



Plaintiff FTC and Defendant Taugner hereby stipulate to the entry of this Final Order for Permanent Injunction and Settlement of Monetary Claims (“Order”).

### **FINDINGS**

By stipulation of the parties, the Court finds as follows:

1. This is an action by the FTC instituted pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b). The Complaint seeks both permanent injunctive relief and consumer redress for Defendants’ alleged deceptive acts or practices in connection with the marketing and sale of employment goods or services programs.
2. The FTC has the authority pursuant to Section 13(b) of the FTC Act to seek the relief it has requested, and the Complaint states a claim upon which relief can be granted against Defendant Taugner.
3. This Court has jurisdiction over the subject matter of this case and has personal jurisdiction over Defendant Taugner. Venue in the Western District of Michigan is proper.
4. The activities of Defendant Taugner, as alleged in the Complaint, are in or affecting commerce, as defined in the FTC Act, 15 U.S.C. § 44.
5. Defendant Taugner waives all rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the date of this Order. Each party shall bear its own costs and attorneys’ fees. Defendant Taugner also waives all rights to seek judicial review of, or otherwise challenge or contest the validity of, this Order.
6. By entering into this Order, Defendant Taugner does not admit to the allegations set forth in the Complaint.

7. This action and the relief awarded herein are in addition to, and not in lieu of, other remedies as may be provided by law, including both civil and criminal remedies.

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

### DEFINITIONS

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

1. **“Defendants”** means Success Express, Inc., also d/b/a Success Express; Exam Resource Center, Inc., also d/b/a Exam Resource; Occupational Advancement Center, Inc., also d/b/a Occupational Advancement and OAC; Employment Resource, LLC, also d/b/a Employment Resources; David James Daniell a/k/a David James; Wanda J. Taugner; and Kathy L. Stafford.

2. **“Receivership Defendants”** means Success Express, Inc., also d/b/a Success Express; Exam Resource Center, Inc., also d/b/a Exam Resource; Occupational Advancement Center, Inc., also d/b/a Occupational Advancement and OAC; and Employment Resource, LLC, also d/b/a Employment Resources.

3. **“Defendant Taugner”** means Wanda J. Taugner.

4. **“Employment goods or services”** means any item, product, good or service represented to assist consumers in obtaining employment—including, but not limited to, preparation or other training for any employment examination.

5. **“Assets”** means any legal or equitable interest in, right to, or claim to, any real and personal property—including, but not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, premises, contracts, mail or other deliveries, shares of stock, lists of consumer names, inventory, checks, notes, accounts, credits, receivables, funds, and all cash, wherever located.

6. **“Document”** is synonymous in meaning and equal in scope to the usage of the term 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, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

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

8. **“Person”** means a natural person, organization or other legal entity, including a corporation, partnership, proprietorship, association, cooperative, government or governmental subdivision or agency, or any other group or combination acting as an entity.

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

10. **“Receiver or Permanent Receiver”** means Phillip S. Stenger pursuant to the orders of appointment including the Stipulated Preliminary Injunction with Appointment of Permanent Receiver, Asset Freeze and Accounting dated November 28, 2005.

11. **“Record”** means any document, as document is defined in definition 6, above, relating to the business or business practices of any Defendant.

12. The terms **“and”** and **“or”** shall be construed conjunctively or disjunctively as necessary to make the applicable phrase or sentence inclusive rather than exclusive.

## ORDER

### I. BOND REQUIREMENT

**IT IS THEREFORE ORDERED** that Defendant Taugner, whether acting directly or through any person or entity, is permanently restrained and enjoined from marketing or selling employment goods or services, unless Defendant Taugner first obtains a performance bond in the principal sum of ONE MILLION DOLLARS (\$1,000,000).

A. The bond required by this Paragraph I shall be conditioned upon compliance with Section 5 of the FTC Act, 15 U.S.C. § 45(a), and with this Order. The bond shall be deemed continuous and remain in full force and effect as long as Defendant Taugner continues to engage in conduct that requires the posting of the bond, and for at least three years after Defendant Taugner has ceased to engage in such conduct. The bond shall cite this Order as the subject matter of the bond, and shall provide surety thereunder against financial loss resulting from whole or partial failure of performance due, in whole or in part, to any violation of Section 5 of the FTC Act, the provisions of this Order, or to any other violation of law.

B. The performance bond required pursuant to this Paragraph I shall be in the form of an insurance agreement providing surety for financial loss issued by a surety company that is admitted to do business in each of the states in which Defendant Taugner does business and that holds a Federal Certificate of Authority As Acceptable Surety On Federal Bond and Reinsuring. Such performance bond shall be in favor of both: (1) the Federal Trade Commission for the benefit of any consumer injured as a result of any violation of Section 5 of the FTC Act, or the provisions of this Order made by Defendant Taugner, her agents, or any persons acting in concert with her; and (2) any consumer so injured.

C. The bond required pursuant to this Paragraph I is in addition to, and not in lieu of, any other bond required by any other federal, state, or local law, or by any other court order not entered in this action.

D. At least ten business days before the commencement of any activity covered by subsection A above, Defendant Taugner shall provide the bond required by this Paragraph I to the Associate Director for Enforcement at the address specified in Paragraph XII of this Order.

E. Defendant Taugner shall not disclose the existence of the performance bond required by this Paragraph I to any consumer without also disclosing clearly and prominently, at the same time, the following phrase: "This bond is required by order of the U.S. District Court, in the case *FTC v. Success Express Inc., et al.*, Case No. 1:05CV0714 (W.D. Mich.), in settlement of allegations of false and misleading representations in the promotion and sale of employment goods or services." The disclosure shall be set forth in a clear and conspicuous manner, separated from all other text, in 100 percent black ink against a light background, in print at least as large as the main text of the sales material or document, and enclosed in a box containing only the required disclosure.

F. If, upon motion by the FTC, the Court finds that Defendant Taugner or any business in which Defendant Taugner engages or participates, has violated Section 5 of the FTC Act or this Order, the FTC may execute against the performance bond required by this Paragraph I. Proceedings instituted under this subsection F are in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings the FTC may initiate to enforce this Order.

## II. PROHIBITED BUSINESS ACTIVITIES

**IT IS FURTHER ORDERED** that Defendant Taugner, and her officers, agents, employees, and all those persons or entities in active concert or participation with her who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, in connection with the advertising, promoting, marketing, offering for sale, sale, or distribution 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 Defendants are connected with or endorsed by the United States Postal Service (USPS).
2. That postal positions are currently available in the geographic areas where the Defendants' advertisements appear.
3. That Defendants assist consumers in registering for and obtaining employment with the USPS.
4. That consumers who obtain a score of 90 percent or above on the postal examination are assured a postal job.

## III. CONSUMER LISTS

**IT IS FURTHER ORDERED** that Defendant Taugner and any person or entity through which she does business, and her successors, assigns, officers, agents, servants, employees, attorneys, and those other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are permanently restrained and enjoined from:

A. Selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, billing information (any data that enables any person to access another person's account, such as a credit card, checking, savings, share or similar account, utility bill, mortgage loan account, or debit card), e-mail address, or other identifying information of any person who submitted such information to any Defendant, at any time prior to entry of this Order, in connection with the purchase of any employment good or service.

B. Using or benefitting from, for commercial purposes, the name, address, telephone number, billing information (any data that enables any person to access another person's account, such as a credit card, checking, savings, share or similar account, utility bill, mortgage loan account, or debit card), e-mail address, or other identifying information of any person who submitted such information to any Defendant, at any time prior to entry of this Order, in connection with the purchase of any employment good or service.

C. *Provided, however*, that Defendant Taugner may disclose such identifying information (i) with the express written consent of the person whose information is disclosed, (ii) to a law enforcement agency, or (iii) as required or authorized by any law, regulation, or court order.

#### **IV. MONETARY RELIEF AS TO DEFENDANT TAUGNER**

**IT IS FURTHER ORDERED** that:

A. Judgment is hereby entered in the amount of Seven Million Dollars (\$7,000,000) in favor of the FTC and against Defendant Taugner, who is jointly and severally liable with the other Defendants, for the payment of equitable monetary relief—including, but not limited to, consumer redress and or/disgorgement, and for paying any attendant expenses of administration of any redress fund.

B. ***Provided, however***, that the judgment described in Paragraph A shall be suspended:

1. Upon the timely transfer of the following assets to the FTC or its designated agent and the taking of the following actions:

a. National City Bank shall, within ten (10) business days of the date of entry of this Order, transfer to the FTC or its designated agent all assets held in Account #1, identified in the “Taugner Reference List” filed with the Court under seal.

b. Defendant Taugner shall, promptly upon entry of this Order immediately transfer to the FTC or its designated agent, proceeds from the sale of her Audi A-8, model year 2005, held in trust by her attorney.

c. National City Bank and Primevest Financial Services shall liquidate and immediately turn over all assets in Account #2, Account #3, and Account #4, identified in the “Taugner Reference List” filed with the Court under seal, to Defendant Taugner’s attorney Roy C. Hayes, III, after withholding appropriate taxes and penalties. Payment may be made by wire transfer to: Hayes, Telgenhof, Turkelson & Groat Client Trust Account, Account A, identified in the “Taugner Reference List” filed with the Court under seal. Attorney Hayes shall hold these funds in trust for the sole purpose of paying the tax obligations of Success Express. No other funds described in this Order shall be used to pay Success Express’s or Defendant Taugner’s tax liability. Defendant Taugner shall file all required tax returns for Success Express, Inc. within fourteen (14) days after entry of this Order, and provide copies of such returns, and all instruments used to pay such owed taxes, interest, and penalties to the Commission.

Provided however, in the event that the amount paid in final satisfaction of Success Express’s owed taxes, interest, and/or penalties is less than the monies held in trust, attorney Hayes shall

immediately transfer all remaining funds to the Commission pursuant to Paragraph IV of this Order. Provided further, if any tax refund is received, said refund shall be transferred to the Commission pursuant to Paragraph IV of this Order.

Defendant Taugner and her husband David K. Taugner authorize the liquidation and turn over of the assets described in this subsection c, and forever waive, release, discharge and disclaim all right, title and interest in the funds and/or assets contained in the accounts described in this subsection c.

d. Unless they have already done so by way of a preliminary agreement or by Court order, Defendant Taugner and her husband David K. Taugner, shall immediately transfer title and possession to the property located at 5842 Diane, Indian River, Michigan (“the Indian River Property”) to the FTC or its designated agent. The FTC will assume payments on the land contract. Defendant Taugner and her husband David K. Taugner hereby forever waive, release, discharge and disclaim all right, title and interest in the Indian River Property and to the proceeds from the sale thereof as described in this subsection d. Any transfer fees, recording fees or other payments owed through transfer of the Indian River Property under Michigan law shall be paid from the proceeds of the sale at the time the property is sold, or from other assets disgorged under this Paragraph IV.

e. To secure the payment of the amounts as set forth in this Paragraph, Defendant Taugner and her spouse, David K. Taugner, shall execute a security and pledge agreement, in a form acceptable to counsel for the FTC, (1) relinquishing David K. Taugner’s rights to or claim of title to any of the property or assets contemplated by this Paragraph IV. B, and (2) giving the FTC a lien in the property located at 7321 Ridge Road, Harbor Springs, Michigan 49740, to be effective as of the date of entry of this Order. The security and pledge agreement shall be

attached to this Order as Appendix A. Within ten days of the final payment required by this Paragraph, the FTC shall cancel and return to Defendant Taugner and David K. Taugner the security and pledge agreement.

f. Defendant Taugner and David K. Taugner shall be responsible for any federal, state or local income tax on the sale or transfer of the property as set forth in this Paragraph IV; and

2. As long as the Court makes no finding, as provided in Paragraph VI of this Order, that Defendant Taugner (a) materially misrepresented or omitted the nature, existence, or value of any asset, or (b) failed to make the payments required by Paragraph IV.B. within the time periods specified therein.

C. Any monies collected under this Paragraph are subject to the conditions described in Paragraph VIII.

#### **V. ASSET FREEZE**

**IT IS FURTHER ORDERED** that (1) upon entry of this Order the asset freeze of Defendant Taugner's assets pursuant to Paragraphs II and III of the Preliminary Injunction shall be lifted to permit the transfer of assets and property as contemplated by Paragraph IV. B above, and (2) upon payment of the amount set forth in Paragraph IV.B above, the freeze of Defendant Taugner's assets pursuant to Paragraphs II and III of the Preliminary Injunction shall be dissolved.

#### **VI. RIGHT TO REOPEN**

**IT IS FURTHER ORDERED** that the Commission's agreement to this Order is expressly premised upon the truthfulness, accuracy and completeness of the financial statement and all attachments and supplemental financial records, including income tax returns, provided by

