

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

FEDERAL TRADE COMMISSION,)	
)	
Plaintiff,)	No. 11-cv-01230
)	
v.)	Judge Guzman
)	
NATIONAL SALES GROUP,)	Magistrate Judge Gilbert
a California corporation,)	
)	
I LIFE MARKETING LLC,)	
a California limited liability company,)	
also d/b/a EXECUTIVE SALES NETWORK)	
and CERTIFIED SALES JOBS,)	
)	
ANTHONY J. NEWTON, and)	
)	
JEREMY S. COOLEY,)	
)	
Defendants.)	

**STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT
INJUNCTION AGAINST DEFENDANTS NATIONAL SALES GROUP,
I LIFE MARKETING LLC, ANTHONY J. NEWTON, AND JEREMY S. COOLEY**

Plaintiff Federal Trade Commission (“FTC” or “Commission”) filed its Complaint for Permanent Injunction and Other Equitable Relief (“Complaint”) pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, to secure temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts, restitution, disgorgement of ill-gotten gains, and other equitable relief for Defendants’ acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and in violation of the FTC’s Trade Regulation Rule entitled “Telemarketing

Sales Rule” (“TSR”), 16 C.F.R. Part 310.

Plaintiff and Defendants National Sales Group, I Life Marketing LLC, Anthony J. Newton and Jeremy S. Cooley (“Defendants”), by and through their attorneys, have agreed to entry of this Stipulated Final Judgment and Order for Permanent Injunction Against Defendants National Sales Group, I Life Marketing LLC, Anthony J. Newton, and Jeremy S. Cooley (“Order”) by this Court in order to resolve all claims against Defendants in this action. Plaintiff and Defendants have consented to entry of this Order without trial or adjudication of any issue of law or fact herein.

NOW THEREFORE, Plaintiff and Defendants, having requested the Court to enter this Order, and the Court having considered the Order reached between the parties, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** as follows:

FINDINGS

1. This is an action by the Commission instituted under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, the Telemarketing Act, 15 U.S.C. §§ 6101-6108, and the TSR, 16 C.F.R. Part 310. Pursuant to these Sections of the FTC Act and the Telemarketing Act, the Commission has the authority to seek the relief contained herein.
2. The Commission’s Complaint states a claim upon which relief may be granted under Sections 5(a), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b), and 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b).
3. This Court has jurisdiction over the subject matter of this case and personal jurisdiction over the parties.
4. Venue in the United States District Court for the Northern District of Illinois is proper pursuant to 15 U.S.C. § 53(b) and 28 U.S.C. § 1391(b) and (c).

5. The alleged activities of Defendants are “in or affecting commerce” as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

6. Defendants, without admitting the allegations set forth in the Commission’s Complaint and without any admission or finding of liability thereunder, agree to entry of this Order and the findings that it contains.

7. Defendants waive: (a) all rights to seek judicial review or otherwise challenge or contest the validity of this Order; (b) any claim that any of them may have against the Commission, its employees, representatives, or agents; (c) all claims under the Equal Access to Justice Act, 28 U.S.C. § 2412, *as amended by* Pub. L. 104-121, 110 Stat. 847, 863-64 (1996); and (d) any rights to attorney’s fees that may arise under said provision of law. The Commission and Defendants shall each bear their own costs and attorney’s fees incurred in this action.

8. This Order is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law.

9. Entry of this Order is in the public interest.

DEFINITIONS

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

1. “**Asset**” or “**Assets**” means any legal or equitable interest in, right to, or claim to, any real or personal property, including, but not limited to, “goods,” “instruments,” “equipment,” “fixtures,” “general intangibles,” “inventory,” “checks,” or “notes” (as these terms are defined in the Uniform Commercial Code), lines of credit, chattels, leaseholds, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, and all cash, wherever located.

2. “**Assisting Others**” includes, but is not limited to: (1) performing customer

service functions, including, but not limited to, receiving or responding to consumer complaints; (2) formulating or providing, or arranging for the formulation or provision of, any sales script or other marketing material; (3) providing names of, or assisting in the generation of, potential customers; (4) performing or providing marketing or billing services of any kind; (5) acting as an officer or director of a business entity; or (6) providing telemarketing services.

3. **“Employment Product or Service”** means any good, service, plan, or program that is represented, expressly or by implication, to assist an individual in any manner to obtain employment and includes, but is not limited to: (a) employment listings; (b) study guides or test preparation materials; (c) job application processing services; (d) certifications or licenses; (e) job matching or recruiting services; or (f) facilitating resume distribution and interviews.

4. **“Individual Defendants”** means Anthony J. Newton (“Newton”) and Jeremy S. Cooley (“Cooley”), and by whatever other names each may be known.

5. **“Corporate Defendants”** or **“Receivership Defendants”** means National Sales Group and I Life Marketing LLC d/b/a Executive Sales Network and Certified Sales Jobs, and their successors and assigns, as well as any subsidiaries, and any fictitious business entities or business names created or used by these entities, or any of them.

6. **“Defendants”** means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.

7. **“Document”** or **“Documents”** means any materials listed in Federal Rule of Civil Procedure 34(a) and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, into reasonably usable form through detection devices. A draft or nonidentical copy is a separate document within the meaning of the term.

8. **“Financial Institution”** means any bank, savings and loan institution, credit union, or any financial depository of any kind, including, but not limited to, any brokerage house, trustee, broker-dealer, escrow agent, title company, commodity trading company, or precious metal dealer.

9. **“Material”** means likely to affect a person’s choice of, or conduct regarding, goods or services.

10. **“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.

11. **“Plaintiff”** means the Federal Trade Commission (“Commission” or “FTC”).

12. **“Receiver”** means Thomas W. McNamara, appointed as Permanent Equity Receiver over National Sales Group and I Life Marketing LLC, pursuant to Section VII of the Stipulated Preliminary Injunction with Asset Freeze and Other Equitable Relief entered in this case on March 3, 2011.

13. **“Telemarketing”** means a plan, program, or campaign (whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310) which is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones.

I.

BAN AS TO EMPLOYMENT PRODUCTS OR SERVICES

IT IS HEREBY ORDERED that Defendants National Sales Group, I Life Marketing LLC, and Anthony J. Newton, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, are hereby permanently restrained and enjoined from engaging in, participating in, or assisting

others in the advertising, marketing, promotion, offering for sale, or sale of any Employment Product or Service.

II.

PROHIBITED BUSINESS PRACTICES

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, in connection with the advertising, marketing, promotion, offering for sale, sale, or provision of any good or service, are hereby permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication, any material fact, including, but not limited to:

1. that any person is affiliated with, endorsed or approved by, or otherwise connected to any other person; government entity; public, non-profit, or other non-commercial program; or any other program;
2. the total cost to purchase, receive, or use the good or service;
3. any material restriction, limitation, or condition to purchase, receive, or use the good or service;
4. any material aspect of the nature or terms of a refund, cancellation, exchange, or repurchase policy for the good or service; and
5. any material aspect of the performance, efficacy, nature, or central characteristics of the good or service.

B. Charging, causing to be charged, or assisting others in charging any consumer's credit card, or debiting, causing to be debited, or assisting others in debiting any consumer's bank account without the consumer's express informed consent for such charge or debit.

C. Engaging in, causing other persons to engage in, or assisting other persons to engage in, violations of the TSR, including, but not limited to:

1. Misrepresenting, directly or by implication, any material fact, including, but not limited to:
 - a. any material aspect of the performance, efficacy, nature, or central characteristics of the good or service; and
 - b. that any person is affiliated with, or endorsed or sponsored by, any other person or government entity;
2. Failing to disclose truthfully, promptly and in a clear and conspicuous manner the identity of the seller, that the purpose of the call is to sell goods or services, and the nature of the goods or services; and
3. Causing billing information to be submitted for payment without the express informed consent of the consumer.

Provided, however, that if the Commission promulgates any rule that modifies or supersedes the Telemarketing Sales Rule, in whole or part, Defendants shall comply fully and completely with all applicable requirements thereof, on and after the effective date of any such rule.

III.

MONETARY JUDGMENT

IT IS FURTHER ORDERED that Judgment is hereby entered in favor of the Commission and against Defendants, jointly and severally, for equitable monetary relief, including, but not limited to, consumer redress and/or disgorgement, in the amount of Thirteen Million Dollars (\$13,000,000.00), the total amount of consumer injury caused by the activities alleged in the Commission's Complaint; *provided, however*, that the Judgment for equitable monetary relief shall be suspended as to Defendants National Sales Group, I Life Marketing LLC, and Jeremy S. Cooley, subject to the conditions set forth in Section IV of this Order; *provided further*, that the Judgment for equitable monetary relief shall be suspended, in part, as to Defendant Anthony J. Newton upon the satisfaction of the obligations imposed by Subsections A, B and C of this Section, and subject to the conditions set forth in Section IV of this Order, except that \$29,000 of the Judgment as to Defendant Newton shall not be suspended and shall remain due and payable.

A. Defendant Anthony J. Newton shall pay to the Commission the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) in equitable monetary relief, including, but not limited to, consumer redress and/or disgorgement, within five (5) days of the date of entry of this Order. Payment shall be made to the Commission by wire transfer in accordance with directions provided by the Commission, or by certified check or other guaranteed funds payable to and delivered to the Commission.

B. Within five (5) days of the entry of this Order, Defendant Anthony J. Newton shall provide written proof, in a form acceptable to the Commission, that he has transferred his entire ownership interest in the real property located at 7765 Seabreeze Drive, Huntington

Beach, California 92648, identified in Item 22 of the Financial Statement of Individual Defendant Anthony J. Newton, signed on March 18, 2011, to his mother, Helen Newton, personally, or in her capacity as Trustee of the Declaration of Trust dated September 13, 1991. Defendant Newton shall receive no consideration, cash or otherwise, for this transfer.

C. Immediately upon entry of this Order, Defendant Anthony J. Newton shall terminate the lease, dated December 19, 2008, of the 2009 Mercedes CLS63 Coupe identified in Item 21 of the Financial Statement of Individual Defendant Anthony J. Newton, signed on March 18, 2011, and shall return said vehicle to the lessor or lessor's assignee. Defendant Newton shall provide written proof of the termination of the lease and return of the vehicle, in a form acceptable to the Commission, within five (5) days of meeting these requirements.

D. Time is of the essence for the payment and other obligations imposed under Sections III.A, III.B and III.C above. In the event of any default by Defendant Anthony J. Newton on any obligation imposed under this Section, including, but not limited to, the failure to timely and completely fulfill his payment obligations:

1. The Judgment imposed herein will not be suspended as to Defendant Newton, and the full amount of that Judgment (\$13,000,000.00) shall immediately become due and payable, plus interest from the date of entry of this Order pursuant to 28 U.S.C. § 1961, as amended, less any amounts already paid; and
2. The Commission shall be entitled to immediately exercise any and all rights and remedies against Defendant Newton and his assets to collect the full amount of the Judgment and interest thereon, less any amounts already paid.

E. To facilitate collection of the payment set forth in Section III.A of this Order, or any unsuspended portion of the Judgment, Defendant Anthony J. Newton shall cooperate fully with the Commission and shall promptly inform counsel for the Commission of any assets or funds paid or distributed, before or after entry of this Order, from the Maurice P. Newton Trust, identified in Item 29 of the Financial Statement of Individual Defendant Anthony J. Newton, signed on March 18, 2011, or derived in any way from the real property located at 7765 Seabreeze Drive, Huntington Beach, California 92648, identified in Item 22 of the Financial Statement of Individual Defendant Anthony J. Newton, signed on March 18, 2011, that are in the actual or constructive possession of, or owned or controlled by, or held for the benefit of, Defendant Newton, or in the actual or constructive possession of, or owned, controlled, or held by, any corporation, partnership, trust, or any other entity directly or indirectly owned, managed, or controlled by Defendant Newton; and Defendant Newton is enjoined from transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any such assets or funds, except as otherwise provided in this Section, until the payment set forth in Section III.A of this Order is completed and any unsuspended portion of the Judgment has been satisfied. The Commission also is authorized to engage in discovery without further leave of court pursuant to Fed. R. Civ. P. 69.

F. Defendant Anthony J. Newton agrees that he will not, whether acting directly or through any corporation, partnership, limited liability company, division, subsidiary, trade name, or other entity or device, submit to any federal or state tax authority any tax return, amended tax return, or other official document that takes a deduction for, or seeks a tax refund, tax credit, or any other tax benefit for, any of the payments or other obligations required by this Order.

G. To ensure compliance with Section III.F of this Order: (i) Defendant Anthony J. Newton shall deliver to counsel for the Commission copies of all of his signed and completed federal and state tax returns, and all amended returns (if any), including all related forms, schedules, statements, and attachments, that he files for each year in which payments are made pursuant to this Order. The aforementioned deliveries shall be made to the Commission within ten (10) days after each such return and amended return (if any) is officially filed with the Internal Revenue Service ("IRS") or a state taxing authority; and (ii) for each year in which any part of the payments described in this Order are made, Defendant Newton shall, within thirty (30) days after his final date permitted by the IRS for filing an amended federal tax return for that year, sign and submit to the IRS an IRS Form 4506, along with a payment to the IRS of the Form 4506 fee, directing the IRS to send to the Regional Director, FTC Midwest Region, 55 W. Monroe Street, Suite 1825, Chicago, Illinois 60603, copies of his original tax return and all amended tax returns (if any) filed with the IRS for that year.

H. All funds paid pursuant to 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 such equitable relief. Defendants shall cooperate fully to assist the Commission in identifying consumers who may be entitled to redress pursuant to this Order. If the Commission determines, in its sole discretion, that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any funds not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. Defendants shall have no right

to challenge the Commission's choice of remedies under this Section. Defendants shall have no right to contest the manner of distribution chosen by the Commission. This judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment or forfeiture.

I. Defendants relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law. Defendants shall make no claim to or demand for return of the funds, directly or indirectly, through counsel or otherwise.

J. In accordance with 31 U.S.C. § 7701, as amended, Defendants are hereby required, unless they already have done so, to furnish to the Commission their respective taxpayer identifying numbers (social security numbers or 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;

K. 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 by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and that this Order shall have collateral estoppel effect for such purposes; and

L. Proceedings instituted under this Section are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

IV.

RIGHT TO REOPEN

IT IS FURTHER ORDERED that:

A. The Commission's agreement to, and the Court's approval of, this Order, including but not limited to, the full or partial suspension of the monetary judgment against Defendants, is expressly premised upon the truthfulness, accuracy, and completeness of Defendants' representations regarding their financial condition, as set forth in the Financial Statement of Corporate Defendant National Sales Group, signed by Anthony J. Newton, President, on March 15, 2011, including the attachments; the Financial Statement of Corporate Defendant I Life Marketing LLC, signed by Anthony J. Newton, President, on March 15, 2011; the Financial Statement of Individual Defendant Anthony J. Newton, signed on March 18, 2011, including the attachments; the Affidavit of Anthony J. Newton dated October 26, 2011; and the Financial Statement of Individual Defendant Jeremy S. Cooley, signed on March 18, 2011, all of which contain material information upon which Plaintiff relied in negotiating and agreeing to the terms of this Order;

B. If, upon motion of the FTC, the Court finds that any Defendant failed to disclose any material asset, materially misrepresented the value of any asset, or made any other material misrepresentation in or omission from his or its financial statement or supporting documents, the suspended Judgment entered in Section III shall become immediately due and payable as to that Defendant (less any amounts already paid). *Provided, however,* that, in all other respects, this Order shall remain in full force and effect, unless otherwise ordered by the Court; and

C. Any proceedings instituted under this Section shall be in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including, but not

limited to, contempt proceedings, or any other proceedings that the Commission or the United States might initiate to enforce this Order. For purposes of this Section, Defendants waive any right to contest any of the allegations in the Commission's Complaint.

V.

PROHIBITIONS REGARDING CONSUMER INFORMATION

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, are hereby permanently restrained and enjoined from:

A. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email 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 which any Defendant obtained prior to entry of this Order in connection with the marketing of any employment product or service; 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.

VI.

PROHIBITION ON COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly, or through any trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, are hereby permanently restrained and enjoined from attempting to collect, collecting, or assigning any right to collect payment from any consumer who purchased or agreed to purchase any Defendant's employment product or service.

VII.

COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of (i) monitoring and investigating compliance with any provision of this Order, and (ii) investigating the accuracy of any Defendant's 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, 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 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 Fed. R. Civ. P. 30, 31, 33, 34, 36, 45, and 69;
2. having its representatives pose as consumers and suppliers to Defendants, their employees, or any other entity managed or controlled in whole or in part by any Defendant, without the necessity of identification or prior notice; and

C. Defendants each shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order. The person interviewed may have counsel present.

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

VIII.

COMPLIANCE REPORTING

IT IS FURTHER ORDERED that, in order that compliance with the provisions of this Order may be monitored:

- A. For a period of five (5) years from the date of entry of this Order,
 1. Each Individual Defendant shall notify the Commission of the following:
 - a. Any changes in such Defendant's residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;

- 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 Corporate Defendant or 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. A copy of each acknowledgment of receipt of this Order, obtained pursuant to the Section titled "Distribution of Order;" and
 - b. Any other changes required to be reported under Subsection A of this Section;

C. Each Defendant shall notify the Commission of the filing of a bankruptcy petition by such Defendant within fifteen (15) days of filing;

D. For the purposes of this Order, Defendants shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier (not the U.S. Postal Service) all reports and notifications to the Commission that are required by this Order to:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, DC 20580
RE: *FTC v. National Sales Group, et al.*
Civil Action 11-cv-01230 (N.D. Ill.) (X110015)

Provided that, in lieu of overnight courier, Defendants may send such reports or notifications by first-class mail, but only if Defendants contemporaneously send an electronic version of such report or notification to the Commission at: DEBrief@ftc.gov; and

E. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate directly with each Defendant or, at a Defendant's request, with counsel identified by that Defendant. *Provided, however*, nothing in this provision shall limit the Commission's authority to pose as a consumer or supplier pursuant to Subsection B.2 of the Section titled "Compliance Monitoring."

IX.

RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Corporate Defendants, and Individual Defendants for any business for which they, individually or collectively, are the majority owner or directly or indirectly control, are hereby 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 or indirectly, such as through a third party) and any responses to those complaints or requests;
- E. Copies of all sales scripts, 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."

X.

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 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.

D. Defendants must secure a signed and dated statement acknowledging receipt of the Order, within thirty (30) days of delivery, from all persons receiving a copy of the Order pursuant to this Section.

XI.

ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that each Defendant, within five (5) business days of receipt of this Order as entered by the Court, must submit to the Commission a truthful sworn statement acknowledging receipt of this Order. An example of such a statement is attached hereto as Attachment A.

XII.

COMPLETION OF RECEIVERSHIP

IT IS FURTHER ORDERED that the appointment of Thomas W. McNamara as Receiver over National Sales Group and I Life Marketing LLC, is hereby continued as modified by this Section.

- A. The Receiver is directed and authorized to accomplish the following:
1. Complete, as necessary, the liquidation of the assets of the Receivership Defendants;
 2. Prepare and file with the Court a final report describing the Receiver's activities pursuant to this Order, and a final application for compensation and expenses; and
 3. Upon the Court's approval of the Receiver's final application for compensation and expenses, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership shall terminate, and the Receiver shall be discharged.

XIII.

DISSOLUTION OF ASSET FREEZE

IT IS FURTHER ORDERED that, upon entry of this Order by the Court, the freeze on the assets of Defendant Jeremy S. Cooley shall be lifted. The freeze on the assets of Defendant Anthony J. Newton shall be lifted, except as provided in Section III.E of this Order with respect to the unsuspended portion of the Judgment, once Defendant Newton satisfies the obligations imposed by Sections III.A, III.B and III.C of this Order, *provided, however*, that Defendant Newton, with the express written consent of counsel for the Commission, may transfer funds to the extent necessary to make payments to the Commission. The freeze on the assets of the Corporate Defendants shall remain in effect until such time as the Receiver receives payment of all Court-approved fees and expenses of the Receiver and the Receiver is discharged pursuant to Section XII of this Order. A financial institution shall be entitled to rely upon a letter from Plaintiff stating that the freeze on the assets of any Defendant has been lifted.

XIV.

SEVERABILITY

IT IS FURTHER ORDERED that the provisions of this Order are separate and severable from one another. If any provision is stayed or determined to be invalid, the remaining provisions shall remain in full force and effect.

XV.

RETENTION OF JURISDICTION

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

JUDGMENT IS THEREFORE ENTERED in favor of the Plaintiff and against Defendants, pursuant to all the terms and conditions recited above.

IT IS SO ORDERED.

Dated: _____

HONORABLE RONALD A. GUZMAN
United States District Judge

SO STIPULATED AND AGREED:

ROZINA C. BHIMANI
GUY G. WARD
Attorneys for Plaintiff Federal Trade Commission

Date: _____



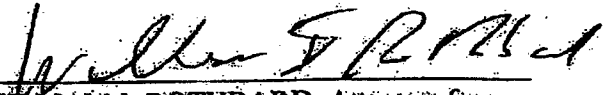
ANTHONY J. NEWTON, individually,
and on behalf of DEFENDANTS NATIONAL
SALES GROUP and I LIFE MARKETING LLC

Date: 10/26/2011

JEREMY S. COOLEY, individually, and on
behalf of DEFENDANT I LIFE MARKETING LLC

Date: _____

APPROVED AS TO FORM:



WILLIAM I. ROTHBARD, Attorney for
Defendants National Sales Group, I Life Marketing
LLC, Anthony J. Newton, and Jeremy S. Cooley

Date: 10/26/11

XV.

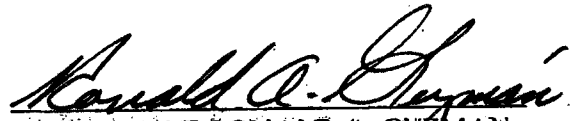
RETENTION OF JURISDICTION

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

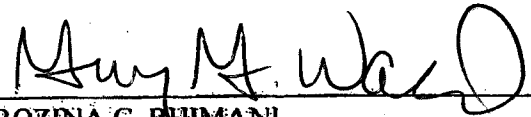
JUDGMENT IS THEREFORE ENTERED in favor of the Plaintiff and against Defendants, pursuant to all the terms and conditions recited above.

IT IS SO ORDERED.

Dated: 1/25/2012


HONORABLE RONALD A. GUMAN
United States District Judge

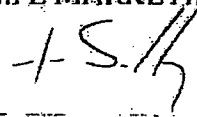
SO STIPULATED AND AGREED:


ROZINA C. BHIMANI
GUY G. WARD
Attorneys for Plaintiff Federal Trade Commission

Date: 1/6/12

ANTHONY J. NEWTON, individually,
and on behalf of DEFENDANTS NATIONAL
SALES GROUP and I LIFE MARKETING LLC

Date: _____



JEREMY S. COOLEY, individually, and on
behalf of DEFENDANT I LIFE MARKETING LLC

Date: 10.26.2011

APPROVED AS TO FORM:

WILLIAM I. ROTHBARD, Attorney for
Defendants National Sales Group, I Life Marketing
LLC, Anthony J. Newton, and Jeremy S. Cooley

Date: _____

ATTACHMENT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

_____)
FEDERAL TRADE COMMISSION,)
)
Plaintiff,) No. 11-cv-01230
)
v.) Judge Guzman
)
NATIONAL SALES GROUP,) Magistrate Judge Gilbert
a California corporation,)
)
I LIFE MARKETING LLC,)
a California limited liability company,)
also d/b/a EXECUTIVE SALES NETWORK)
and CERTIFIED SALES JOBS,)
)
ANTHONY J. NEWTON, and)
)
JEREMY S. COOLEY,)
)
Defendants.)
_____)

AFFIDAVIT OF _____

I, _____, being duly sworn, hereby state and affirm as follows:

1. My name is _____. I am a citizen of the United States and am over the age of eighteen. I have personal knowledge of the facts set forth in this Affidavit.

2. I am a defendant in *FTC v. National Sales Group, et al.*, Case No. 11-cv-01230 (United States District Court for the Northern District of Illinois). I am also the _____ [title] of _____ [name of corporate defendant], a defendant in *FTC v. National Sales Group, et al.*, Case No. 11-cv-01230 (United States District Court for the Northern District of Illinois).

3. My current employer is _____. My current business address is _____. My

current business telephone number is _____. My current residential address is _____. My current residential telephone number is _____.

4. The current business address of _____ [name of corporate defendant] is _____. The current business telephone number of _____ [name of corporate defendant] is _____.

5. On [date], _____ I received a copy of the Stipulated Final Judgment And Order For Permanent Injunction Against Defendants National Sales Group, I Life Marketing LLC, Anthony J. Newton, and Jeremy S. Cooley, which was signed by the Honorable Ronald A. Guzman and entered by the Court on _____ [date of entry of the Order]. A true and correct copy of the Order I received is appended to this Affidavit.

6. On [date], _____ [name of corporate defendant] received a copy of the Stipulated Final Judgment And Order For Permanent Injunction Against Defendants National Sales Group, I Life Marketing LLC, Anthony J. Newton, and Jeremy S. Cooley, which was signed by the Honorable Ronald A. Guzman and entered by the Court on _____ [date of entry of the Order]. A true and correct copy of the Order it received is appended to this Affidavit.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed on _____ [date], at _____ [city and state].

[Full name of defendant], individually and as an officer [or manager] of _____ [name of corporate defendant]

State of _____, City of _____

Subscribed and sworn to before me
this _____ day of _____, 20 __.

Notary Public
My Commission Expires:
