

1 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

2 1. The Court has jurisdiction of the subject of, and the parties to, this Judgment.

3 **INJUNCTIVE PROVISIONS REGARDING BUSINESS PRACTICES**

4 2. Pursuant to the authorization for injunctive relief under California Business &
5 Professions Code sections 17203 and 17535, Defendants, their subsidiaries, successors,
6 assignees of all or substantially all assets of their businesses, their directors, officers, agents,
7 independent contractors, partners, associates and representatives of each of them, and all
8 persons, corporations or other entities acting in concert or in participation with them, with actual
9 or constructive knowledge of this Final Judgment and Permanent Injunction shall be and are
10 hereby permanently enjoined and restrained from, directly or indirectly, engaging in any of the
11 following acts or practices:

12 A. Conducting business as, or advertising the services of, a Credit Services
13 Organization without having obtained a certificate or registration from the California
14 Department
15 of Justice.

16 B. In the course of conducting a business as a Credit Services Organization, failing
17 to maintain an agent for service of process in California.

18 C. In the course of conducting a business as a Credit Services Organization failing,
19 prior to entering into a contract with a buyer, to provide such buyer with the information
20 statement required by Civil Code sections 1789.14 and 1789.15. If the transaction is conducted
21 in an electronic media, the information statement may be provided in electronic form. The
22 information statement shall be fully printable by the prospective buyer prior to entering into any
23 binding contract. The signature requirement of section 1789.14 may be satisfied by an electronic
24 signature consistent with 15 U.S.C. § 7001.

25 D. In the course of conducting a business as a Credit Services Organization failing to
26 provide a buyer with a written contract that complies with the requirements of Civil Code section
27 1789.16. If the contract is in electronic form, the requirement under subdivision (a) that it must
28 be signed by the buyer may be satisfied by an electronic signature consistent with 15 U.S.C. §

1 7001.

2 E. In the course of conducting a business as a Credit Services Organization failing to
3 provide a buyer with Defendants' principal business address and the name and address of
4 Defendants' agent, other than the Secretary of State, in the State of California authorized to
5 receive service of process.

6 F. In the course of conducting a business as a Credit Services Organization failing to
7 provide buyers with a completed form in duplicate captioned "Notice of Cancellation" as
8 required by Civil Code section 1789.16. If the contract is provided in electronic form, the
9 entirety of the contract, including the "Notice of Cancellation," must be immediately and fully
10 printable by the buyer.

11 G. In the course of conducting a business as a Credit Services Organization,
12 submitting a buyer's dispute to a consumer credit reporting agency without the knowledge of the
13 buyer.

14 H. In the course of conducting business as a Credit Services Organization,
15 representing that said business is not a Credit Services Organization or is exempt from the Credit
16 Services Act.

17 3. Pursuant to the authority of Business and Professions Code sections 17203 and
18 17535, Defendants jointly and severally are ordered to pay full restitution to all consumers
19 whose complaints are in the possession of the Office of the California Attorney General or who
20 have filed complaints with the Better Business Bureau as of the date of this Final Judgment, as
21 well as to all consumers whose complaints may come into the possession of the Office of the
22 California Attorney General or who may file complaints with the Better Business Bureau within
23 ninety (90) days of the filing of this Final Judgment for all transactions which preceded the filing
24 of this Final Judgment. The Attorney General's Office shall provide Defendants with the names
25 of all complainants who filed complaints with the Better Business Bureau after the filing of this
26 Final Judgment. The Attorney General's Office shall make a reasonable determination of which
27 complaints seek restitution. Defendants shall make a good faith effort to locate all such
28 complainants and provide restitution to them, including seeking the assistance of the Attorney

1 General's Office in locating complainants. Defendants shall give proof of payment of
2 restitution, subject to the above, to counsel for Plaintiff within one hundred twenty (120) days of
3 the filing of this Final Judgment.

4 4. Pursuant to the authority of Business and Professions Code sections 17206 and
5 17536, Defendants jointly and severally shall pay to the California Attorney General a civil
6 penalty in the sum of One Hundred Fifty-Thousand Dollars (\$150,000.00). Payments shall be as
7 follows:

8 On the fifteenth (15th) day of each month, commencing February 15, 2006, through May
9 15, 2006: \$5,000.00;

10 On the fifteenth (15th) day of each month, commencing June 15, 2006, through August
11 15, 2006: \$10,000.00;

12 On the fifteenth (15th) day of each month, commencing September 15, 2006, through
13 February 15, 2007: \$15,000.00;

14 On March 15, 2007: \$10,000.00.

15 All payments shall be by certified check, made payable to the Attorney General of
16 California, at 110 West A Street, Suite 1100, San Diego, California 92101, Attention: Gayle
17 Weller. Should any payment be more than fifteen (15) days late, the entire balance shall
18 immediately become due and payable.

19 5. Defendants, on February 1, 2006, shall jointly and severally pay Plaintiff's costs
20 and attorney's fees in the amount of Six Thousand Dollars (\$6,000.00) by certified check
21 payable to the Attorney General of California, at 110 West A Street, Suite 1100, San Diego,
22 California 92101, Attention: Gayle Weller, prior to or at the time of the filing of this Final
23 Judgment.

24 6. This Court shall retain jurisdiction for the purposes of enabling any party to the
25 Judgment to apply to the Court for such further orders and directions as may be necessary and
26 appropriate for the construction and carrying out of the injunctive provisions of the Judgment,
27 for the modification, release or dissolution of any injunctive provisions thereof, for enforcement
28 of compliance therewith or for the punishment of violations thereof; provided, however, the

