

On March 16, 2011, pursuant to Rule 55(a) of the Federal Rules of Civil Procedure, the Court entered an order of default against Defendant Alpha Financial. The FTC has now moved for entry of a default judgment on all counts of the Complaint against Defendant Alpha Financial pursuant to Rule 55(b)(2) of the Federal Rules of Civil Procedure. The FTC's Motion for Entry of Default Judgment against Defendant Alpha Financial Debt Group Inc. is hereby granted, and **IT IS THEREFORE ORDERED, ADJUDGED AND DECREED** as follows:

FINDINGS

1. This Court has jurisdiction over the subject matter of this case pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a), 53(b), 57b, 6102(c), and 6105(b).
2. This Court has jurisdiction over Defendant Alpha Financial.
3. Defendant Alpha Financial has engaged in activities that are "in or affecting commerce" as "commerce" is described in Section 4 of the FTC Act, 15 U.S.C. § 44.
4. This action was instituted by the FTC under Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and under the FTC's Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310. The Commission seeks permanent injunctive relief and monetary and other equitable relief for deceptive acts or practices by Defendant Alpha Financial in connection with the marketing and sale of debt relief services. Pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, the FTC has the authority to seek the relief it has requested.
5. The Complaint states a claim upon which relief may be granted against

Defendant Alpha Financial under Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and under the TSR, 16 C.F.R. Part 310.

6. Defendant Alpha Financial was properly served with the Complaint and Summons as required by Rule 4(e) and 4(h) of the Federal Rules of Civil Procedure. Defendant Alpha Financial failed to file any response, answer, or pleading within twenty days of service as required by Rule 12(a) of the Federal Rules of Civil Procedure.

7. On December 17, 2009, this Court entered a Preliminary Injunction Order against Alpha Financial (“Preliminary Injunction”).

8. On March 16, 2011, the Court granted the FTC’s motion for default against Defendant Alpha Financial. The FTC is therefore entitled to a default judgment pursuant to Rule 55(b) of the Federal Rules of Civil Procedure against Defendant Alpha Financial.

9. The factual allegations in the FTC’s Complaint are taken as true against Defendant Alpha Financial. Based on these facts, the Court finds that, in connection with the marketing, offering for sale, or sale, of debt relief services, Defendant Alpha Financial has violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the TSR, 16 C.F.R. Part 310.3(a)(2)(iii) & (iv), by representing, expressly or by implication, that:

- a. Defendants will substantially lower consumers’ credit card interest rates in all or virtually all instances;
- b. Defendants will save consumers thousands of dollars in a short time in all or virtually all instances as a result of lowered credit card interest rates;

- c. Defendants will enable consumers to pay off their debts much faster, typically three to five times faster, in all or virtually all instances, as a result of lowered credit card interest rates;
- d. Defendants will provide full refunds if consumers do not save thousands of dollars in a short time as a result of lowered credit card interest rates; and
- e. Defendants will provide full refunds for any reason within thirty days of the date of purchase.

10. The Court further finds that Defendant Alpha Financial has violated the TSR, 16 C.F.R. Part 310, by, in connection with telemarketing:

- a. engaging, or causing a telemarketer to engage, in initiating an outbound telephone call to a person's telephone number on the National Do Not Call Registry, 16 C.F.R. § 310.4(b)(1)(iii)(B);
- b. engaging, or causing a telemarketer to engage, in initiating an outbound telephone call to a person who previously has stated that he or she does not wish to receive an outbound telephone call made by or on behalf of the Dynamic Defendants, 16 C.F.R. § 310.4(b)(1)(iii)(A);
- c. abandoning, or causing a telemarketer to abandon, an outbound telephone call by failing to connect the call to a sales representative within two (2) seconds of the completed greeting of the person answering the call, 16 C.F.R. § 310.4(b)(1)(iv);

- d. failing to transmit, or causing telemarketers to fail to transmit, the telephone number and name of the telemarketer or of the Dynamic Defendants to any caller identification service in use by a recipient of a telemarketing call, 16 C.F.R. § 310.4(a)(7);
- e. making or causing telemarketers to make outbound telephone calls in which the telemarketer failed to disclose promptly and in a clear and conspicuous manner to the person receiving the call:
 - a. the identity of the seller;
 - b. that the purpose of the call is to sell goods or services; or
 - c. the nature of the goods or services, 16 C.F.R. § 310.4(d); and
- f. on or after December 1, 2008, initiating, or causing a telemarketer to initiate, outbound telephone calls delivering prerecorded messages that do not promptly disclose the identity of the seller, that the purpose of the call is to sell goods or services, or the nature of the goods or services, 16 C.F.R. § 310.4(b)(1)(v)(B)(ii).

11. The Court further finds that Defendant Alpha Financial is likely to continue to engage in the activities alleged in the Complaint unless it is permanently enjoined from such acts and practices.

12. It is proper in this case to enter equitable monetary relief against Defendant Alpha Financial for consumer injury caused by its violations of the FTC Act for the deceptive marketing and sale of the products and services discussed above. *See FTC v. Febre*, 128 F.3d

530, 534 (7th Cir. 1997) (court may “order repayment of money for consumer redress as restitution” and may order disgorgement of ill-gotten gains to “prevent[] the defendant from being unjustly enriched by the fraud.”). The Court finds that the total amount of consumer injury caused by the Defendants for the sale of their debt relief services is \$8,687,119.09, and that Plaintiff is entitled to judgment against Defendant Alpha Financial in the amount of \$8,687,119.09.

13. This Default Judgment and Order for Permanent Injunction Against Defendant Alpha Financial Debt Group Inc. (“Order”) is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law.

14. 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. **“Caller identification service”** means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted contemporaneously with the telephone call, and displayed on a device in or connected to the subscriber’s telephone.

4. **“Individual Defendants”** means Joseph G. Rogister, Sean Rogister, Philip N. Constantinidis, Michael Falcone, Frank Porporino Jr., Christopher M. Hayden, Dwayne J. Martins, and John L. Franks Jr., and by whatever other names each may be known.

5. **“Corporate Defendants”** means 2145183 Ontario Inc.; The Dynamic Financial Group (U.S.A.) Inc.; R & H Marketing Concepts, Inc.; Alpha Financial Debt Group Inc.; America Freedom Advisors Inc.; and Thriller Marketing, LLC, and each of them, by whatever other names each may be known, and any subsidiaries, successors, assigns, and any fictitious business entities or business names created or used by these entities.

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

7. **“Debt Relief Service”** means any product or service represented, directly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms

of the debt between a consumer and one or more unsecured creditors or debt collectors, including, but not limited to, a reduction in the balance, interest rate, or fees owed by a consumer to an unsecured creditor or debt collector.

8. **“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.

9. **“Dynamic Defendants”** means Defendants 2145183 Ontario Inc.; Dynamic Financial Group (U.S.A.) Inc.; R & H Marketing Concepts, Inc.; Alpha Financial Debt Group Inc.; and America Freedom Advisors Inc., and each of them, by whatever other names each may be known, and any subsidiaries, successors, assigns, and any fictitious business entities or business names created or used by these entities.

10. **“Established business relationship”** means a relationship between the seller and a person based on: (a) the person’s purchase, rental, or lease of the seller’s goods or services or a financial transaction between the person and seller, within the eighteen (18) months immediately preceding the date of the telemarketing call; or (b) the person’s inquiry or application regarding a product or service offered by the seller, within the three (3) months immediately preceding the date of a telemarketing call.

11. **“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.

12. **“Financial related product or service”** means any product or service represented, directly or by implication, to:

- a. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit, debit, or stored value cards;
- b. improve, or arrange to improve, any consumer’s credit record, credit history, or credit rating;
- c. provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit record, credit history, or credit rating;
- d. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit; or
- e. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving any service represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a consumer and one or more secured creditors, servicers, or debt collectors.

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

14. **“National Do Not Call Registry”** means the National Do Not Call Registry, which is the “do-not-call” registry maintained by the Federal Trade Commission pursuant to 16 C.F.R. § 310.4(b)(1)(iii)(B).

15. **“Outbound telephone call”** means a telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.

16. **“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.

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

18. **“Representatives”** means Defendant Alpha Financial’s officers, agents, servants, employees, and attorneys, and other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise.

19. **“Seller”** means any person who, in connection with a telemarketing transaction, provides, offers to provide, or arranges for others to provide goods or services to the customer in exchange for consideration, whether or not such person is under the jurisdiction of the Federal Trade Commission.

20. **“Telemarketer”** means any person who, in connection with telemarketing, initiates or receives telephone calls to or from a customer or donor.

21. **“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.

ORDER

I. PERMANENT BAN ON DELIVERING PRERECORDED MESSAGES

IT IS THEREFORE ORDERED that Defendant Alpha Financial, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, is hereby permanently restrained and enjoined from initiating outbound telephone calls delivering prerecorded messages.

II. PERMANENT BAN ON MARKETING DEBT RELIEF SERVICES

IT IS FURTHER ORDERED that Defendant Alpha Financial, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, is hereby permanently restrained and enjoined from engaging in, participating in, or assisting others in the marketing, telemarketing, advertising, promotion, offering for sale, or sale of Debt Relief Services.

**III. PROHIBITED PRACTICES RELATING TO
FINANCIAL RELATED PRODUCTS OR SERVICES**

IT IS FURTHER ORDERED that Defendant Alpha Financial and its Representatives, 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 or

sale of any financial related product or service, are hereby permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication, any material fact, including but not limited to:

A. Any person's ability to improve or otherwise affect a consumer's credit record, credit history, or credit rating or ability to obtain credit;

B. That any person can improve substantially any consumer's credit record, credit history, or credit rating by permanently removing negative information from the consumer's credit record, credit history, or credit rating, even where such information is accurate and not obsolete;

C. That any person can obtain a modification of any loan or mortgage or postpone or cancel the foreclosure of any property by renegotiating, settling, or in any other way altering the terms of payment or other terms of the debt between a consumer and one or more secured creditors, servicers, or debt collectors; or

D. That a consumer will receive legal representation.

IV. PROHIBITED PRACTICES RELATING TO ANY GOODS OR SERVICES

IT IS FURTHER ORDERED that Defendant Alpha Financial and its Representatives, 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 or sale of any good, service, plan, or program, 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. Any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy, including, but not limited to, the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted to the consumer;

2. 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;

3. The total costs to purchase, receive, or use, or the quantity of, the good or service;

4. Any material restriction, limitation, or condition on purchasing, receiving, or using the good or service; and

5. Any material aspect of the performance, efficacy, nature, or characteristics of the good or service; and

B. 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, expressly 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; or

b. Any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy for the good or service.

2. Initiating any outbound telephone call to any person at a telephone number on the National Do Not Call Registry unless the seller proves that:

a. The seller has obtained the express agreement, in writing, of such person to place calls to that person. Such written agreement shall clearly evidence such person's authorization that calls made by or on behalf of a specific party may be placed to that person, and shall include the telephone number to which the calls may be placed and the signature of that person; or

b. The seller has an established business relationship with such person and that person has not previously stated that he or she does not wish to receive outbound telephone calls made by or on behalf of the seller.

3. Initiating any outbound telephone call to a person when that person has previously stated that he or she does not wish to receive outbound telephone calls made by or on behalf of either a seller whose goods or services are being offered, or a charitable organization for which a charitable contribution is being solicited.

4. Abandoning, or causing others to abandon, any outbound telephone call to a person by failing to connect the call to a live operator within two seconds of the person's completed greeting, unless Defendant Alpha Financial or its Representatives prove

that the following four conditions are met:

a. Defendant Alpha Financial and its Representatives employ technology that ensures abandonment of no more than three percent of all calls answered by a person, measured over the duration of a single calling campaign, if less than thirty days, or separately over each successive 30-day period or portion thereof that the campaign continues;

b. Defendant Alpha Financial and its Representatives, for each telemarketing call placed, allow the telephone to ring for at least fifteen seconds or four rings before disconnecting an unanswered call;

c. Whenever a live operator is not available to speak with the person answering the call within two seconds after the person's completed greeting, Defendant Alpha Financial or its Representatives promptly play a recorded message that states the name and telephone number of the seller on whose behalf the call was placed; and

d. Defendant Alpha Financial or its Representatives retain records, in accordance with 16 C.F.R. § 310.5(b)-(d), establishing compliance with the preceding three conditions.

5. Failing to transmit or cause to be transmitted to any caller identification service in use by a recipient of a telemarketing call: (i) the telephone number of the telemarketer making the call, or the telephone number for customer service of the seller on whose behalf the call is made, and, (ii) when made available by the telemarketer's carrier, the name of the telemarketer or seller to any caller identification service in use by a recipient of a telemarketing call; and

6. 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.

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

V. EQUITABLE MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment for equitable monetary relief is hereby entered in favor of the Commission and against Defendant Alpha Financial in the amount of Eight Million, Six Hundred Eighty Seven Thousand, One Hundred Nineteen Dollars and Nine Cents (\$8,687,119.09). This monetary judgment shall become immediately due and payable by Defendant Alpha Financial upon entry of this Order, and interest computed at the rate prescribed under 28 U.S.C. § 1961(a), as amended, shall immediately begin to accrue on the unpaid balance.

B. All payments under this Section shall be made by certified check or other guaranteed funds payable to and delivered to the Commission, or by wire transfer in accord with directions provided by the Commission.

C. 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 fund. If the Commission determines, in its sole discretion that 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 fund not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. Defendant Alpha Financial shall have no right to challenge the Commission's choice of remedies under this Section, and 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.

VI. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendant Alpha Financial and its Representatives are 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 debt relief service or telemarketing call delivering a prerecorded message; 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.

VII. PROHIBITION ON COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Defendant Alpha Financial and its Representatives, whether acting directly, or through any trust, corporation, 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 debt relief service.

VIII. RECEIVERSHIP

IT IS FURTHER ORDERED that the appointment of Robb Evans & Associates LLC as Receiver pursuant to the Preliminary Injunction as to Defendant Alpha Financial Debt Group Inc. entered on December 17, 2009, is hereby continued in full force and effect except as modified by this Section. The Receiver shall complete liquidation of all assets of Defendant Alpha Financial. Upon liquidation of the assets of Defendant Alpha Financial, the

Receiver shall submit his final report and application for fees and expenses relating to the receivership over it, and upon approval of the same by the Court, shall pay any remaining funds to the FTC in partial satisfaction of the monetary judgment set forth in this Order.

Upon the Court's approval of the Receiver's final report as to Defendant Alpha Financial, and the payment of any remaining funds to the FTC under this Section, the Receivership over Defendant Alpha Financial shall be terminated.

IX. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that, in connection with any business: (1) where Defendant Alpha Financial is the majority owner of the business or directly or indirectly controls the business; and (2) where the business is engaged in, or is assisting others engaged in, the advertising, marketing, promotion, offering for sale, sale, or provision of any product or service, Defendant Alpha Financial and its Representatives, whether acting directly or through any person, business entity, trust, corporation, partnership, limited liability company, subsidiary, division, or other device, or any of them, are hereby permanently restrained and enjoined from:

A. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged in sales or other customer service functions comply with Sections I-IV of this Order. These steps shall include adequate monitoring of sales presentations and telephone calls with consumers, and shall also include, at a minimum, the following: (1) listening to the oral representations made by persons engaged in sales or other customer service functions; (2) establishing a procedure for receiving and responding to

consumer complaints; and (3) ascertaining the number and nature of consumer complaints regarding transactions in which each employee or independent contractor is involved;

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

C. Failing to take adequate corrective action with respect to any employee or independent contractor whom Defendant Alpha Financial determines is not complying with this Order. This corrective action may include training, disciplining, and/or terminating such employee or independent contractor.

X. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating compliance with any provision of this Order:

A. Within ten (10) days of receipt of written notice from a representative of the Commission, Defendant Alpha Financial 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 Defendant Alpha Financial'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 Defendant Alpha Financial, its employees, or any other entity managed or controlled in whole or in part by Defendant Alpha Financial, without the necessity of identification or prior notice; and

C. Defendant Alpha Financial 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)).

XI. 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, Defendant Alpha Financial shall notify the Commission of any changes in structure of any Corporate Defendant or any business entity that Defendant Alpha Financial 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 Defendant Alpha Financial learns less than thirty (30) days prior to the date such action is to take place, Defendant Alpha Financial 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, Defendant Alpha Financial 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. A copy of each acknowledgment of receipt of this Order, obtained pursuant to the Section titled "Distribution of Order;" and
2. Any other changes required to be reported under Subsection A of this Section.

C. Defendant Alpha Financial 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, Defendant Alpha Financial shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier all reports and notifications required by this Order to the Commission, to the following address:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580
Re: FTC v. 2145183 Ontario Inc., et al., No. 09-CV-7423.

Provided that, in lieu of overnight courier, Defendant Alpha Financial may send such reports or notifications by first-class mail, but only if Defendant Alpha Financial contemporaneously sends an electronic version of such report or notification to the Commission at:

DEBrief@ftc.gov.

E. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate directly with Defendant Alpha Financial.

XII. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Defendant Alpha Financial is 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, 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, 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."

XIII. DISTRIBUTION OF ORDER

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

below:

A. Defendant Alpha Financial 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 of the Section titled "Compliance Reporting." For current personnel, delivery shall be within five (5) days of service of this Order upon Defendant Alpha Financial. 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 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.

B. Defendant Alpha Financial 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.

XIV. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that Defendant Alpha Financial, within five (5) business days of receipt of this Order as entered by the Court, must submit to the Commission a truthful sworn statement, in the form shown on **Attachment A** to this Order, acknowledging receipt of this Order.

XV. 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.

XVI. ENTRY OF THIS JUDGMENT

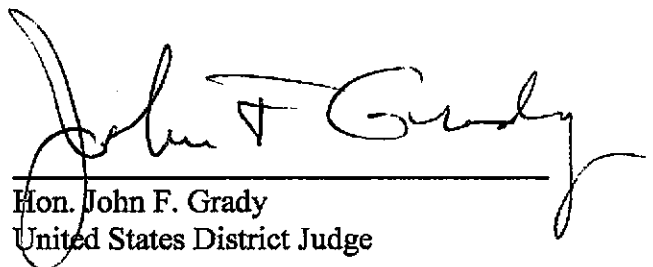
IT IS FURTHER ORDERED that, as there is no just reason for delay of entry of this judgment, pursuant to Fed. R. Civ. P. 54(b), the clerk shall enter this Order immediately.

XVII. 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.

IT IS SO ORDERED.

Dated: April 27, 2011



Hon. John F. Grady
United States District Judge

Respectfully submitted by:

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ATTACHMENT A

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

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

)
)
) Case No. 09 7423
) Judge John F. Grady
) Mag. Judge Martin C. Ashman
)
)

2145183 ONTARIO, INC., also d/b/a)
 DYNAMIC FINANCIAL RESOLUTIONS INC.,)
 an Ontario corporation, *et al.*)
)
 Defendants.)
 _____)

**AFFIDAVIT ATTESTING TO RECEIPT OF STIPULATED
 FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION**

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

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

2. I am an officer of Alpha Financial Debt Group Inc., a Defendant in *FTC v. 2145183 Ontario Inc., et al.*, Case No. 09 C 7423 (United States District Court for the Northern District of Illinois).

3. The current business address of Defendant Alpha Financial Debt Group Inc. is _____. The current business telephone number of Defendant Alpha Financial Debt Group Inc. is _____.

4. On _____ [Date], Defendant Alpha Financial Debt Group Inc. received a copy of the Default Judgment and Order for Permanent Injunction Against Defendant Alpha Financial Debt Group Inc., which was signed by the Honorable John F. Grady 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.

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, State or Province, and Country].

Defendant Name
State of _____, City of _____

Subscribed and sworn to before me
this ____ day of _____, 2011.

Notary Public
My Commission Expires: