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KENNETH H. ABBE (Cal. Bar No. 172416)
BARBARA Y.K. CHUN (Cal Bar No. 186907)
Federal Trade Commission
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Los Angeles, CA 90024
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Attorneys for, Plaintiff
FEDERAL TRADE COMMISSION

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BUT NOT FILED

JUL 12 2005
U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION DEPUTY

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FILED
CLERK, U.S. DISTRICT COURT
JUL 13 2005
CENTRAL DISTRICT OF CALIFORNIA
BY DEPUTY

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Case No. CV 04-0728 GAF (JTLx)

Plaintiff

v.

INNOVATIVE SYSTEMS TECHNOLOGY,
INC., dba Briggs & Baker;

et al.

Defendants.

[PROPOSED] STIPULATED FINAL
JUDGMENT AND ORDER FOR PERMANENT
INJUNCTION AGAINST INNOVATIVE
SYSTEMS TECHNOLOGY, INC.

ENTERED
CLERK, U.S. DISTRICT COURT
JUL 15 2005
CENTRAL DISTRICT OF CALIFORNIA
BY DEPUTY

Plaintiff, the Federal Trade Commission ("FTC")
Commission having filed its complaint for permanent injunction
and other equitable relief pursuant to Section 13(b) of the
Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b),
charging Defendant Innovative Systems Technology, Inc., doing
business as Briggs & Baker ("Innovative"), Debt Resolution
Specialists, Inc., Todd A. Baker, and Jack Briggs, with violating
Section 5 of the FTC Act, 15 U.S.C. § 45,

Plaintiff FTC, Defendant Innovative, by and through its
President and Chief Executive Officer, Todd A. Baker, and Richard
K. Diamond, solely in his capacity as Chapter 7 Bankruptcy Trustee

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1 for Innovative, have agreed to the entry of this Stipulated Final
2 Judgment and Order for Permanent Injunction ("Order") by this
3 Court to resolve all matters of dispute between them in this
4 action.

5 NOW, THEREFORE, Plaintiff FTC, Defendant Innovative, by and
6 through its President and Chief Executive Officer, Todd A. Baker,
7 and Richard K. Diamond, solely in his capacity as Chapter 7
8 Bankruptcy Trustee for Innovative, having requested the Court to
9 enter this Order,

10 IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

11 FINDINGS

12 1. This Court has jurisdiction over the subject matter and
13 the parties.

14 2. Venue is proper as to the parties in the Central
15 District of California.

16 3. The activities of the Defendants are in or affecting
17 commerce, as defined in the FTC Act, 15 U.S.C. § 44.

18 4. The Complaint states a claim upon which relief may be
19 granted against Defendants under §§ 5(a)(1) and 13(b), of the FTC
20 Act, 15 U.S.C. §§ 45(a)(1), 53(b).

21 5. On March 11, 2004, Defendant Innovative filed a
22 voluntary petition for relief under the liquidation provisions of
23 Chapter 7 of the Bankruptcy Code, 11 U.S.C. §§ 101 et seq., in the
24 United States Bankruptcy Court for the Central District of
25 California, Los Angeles Division, Case No. LA 04-15639-EC.
26 Richard K. Diamond was appointed the Chapter 7 trustee for
27 Defendant Innovative (the "Bankruptcy Trustee"). The Commission's
28 action against Defendant Innovative, including the enforcement of

1 a judgment other than a money judgment obtained in this action, is
2 not stayed by 11 U.S.C. § 362(a) (1), (2), (3) or (6) because it is
3 an exercise of the Commission's police or regulatory power as a
4 governmental unit pursuant to 11 U.S.C. § 362(b) (4) and thus falls
5 within an exception to the automatic stay.

6 6. Defendant Innovative, by and through its President and
7 CEO Todd A. Baker, hereby waives any and all rights that may arise
8 under the Equal Access to Justice Act, 28 U.S.C. § 2412, amended
9 by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996).

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

12 8. Plaintiff and Defendant Innovative waive all rights to
13 seek appellate review or otherwise challenge or contest the
14 validity of this Order. Defendant Innovative further waives and
15 releases any claim it may have against the Commission, its
16 employees, agents, and representatives.

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

18 I.

19 CESSATION OF BUSINESS ACTIVITIES

20 IT IS THEREFORE ORDERED that Defendant Innovative shall not
21 engage in any business and Richard K. Diamond, as the Bankruptcy
22 Trustee, shall not seek authority to operate the business of
23 Defendant Innovative pursuant to Section 721 of the Bankruptcy
24 Code, 11 U.S.C. § 721, or otherwise.

25 II.

26 PROHIBITION ON SELLING OF CUSTOMER LISTS

27 IT IS FURTHER ORDERED that Defendant Innovative is
28 permanently restrained and enjoined from selling, renting,

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1 leasing, transferring, or otherwise disclosing the name, address,
2 telephone number, credit or debit card number, bank account
3 number, e-mail address, social security number, credit report,
4 credit score, or other identifying information of any person who
5 submitted such identifying information to Defendant Innovative at
6 any time prior to entry of this Order in connection with Defendant
7 Innovative's advertising, marketing, promoting, offering for sale
8 and sale of debt negotiation services.

9 *Provided, however,* that Defendant Innovative may disclose
10 such identifying information to a law enforcement agency or as
11 required by any law, regulation, or court order.

12 *Provided further* that if the Bankruptcy Trustee is in
13 possession of any customer lists or other such identifying
14 information, the Bankruptcy Trustee shall immediately abandon or
15 dispose of any such customer list or identifying information by
16 transferring such list or information, including all copies, to
17 the FTC.

18 III.

19 CORPORATE BOOKS AND RECORDS

20 IT IS FURTHER ORDERED that the Bankruptcy Trustee shall
21 provide notice to the FTC of the proposed abandonment or
22 disposition of any corporate books and records of Defendant
23 Innovative in his possession and, upon the FTC's request, the
24 Bankruptcy Trustee shall transfer such books and records to the
25 FTC.

26 IV.

27 ACKNOWLEDGMENT OF RECEIPT OF ORDER

28 IT IS FURTHER ORDERED that Defendant Innovative, by and

ORIGINAL

1 through its President and CEO Todd A. Baker, within five (5)
2 business days of receipt of this Order as entered by the Court,
3 must submit to the Commission a truthful sworn statement
4 acknowledging receipt of this Order.

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6 RETENTION OF JURISDICTION

7 IT IS FURTHER ORDERED that this Court will retain
8 jurisdiction of this matter for all purposes, including enabling
9 any of the parties to this Order to apply to the Court at any time
10 for such further orders or directives as may be necessary or
11 appropriate for the interpretation or modification of this Order,
12 for the enforcement of compliance therewith or the punishment of
13 violations thereof.

14 The Bankruptcy Trustee is entering into this Order only in
15 his fiduciary capacity as Chapter 7 Trustee for Innovative, and
16 not individually. The Bankruptcy Trustee's obligations under this
17 Order include only the duty not to seek to operate Innovative's
18 business under Section 721 of the Bankruptcy Code, to transfer to
19 the FTC any customer list or identifying information he may have
20 in his possession, and to notify the FTC of any proposed
21 abandonment or disposition of any corporate books and records in
22 his possession, and at the FTC's request, transfer these corporate
23 books and records to the FTC.

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1 The parties, and their respective counsel, hereby consent to
2 the terms and conditions of the Consent Decree as set forth above
3 and consent to the entry thereof.

4
5 APPROVED AS TO FORM;

6
7 DATED: _____, 2004

GARY BROWN
Attorney for Defendant Innovative
Systems Technology, Inc.

8
9 SO STIPULATED:

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11 DATED: July 11, 2005

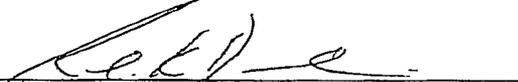


KENNETH H. ABBE
BARBARA Y.K. CHUN
Attorneys for Plaintiff
Federal Trade Commission

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13
14 DATED: _____, 2004

TODD A. BAKER
President and Chief Executive
Officer of Defendant Innovative
Systems Technology, Inc.

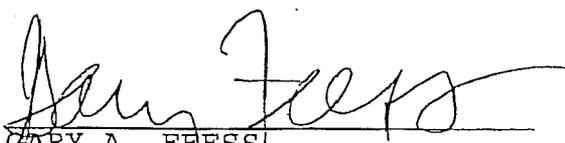
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16
17 DATED: Jan 3, 2005



RICHARD K. DIAMOND
Chapter 7 Trustee for Defendant
Innovative Systems Technology, Inc.

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20 SO ORDERED:

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23 DATED: 7/13, 2005



GARY A. FNESS
United States District Judge

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The parties, and their respective counsel, hereby consent to the terms and conditions of the Consent Decree as set forth above and consent to the entry thereof.

APPROVED AS TO FORM:

DATED: Nov 29, 2004
Gary Brown
GARY BROWN
Attorney for Defendant Innovative Systems Technology, Inc.

SO STIPULATED:

DATED: _____, 2004

KENNETH E. ABBE
BARBARA Y.K. CHUN
Attorneys for Plaintiff
Federal Trade Commission

DATED: _____, 2004

TODD A. BAKER
President and Chief Executive Officer of Defendant Innovative Systems Technology, Inc.

DATED: _____, 2004

RICHARD K. DIAMOND
Chapter 7 Trustee for Defendant Innovative Systems Technology, Inc.

SO ORDERED:

DATED: _____, 2004

GARY A. FEESS
United States District Judge

1 The parties, and their respective counsel, hereby consent to
2 the terms and conditions of the Consent Decree as set forth above
3 and concur to the entry thereof.

4
5 APPROVED AS TO FORM:

6
7 DATED: _____, 2004

GARY BROWN
Attorney for Defendant Innovative
Systems Technology, Inc.

8
9 SO STIPULATED:

10
11 DATED: _____, 2004

MARGARET W. LEE
BARBARA V. K. CHUN
Attorneys for Plaintiff
Federal Trade Commission

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13
14 DATED: 10/28/04, 2004

ROD A. BAKER
President and Chief Executive
Officer of Defendant Innovative
Systems Technology, Inc.

15
16 DATED: _____, 2004

RICHARD K. DIAMOND
Chapter 7 Trustee for Defendant
Innovative Systems Technology, Inc.

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21 SO ORDERED:

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23 DATED: _____, 2004

GARY A. FEESE
United States District Judge

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SCANNED



CERTIFICATE OF SERVICE

I, Kenneth H. Abbe, hereby declare as follows:

1. I am over the age of 18. My business address is 10877 Wilshire Blvd., Suite 700, Los Angeles, California 90024. The following statements are within my personal knowledge, and if called as a witness I could and would competently testify thereto.

2. On July 11, 2005, I caused the attached "[PROPOSED] STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION AGAINST INNOVATIVE SYSTEMS TECHNOLOGY, INC." to be served via pre-paid first class U.S. Mail to:

Richard K. Diamond
Danning, Gill, Diamond & Kollitz
2029 Century Pk East, 3rd Fl.
Los Angeles, CA 90067-2904
Chapter 7 Trustee for Innovative Systems Technology, Inc.

Brad D. Krasnoff
Lewis, Brisbois, Bisgaard & Smith
221 N. Figueroa St. #1200
Los Angeles, CA 90012-2601
Chapter 7 Trustee for Todd Baker & Marie Baker

James T. King
King & Jordan
315 W. Arden Ave. #28
Glendale, CA 91203-1119
*Bankruptcy Counsel for Innovative Systems Technology, Inc.,
Todd Baker, and Marie Baker*

Gary S. Brown, Esq.
Law Offices of Gary Brown
1 S. Fair Oaks Ave., #301
Pasadena, CA 91105
*Counsel for Todd Baker and Debt Resolution Specialists, Inc.,
in FTC District Court Matter*

I declare under penalty of perjury that the foregoing is true and correct. Executed this 11 day of July, 2005, at Los Angeles, California.



Kenneth H. Abbe