering for sale, or sale of any target
17 product or service, are hereby restrained and enjoined from:

18 A. Misrepresenting, expressly or by implication, that consumers who purchase any
19 target product or service will quickly make large amounts of money in their spare time by learning
20 and using the methods taught;

21 B. Misrepresenting, expressly or by implication, that personal coaching services for
22 any target product or service are staffed by persons substantially experienced in the paper business
23 who are readily available to assist consumers in finding and completing paper transactions;

24 C. Representing, expressly or by implication, that consumers who purchase any target
25 product or service will quickly make large amounts of money in their spare time by learning and
26 using the methods taught, unless defendants possess and rely upon a reasonable basis to
27 substantiate the representation at the time the representation is made;

28

1 D. Misrepresenting, expressly or by implication, any fact material to a consumer's
2 decision to purchase any target product or service; and

3 E. In connection with telemarketing, as defined in the Telemarketing Sales Rule, 16
4 C.F.R. Part 310, and as hereafter may be amended, violating or assisting others to violate any
5 provision of the Rule, including, but not limited to:

6 1. Misrepresenting, directly or by implication, any material aspect of the
7 performance, efficacy, nature, or central characteristics of goods or
8 services that are the subject of the sales offer, in violation of Section
9 310.3(a)(2)(iii) of the Rule, 16 C.F.R. § 310.3(a)(2)(iii); and

10 2. Making a false or misleading statement to induce any person to pay for any
11 good or service in violation of Section 310.3(a)(4) of the Rule, 16 C.F.R.
12 § 310.3(a)(4).

13
14 **II.**

15 **IT IS FURTHER ORDERED** that defendants, and their officers, agents, directors,
16 employees, salespersons, independent contractors, subsidiaries, affiliates, successors, assigns and
17 all other persons or entities in active concert or participation with them who receive actual notice
18 of this Order by personal service or otherwise, including by facsimile, in connection with the
19 advertising, promotion, marketing, offering for sale, or sale of any business venture, profit-making
20 venture or other investment opportunity (including, but not limited to, an opportunity to invest in
21 real estate or in mortgages or other intangible items), or seminar or other tool purported to teach
22 consumers how to succeed in any business venture, profit-making venture or other investment
23 opportunity, are hereby restrained and enjoined from:

24 A. Misrepresenting, expressly or by implication, that consumers who purchase any
25 product or service will make a substantial amount of money;

26 B. Misrepresenting, expressly or by implication, the income, profit, or sales volume
27 that consumers who purchase any product or service may or are likely to achieve;

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1 C. Misrepresenting, expressly or by implication, the income, profit, or sales volume
2 achieved by consumers who previously purchased any product or service that defendants
3 marketed or sold;

4 D. Misrepresenting, expressly or by implication, that any services offered by
5 defendants are provided by persons substantially experienced in a particular business venture,
6 profit-making venture or other investment opportunity, or that such persons are readily available
7 to assist consumers with finding or completing transactions in the business venture, profit-making
8 venture or other investment opportunity being marketed or sold;

9 E. Representing, expressly or by implication, that consumers who purchase any
10 product or service will make a substantial amount of money, unless defendants possess and rely
11 upon a reasonable basis to substantiate the representation at the time the representation is made;

12 F. Misrepresenting, expressly or by implication, any fact material to a consumer's
13 decision to purchase any product or service; and

14 G. In connection with telemarketing, as defined in the Telemarketing Sales Rule, 16
15 C.F.R. Part 310, and as hereafter may be amended, violating or assisting others to violate any
16 provision of the Rule, including, but not limited to:

- 17 1. Misrepresenting, directly or by implication, any material aspect of the
18 performance, efficacy, nature, or central characteristics of goods or
19 services that are the subject of the sales offer, in violation of Section
20 310.3(a)(2)(iii) of the Rule, 16 C.F.R. § 310.3(a)(2)(iii); and
- 21 2. Making a false or misleading statement to induce any person to pay for any
22 good or service in violation of Section 310.3(a)(4) of the Rule, 16 C.F.R.
23 § 310.3(a)(4).

24 25 **III. DISCLOSURE OF CONSUMER LISTS**

26 **IT IS FURTHER ORDERED** that defendants and their officers, agents, servants, and
27 employees, and all other persons or entities in active concert or participation with them who
28 receive actual notice of this Stipulated Judgment by personal service or otherwise, are

1 permanently restrained and enjoined from selling, renting, leasing, transferring, or otherwise
2 disclosing the name, address, telephone number, credit card number, bank account number, e-mail
3 address, or other identifying information of any person who paid any money to any defendant to
4 this action, at any time prior to entry of this Stipulated Judgment, in connection with promoting,
5 offering for sale, selling, or participating in the sale of, directly or indirectly, any target product or
6 service. *Provided, however,* that defendants may disclose such identifying information to a law
7 enforcement agency or as required by any law, regulation, or court order.

8
9 **IV. CONSUMER RESTITUTION**

10 **IT IS FURTHER ORDERED** that:

11 A. Judgment is entered against defendants jointly and severally in the amount of
12 \$20,990,812.00. Payment of this amount shall be suspended subject to the conditions set forth in
13 Section V of this Stipulated Judgment.

14 B. In the event that a monetary payment under this Stipulated Judgment becomes due,
15 all funds paid pursuant to this Section shall be deposited into a fund administered by the
16 Commission or its designated agent to be used for equitable relief, including, but not limited to,
17 consumer restitution and any attendant expenses for the administration of such equitable relief.
18 IN the event that direct restitution for consumers is wholly or partially impracticable or funds
19 remain after restitution is completed, the Commission may apply any remaining funds for such
20 other equitable relief (including consumer information remedies) as it determines to be reasonably
21 related to defendants' practices alleged in the First Amended Complaint. Any funds not used for
22 such equitable relief shall be deposited in the U.S. Treasury as disgorgement. Defendants shall
23 have no right to challenge the Commission's choice of remedies under this Section. No portion of
24 any payments or assets assigned under the judgment herein shall be deemed a payment of any fine,
25 penalty, or punitive assessment.

26 C. In accordance with 31 U.S.C. § 7701, defendants are hereby required, unless they
27 have done so already, to furnish to the Commission their respective taxpayer identifying numbers
28 (social security numbers or employer identification numbers) which shall be used for the purposes

1 of collecting and reporting on any delinquent amount arising out of defendants' relationship with
2 the government.

3 D. Defendants agree that the facts as alleged in the First Amended Complaint filed in
4 this action shall be taken as true for purposes of any subsequent proceedings to enforce payments
5 required by this Section, including, but not limited to, a non-dischargeability complaint filed in a
6 bankruptcy proceeding.

7
8 **V. RIGHT TO REOPEN**

9 **IT IS FURTHER ORDERED** that, by agreeing to this Stipulated Judgment, defendants
10 reaffirm and attest to the truthfulness, accuracy, and completeness of (1) the Financial Statement
11 executed by defendant Scott Christensen on May 31, 2006; (2) the tax returns, profit and loss
12 statements, and balance sheets of the companies affiliated with or owned by defendant Scott
13 Christensen and provided to the Federal Trade Commission; and (3) all statements and
14 representations made by defendant Scott Christensen in his deposition taken on February 3, 2005,
15 and in correspondence with the Federal Trade Commission ("Financial Materials and
16 Statements"). Plaintiff's agreement to this Stipulated Judgment is expressly premised upon the
17 truthfulness, accuracy, and completeness of defendants' financial condition as represented in the
18 Financial Materials and Statements, which contain material information upon which plaintiff relied
19 in negotiating and agreeing to the terms of this Stipulated Judgment. If, upon motion by the
20 Commission, this Court finds that one or more defendants failed to disclose any material asset, or
21 materially misrepresented the value of any asset, or made any other material misrepresentation in
22 or omission from the Financial Materials and Statements, the Court shall enter judgment against
23 the offending defendant(s), jointly and severally, in favor of the Commission, in the amount of
24 \$20,990,812.00, less any amount already paid to the Commission; *provided, however*, that in all
25 other respects this Stipulated Judgment shall remain in full force and effect unless otherwise
26 ordered by the Court; and *provided further*, that proceedings instituted under this Section are in
27 addition to and not in lieu of any other civil or criminal remedies as may be provided by law,
28 including any other proceedings the Commission may initiate to enforce this Stipulated Judgment.

1 Solely for purposes of this Section, defendants waive any right to contest any of the allegations in
2 the Commission's First Amended Complaint.

3
4 **VI. ACKNOWLEDGMENT OF RECEIPT OF JUDGMENT BY DEFENDANTS**

5 **IT IS FURTHER ORDERED** that each defendant, within five (5) business days of
6 receipt of this Stipulated Judgment as entered by the Court, shall submit to the Commission a
7 truthful sworn statement acknowledging receipt of this Stipulated Judgment.

8
9 **VII. MONITORING COMPLIANCE OF SALES PERSONNEL**

10 **IT IS FURTHER ORDERED** that defendants, in connection with any business where
11 (1) a defendant is the majority owner of the business or directly or indirectly manages or controls
12 the business, and (2) the business is engaged in telemarketing or marketing or assisting others
13 engaged in telemarketing or marketing any business venture, profit making venture, or other
14 investment opportunity (including an opportunity to invest in real estate or in mortgages or other
15 intangible item), or seminar or other tool purported to teach consumers how to succeed in any
16 business venture, profit making venture, or other investment opportunity, are hereby permanently
17 restrained and enjoined from:

18 A. Failing to take reasonable steps sufficient to monitor and ensure that all employees
19 and independent contractors engaged in sales or other customer service functions comply with
20 Sections I and II of this Stipulated Judgment. Such steps shall include adequate monitoring of
21 sales presentations or other calls with customers and shall also include, at a minimum, the
22 following: (1) listening to the oral representations made by persons engaged in sales or other
23 customer service functions; (2) establishing a procedure for receiving and responding to consumer
24 complaints; and (3) ascertaining the number and nature of consumer complaints regarding
25 transactions in which each employee or independent contractor is involved; *provided*, that this
26 Section does not authorize or require defendants to take any steps that violate any federal, state,
27 or local laws;

1 B. Failing promptly to investigate fully any consumer complaint received by any
2 business to which this Section applies; and

3 C. Failing to take corrective action with respect to any sales person whom defendants
4 determine is not complying with this Stipulated Judgment, which may include training,
5 disciplining, and/or terminating such sales person.

6
7 **VIII. DISTRIBUTION OF JUDGMENT BY DEFENDANTS**

8 **IT IS FURTHER ORDERED** that, for a period of five (5) years from the date of entry
9 of this Stipulated Judgment, defendants shall deliver copies of the Stipulated Judgment as directed
10 below:

11 A. **Corporate Defendant:** Defendant Atlas Marketing, Inc., shall deliver a copy of
12 this Stipulated Judgment to all of its principals, officers, directors, and managers. Defendant
13 Atlas Marketing, Inc., also shall deliver copies of this Stipulated Judgment to all of its employees,
14 agents, and representatives who engage in conduct related to the subject matter of the Stipulated
15 Judgment. For current personnel, delivery shall be within five (5) days of service of this
16 Stipulated Judgment upon Defendant Atlas Marketing, Inc. For new personnel, delivery shall
17 occur prior to them assuming their responsibilities.

18 B. **Individual Defendant Scott B. Christensen as Control Person:** For any
19 business that Scott B. Christensen controls, directly or indirectly, or in which Scott B. Christensen
20 has a majority ownership interest, Scott B. Christensen shall deliver a copy of this Stipulated
21 Judgment to all principals, officers, directors, and managers of that business. Scott B. Christensen
22 shall also deliver copies of this Stipulated Judgment to all employees, agents, and representatives
23 of that business who engage in conduct related to the subject matter of the Stipulated Judgment.
24 For current personnel, delivery shall be within five (5) days of service of this Stipulated Judgment
25 upon defendant Scott B. Christensen. For new personnel, delivery shall occur prior to them
26 assuming their responsibilities.

27 C. **Scott B. Christensen as Employee or Non-Control Person:** For any business
28 where Scott B. Christensen is not a controlling person of a business but otherwise engages in

1 conduct related to the subject matter of this Stipulated Judgment, Scott B. Christensen shall
2 deliver a copy of this Stipulated Judgment to all principals and managers of such business before
3 engaging in such conduct.

4 D. Defendants Scott B. Christensen and Atlas Marketing, Inc., shall secure a signed
5 and dated statement acknowledging receipt of the Stipulated Judgment, within thirty (30) days of
6 delivery, from all persons receiving a copy of the Stipulated Judgment pursuant to this Section.

7
8 **IX. COMPLIANCE REPORTING BY DEFENDANTS**

9 **IT IS FURTHER ORDERED** that, in order that compliance with the provisions of this
10 Stipulated Judgment may be monitored:

11 A. For a period of five (5) years from the date of entry of this Stipulated Judgment,

12 1. Defendant Scott B. Christensen shall notify the Commission of the
13 following:

14 a. Any changes in residence, mailing address, and telephone number of
15 Scott B. Christensen, within ten (10) days of the date of such
16 change;

17 b. Any changes in employment status (including self-employment) of
18 Scott B. Christensen, and any change in the ownership of Scott B.
19 Christensen in any business entity, within ten (10) days of such
20 change. Such notice shall include the name and address of each
21 business that Scott B. Christensen is affiliated with, employed by,
22 creates or forms, or performs services for; a statement of the nature
23 of the business and a statement of Scott B. Christensen's duties and
24 responsibilities in connection with the business or employment;

25 c. Any changes in Scott B. Christensen's name or use of any aliases or
26 fictitious names; and

27 2. Defendants Atlas Marketing, Inc., and Scott B. Christensen shall notify the
28 Commission of any changes in corporate structure of Atlas Marketing, Inc.,

1 or any business entity that Scott B. Christensen directly or indirectly
2 controls or has an ownership interest in, that may affect compliance
3 obligations arising under this Stipulated Judgment, including, but not
4 limited to, a dissolution, assignment, sale, merger, or other action that
5 would result in the emergence of a successor entity; the creation or
6 dissolution of a subsidiary, parent, or affiliate that engages in any acts or
7 practices subject to this Stipulated Judgment; the filing of a bankruptcy
8 petition; or a change in the corporate name or address, at least thirty (30)
9 days prior to such change, *provided* that, with respect to any proposed
10 change in the corporation about which the defendants learn less than thirty
11 (30) days prior to the date such action is to take place, defendants shall
12 notify the Commission as soon as is practicable after obtaining such
13 knowledge.

14 B. One hundred eighty (180) days after the date of entry of this Stipulated Judgment,
15 defendants Atlas Marketing, Inc., and Scott B. Christensen each shall provide a
16 written report to the FTC, sworn to under penalty of perjury, setting forth in detail
17 the manner and form in which they have complied and are complying with this
18 Stipulated Judgment. This report shall include, but not be limited to:

19 1. **For Scott B. Christensen:**

- 20 a. The then-current residence address, mailing address, and telephone
21 number of Scott B. Christensen;
- 22 b. The then-current employment and business addresses and telephone
23 numbers of Scott B. Christensen, a description of the business
24 activities of each such employer or business, and the title and
25 responsibilities of Scott B. Christensen, for each such employer or
26 business; and
- 27 c. Any other changes required to be reported under Subparagraph A
28 of this Section.

1 2. **For All Defendants:**

- 2 a. A copy of each acknowledgment of receipt of this Stipulated
3 Judgment, obtained pursuant to Part VIII of this Stipulated
4 Judgment; and
5 b. Any other changes required to be reported under Subparagraph A
6 of this Section.

7 C. For the purposes of this Stipulated Judgment, defendants Scott B. Christensen and
8 Atlas Marketing, Inc., shall, unless otherwise directed by the Commission's authorized
9 representatives, mail all written notifications to the Commission to:

10 Associate Director of Enforcement
11 Federal Trade Commission
12 601 New Jersey Avenue, N.W.
13 Washington, D.C. 20001

12 Re: *FTC v. John Stefanichik, et al.*, Civil Action No. C04-1852RSM

13 D. For the purposes of compliance reporting and monitoring required by this
14 Stipulated Judgment, the Commission is authorized to communicate directly with defendants
15 Atlas Marketing, Inc., and Scott B. Christensen.

16
17 **X. COOPERATION WITH COMMISSION COUNSEL**

18 **IT IS FURTHER ORDERED** that defendant Scott B. Christensen shall, in connection
19 with this action or any subsequent investigations related to or associated with the transactions or
20 occurrences that are the subject of the Commission's First Amended Complaint, cooperate in
21 good faith with the Commission and appear at such places and times as the Commission shall
22 reasonably request, after written notice to him and his counsel of record, for interviews,
23 conferences, pretrial discovery, review of documents, and for such other matters as may be
24 reasonably requested by the Commission. If requested in writing by the Commission, defendant
25 Scott B. Christensen shall appear and provide truthful testimony in any trial, deposition, or other
26 proceeding related to or associated with the transactions or the occurrences that are the subject of
27 the First Amended Complaint, without service of a subpoena.

XI. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that for a period of eight (8) years from the date of entry of this Stipulated Judgment, defendants, and their agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Stipulated Judgment by personal service or otherwise, including by facsimile, in connection with any business where: (1) any defendant is the majority owner of the business, or directly or indirectly manages or controls the business, and (2) the business is engaged in telemarketing or marketing or assisting others engaged in telemarketing or marketing any business venture, profit making venture or other investment opportunity (including an opportunity to invest in real estate or in mortgages or other intangible item), or seminar or other tool purported to teach consumers how to succeed in any business venture, profit making venture or other investment opportunity, are hereby permanently restrained and enjoined from failing to create and retain the following records:

- A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- 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, telephone 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, indirectly, or through any third party) and any responses to those complaints or requests;
- E. Copies of all sales scripts, training materials, advertisements, or other marketing materials; and

1 F. All records and documents necessary to demonstrate full compliance with each
2 provision of this Stipulated Judgment, including but not limited to, copies of
3 acknowledgments of receipt of this Stipulated Judgment, required by Sections VI
4 and VIII of this Stipulated Judgment, and all reports submitted to the FTC
5 pursuant to Section IX of this Stipulated Judgment.
6

7 XII. COMPLIANCE MONITORING

8 **IT IS FURTHER ORDERED** that for the purpose of monitoring and investigating
9 compliance with any provision of this Stipulated Judgment,

10 A. Within ten (10) days of receipt of written notice from a representative of the
11 Commission, defendants Atlas Marketing, Inc., and Scott B. Christensen each shall submit
12 additional written reports, sworn to under penalty of perjury; produce documents for inspection
13 and copying; appear for deposition; and/or provide entry during normal business hours to any
14 business location in such defendant's possession or direct or indirect control to inspect the
15 business operation;

16 B. In addition, the Commission is authorized to monitor compliance with this
17 Stipulated Judgment by all lawful means including, but not limited to, the following:

18 1. Obtaining discovery from any person, without further leave of court, using
19 the procedures prescribed by Fed.R.Civ.P. 30, 31, 33, 34, 36, and 45;

20 2. Posing as consumers and suppliers to: Atlas Marketing, Inc., and Scott B.
21 Christensen, Atlas Marketing, Inc., and Scott B. Christensen's employees, or any other entity
22 managed or controlled in whole or in part by Atlas Marketing, Inc., and Scott B. Christensen,
23 without the necessity of identification or prior notice; and

24 C. Atlas Marketing, Inc., and Scott B. Christensen shall permit representatives of the
25 Commission to interview any employer, consultant, independent contractor, representative, agent,
26 or employee who has agreed to such an interview, relating in any way to any conduct subject to
27 this Stipulated Judgment. The person interviewed may have counsel present.
28

1 *Provided, however,* that nothing in this Stipulated Judgment shall limit the Commission's
2 lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49
3 and 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant
4 to unfair or deceptive acts or practices in or affecting commerce (withing the meaning of 15 U.S.C.
5 § 45(a)(1)).

6
7 **XIII. RETENTION OF JURISDICTION**

8 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for the
9 purpose of construction, modification, and enforcement of this Stipulated Judgment.

10 **SO ORDERED**, this 14 day of November 2006, at Seattle.

11 

12 **RICARDO S. MARTINEZ**
13 **UNITED STATES DISTRICT JUDGE**

14 The parties, by their respective counsel, hereby consent to the terms and conditions of the
15 Stipulated Judgment as set forth above and consent to entry thereof. The defendants waive any
16 rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, *amended by* Pub. L.
17 104-121, 110 Stat. 847, 863-64 (1996).

18 **FOR FEDERAL TRADE COMMISSION**

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21 Nadine S. Samter WSBA # 23881
22 Kial S. Young Mass. BBO #633515
23 Federal Trade Commission
24 915 Second Ave., Suite 2896
Seattle, WA 98174
(206) 220-6350
FAX (206) 220-6366
nsamter@ftc.gov; kyoung@ftc.gov

25 **ATTORNEYS FOR PLAINTIFF**
26 **FEDERAL TRADE COMMISSION**

27 **FOR DEFENDANTS**
28 _____

1 SCOTT B. CHRISTENSEN,
Individually and as an officer of
2 Atlas Marketing, Inc.

3 DEFENDANT

4 _____
Jodi A. McDougall
5 Cozen O'Connor, PC
1201 Third Avenue, Suite 5200
6 Seattle, WA 98101-3071
(206) 373-7233
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8

9 ATTORNEY FOR DEFENDANTS SCOTT B.
CHRISTENSEN AND
10 ATLAS MARKETING, INC.

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