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BILL LOCKYER Attorncy General of the State of California 2 ALBERT NORMAN SHELDEN Acting Senior Assistant Attorney General SUSAN HENRICHSEN Supervising Deputy Attorney General JUDITH A. FIORENTINI Deputy Attorney General 5 State Bar No. 201747 110 West "A" Street, Suite 1100 San Diego, CA 92101 6 P.O. Box 85266 7 San Diego, CA 92186-5266 Telephone: (619) 645-2207 8 Fax: (619) 645-2062 Attorneys for The People of the State of California 9 STEPHEN CARTER 10 Attorney General of the State of Indiana MARGUERITE M. SWEENEY 11 JUSTIN G. HAZLETT SHAKA T. JONES Deputy Attorneys General 12 302 W. Washington Street, 5th Floor Indiana Government Center South 13 Indianapolis, IN 46204 Telephone: (317) 232-1011 Fax (317) 232-7979 14 Attorneys for the State of Indiana 15 16 17 18 THE PEOPLE OF THE STATE OF 19 CALIFORNIA and STATE OF INDIANA. 20 Plaintiff, 21 v. 22 FAX.COM, INC., a Delaware Corporation; KEVIN KATZ, ERIC WILSON; CHARLES 23 MARTIN, THOMAS ROTH; JEFFREY DUPREE, EVERGLADE ENTERPRISES, LLC, 24 a Limited Liability Company; JOE GARSON, individually and doing business as EVERGLADE ENTERPRISES, LLC, a Limited Liability Company, LIGHTHOUSE MARKETING, LLC, a 25 26 California Limited Liability Company; TECH ACCESS SYSTEMS, CORP., a California 27 Corporation; TELCOM TECH SUPPORT, LLC a California Limited Liability Company, ROBERT 28 W. BATTAGLIA; IMPACT MARKETING SOLUTIONS, LLC, a California Limited Liability Company; STANTON MARKETING, INC., a California Comoration; PAUL

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CLERK, U.S. DISTRICT COURT

IN THE UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF CALIFORNIA

CASE NO.: 03 CV 1438 DMS (AJB)

STIPULATION FOR ENTRY OF PRELIMINARY INJUNCTION

Plaintiffs, the PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorney, Bill Lockyer, Attorney General of the State of California, by Judith A. Fiorentini, Deputy Attorney General, and the State of Indiana, appearing through its attorney, Stephen Carter, Attorney General of the State of Indiana, by Marguerite Sweeney, Deputy Attorney General, and Defendants Fax.com, Inc.; Kevin Katz; Eric Wilson; Charles Martin; Thomas Roth; Jeffrey Dupree; Everglades Enterprises, LLC; Joe Garson, individually and doing business as Everglades Enterprises, LLC; Tech Access Systems, Corp.; Telcom Tech Support, LLC; Robert W. Battaglia; Impact Marketing Solutions, LLC; and Data Research Systems, Inc., appearing personally and through their attorney James H. Casello, hereby stipulate as follows:

- 1. This Court has jurisdiction over the subject matter and the parties hereto.
- 2. That Defendants Fax.com, Inc.; Kevin Katz; Eric Wilson; Charles Martin; Thomas Roth; Jeffrey Duprec; Everglades Enterprises, LLC; Joe Garson, individually and doing business as Everglades Enterprises, LLC; Tech Access Systems, Corp.; Telcom Tech Support, LLC; Robert W. Battaglia; Impact Marketing Solutions, LLC; and Data Research Systems, Inc. hereby stipulate and agree that this Court may enter the Preliminary Injunction, a true copy of which is attached hereto as "Exhibit A".
- 3. That Defendants Fax.com, Inc.; Kevin Katz; Eric Wilson; Charles Martin; Thomas Roth; Jeffrey Dupree; Everglades Enterprises, LLC; Joe Garson, individually and doing business as Everglades Enterprises, LLC; Tech Access Systems, Corp.; Telcom Tech Support, LLC; Robert W. Battaglia; Impact Marketing Solutions, LLC; and Data Research Systems, Inc.; stipulating to the entry of the Preliminary Injunction shall not constitute evidence of an admission by Defendants of any liability or wrongdoing, all of which Defendants deny.

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1	4,	That the Pre	liminary Injunctio	on may be signed by any judge of the United State	s Distric
2	Court, So	outhern Distr	ict, and entered b	y the Clerk upon application of Plaintiffs, with	ıt notice
3	provided	that this Stip	ulation has been c	executed by counsel and the parties as listed belc	v.
4	5.	That the Pre	liminary Injunctic	n shall take effect immediately upon entry there	· f
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7				Kevin Katz for FAX.COM, INC., Defendan	
8	Dated:	9/21	, 2004	N V	
9				hen lat	
10				KEVIN KATZ, Defendant	
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13		,		ERIC WILSON, Defendant	
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16				CHARLES MARTIN, Defendant	
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19				THOMAS ROTH, Defendant	
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21				JEFFREY DUPREE, Defendant	
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23	Datou) 2004		
24				JOE GARSON, individually and doing busin	ss as
25				Everglades Enterprises, LLC, Defendant	
26	Dated:	<u> </u>	_, 2004		
27				Joe Garson for EVERGLADES ENTERPRIS	76 ─
28				LLC, Defendant	ю,
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1	4.	That the Preliminary Injunct	ion may be signed by any judge of the United States District
2	Court, S	outhern District, and entered	by the Clerk upon application of Plaintiffs, without notice
3	provided	that this Stipulation has been	executed by counsel and the parties as listed below.
4	5.	That the Preliminary Injunct	ion shall take effect immediately upon entry thereof.
5	Dated:	, 2004	
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7			Kevin Katz for FAX.COM, INC., Defendant
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10			KEVIN KATZ, Defendant
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13			ERIC WILSON, Defendant
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16			CHARLES MARTIN, Defendant
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19			THOMAS ROTH, Defendant
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22			JEFFREY DUPREE, Defendant
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25			JOE GARSON, individually and doing business as Everglades Enterprises, LLC, Defendant
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28			Joe Garson for EVERGLADES ENTERPRISES, LLC, Defendant
			-3- 03 CV 1438 DMS (AJB)

LLC, Defendant	i	4.	That the Prelin	ninary Injunction	may be signed by any judge of the United States District
5. That the Preliminary Injunction shall take effect immediately upon entry thereof. Dated:	2	Court, S	outhern District	, and entered by t	he Clerk upon application of Plaintiffs, without notice,
Dated:	3	provided	that this Stipula	ation has been exc	ecuted by counsel and the parties as listed below.
Kevin Katz for FAX.COM, INC., Defendant	4	5.	That the Prelin	ninary Injunction	shall take effect immediately upon entry thercof.
Nevin Katz for FAX.COM, INC., Defendant	5	Dated: _		, 2004	
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1	4.	That the Preliminary Injunc	tion may be signed by any judge of the United States District
2	Court, S	outhern District, and entered	by the Clerk upon application of Plaintiffs, without notice,
3	provided	that this Stipulation has been	n executed by counsel and the parties as listed below.
4	5 .	That the Preliminary Injune	tion shall take effect immediately upon entry thereof
5	Dated: _	, 2004	
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7			Kevin Katz for FAX.COM, INC., Defendant
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10			KEVIN KATZ, Defendant
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13			ERIC WILSON, Defendant
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24			JOE GARSON, individually and doing business as Everglades Enterprises, LLC, Defendant
25	Datada 6	7/23/ ,2004	Everglades Enterprises, LDC, Defendant
26	Dateu:	, 2004	
27			Joe Garson for EVERGLADES ENTERPRISES,
28			LEC, Defendant
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			DATA RESEARCH SYSTEMS, INC., Detendant
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			James II Canalla Attanton for Defendants
	•	•	James H. Casello, Attorneys for Defendants, FAX.COM, INC., KEVIN KATZ, ERIC WILSON, CHARLES MARTIN, THOMAS ROTH, JEFFREY DUPREE, EVERGLADES ENTERPRISES, LLC, JOE GARSON, TECH ACCESS SYSTEMS, CORP., TELCOM TECH SUPPORT, I.I.C., ROBERT W. BATTAGLIA, IMPACT MARKETING SOLUTIONS, LLC, and DATA RESEARCH SYSTEMS, INC.
A A			JEFFREY DUPRÉE EVERGLADES ENTERPRISES, LLC, JOE GARSON, TECH
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6		ROBERT W. BATTAGLIA, Defendant
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9		Robert W. Battaglia for TEUCOM TECH SUPPORT LLC, Defendant
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13		MAPACT MARKETING SOLUTIONS, LLC.
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15		DATA RESEARCH SYSTEMS, INC., Defendant
16	1	DATA RESEARCH STOTEMS, 1140., Detendant
17	Dated: (O / /_, 2	004 CASELLO & LINCOLN
18	,	
19		James H. Casello, Attorneys for Defendants, FAX.COM, INC., KEVIN KATZ, ERIC WILSON, CHARLES MARTIN, THOMAS ROTH, JEFFREY DUPREE, EVERGLADES ENTERPRISES, LLC, JOE GARSON, TECH ACCESS SYSTEMS, CORP., TELCOM TECH SUPPORT, LLC, ROBERT W. BATTAGLIA, DMPACT MARKETING SOLUTIONS, LLC, and
20		CHARLES MARTIN, IHOMAS ROTH, JEFFREY DUPREE, EVERGLADES ENTERPRISES LIC JOE GARSON TECH
21		ACCESS SYSTEMS, CORP., TELCOM TECH SUPPORT, LLC., ROBERT W. BATTAGLIA.
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3		TECH ACCESS SYSTEMS, CORP., Defendant
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6		ROBERT W. BATTAGLIA, Defendant
7	Dated: Sept 24. 2004	Du Lena.
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9		Robert W. Bertaglie for TELCOM TECH SUPPORT
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13	() A 200	IMPACT MARKETING SOLUTIONS, LLC.
14	Dated: 25, 2004	,
15		DATA RESEARCH SYSTEMS, INC., Defendant
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18	•	Soull
19		James H. Casello, Attorneys for Defendants, FAX.COM, INC., KEVIN KATZ, ERIC WILSON, CHARLES MARTIN, THOMAS ROTH, JEFFREY DUPREE, EVERGLADES EXPERPRISES, LLC, JOE GARSON, TECH ACCESS SYSTEMS, CORP., TELCOM TECH ACCESS SYSTEMS, CORP., TELCOM TECH
20		JEFFREY DUPRÉE, EVERGLADES EXPERPRISES, LLC, JOE GARSON, TECH
21		ACCESS SYSTEMS, CORP., TELCOM TECH SUPPORT, LLC, ROBERT W. BATTAGLIA.
22		SUPPORT, LLC, ROBERT W. BATTAGLIA. IMPACT MARKETING SOLUTIONS, LLC. and DATA RESEARCH SYSTEMS, INC.
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1 2 3 4 5 6 7	Dated: Oct. 4, 2004 BILL LOCKYER Attorney General of the State of California HERSCHEL T. ELKINS Senior Assistant Attorney General ALBERT NORMAN SHELDEN SUSAN HENRICHSEN Supervising Deputy Attorneys General ALBERT G. Hauttur
	DEPUTH A. FIORENTINI Deputy Attorney General
8	Attorneys for The People of the State of California
9	
10	Dated: Och. 1, 2004 STEPHEN CARTER
11	Attorney General of the State of Indiana
12	Marquanto Leonen
13	MARGUERITE M. SWEENEY JUSTIN G. HAZLETT
14 15	SHAKA T. JONES Deputy Attorneys General Attorneys for the State of Indiana
16	
17	IT IS SO ORDERED.
18	DATED 10-5-04
19	An m Salson
20 21	UNITED STATES DISTRICT JUDGE
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03 CV 1438 DMS (AJB)

Exhibit A

2 3 5 6 7 8 9 10 11 IN THE UNITED STATES DISTRICT COURT 12 FOR THE SOUTHERN DISTRICT OF CALIFORNIA 13 CASE NO.: 03 CV 1438 DMS (AJB) THE PEOPLE OF THE STATE OF 14 CALIFORNIA and STATE OF INDIANA, PRELIMINARY INJUNCTION 15 Plaintiff, 16 v. 17 FAX.COM, INC., a Delaware Corporation: KEVIN KATZ, ERIC WILSON; CHARLES 18 MARTIN; THÔMAS ROTH; JÉFFREY DUPREE, EVERGLADE ENTERPRISES, LLC, 19 a Limited Liability Company; JOE GARSON, individually and doing business as EVERGLADE ENTERPRISES, LLC, a Limited Liability 20 Company, LIGHTHOUSE MARKETING, LLC, a 21 California Limited Liability Company; TECH ACCESS SYSTEMS, CORP., a California 22 Corporation; TELCOM TECH SUPPORT, LLC, a California Limited Liability Company, ROBERT 23 W. BATTAGLIA; IMPACT MARKETING SOLUTIONS, LLC, a California Limited Liability Company; STANTON MARKETING, 24 INC., a California Corporation; PAUL L. 25 STANTON; DATA RESEARCH SYSTEMS, INC., a Nevada Corporation, and DOES 1-10,

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Defendants.

Bill Lockyer, Attorney General of the State of California, by Judith A. Fiorentini, Deputy Attorney General, and the State of Indiana, appearing through its attorney, Stephen Carter, Attorney General of the State of Indiana, by Marguerite Sweency, Deputy Attorney General, and Defendants Fax.com, Inc.; Kevin Katz; Eric Wilson; Charles Martin; Thomas Roth; Jeffrey Duprec; Everglades Enterprises, LLC; Joe Garson, individually and doing business as Everglades Enterprises, LLC; Tech Access Systems, Corp.; Telcom Tech Support, LLC; Robert W. Battaglia; Impact Marketing Solutions, LLC; and Data Research Systems, Inc., appearing personally and through their attorney James H. Casello, having stipulated and consented to the entry of this Preliminary Injunction without the taking of proof and without this Preliminary Injunction constituting evidence or an admission of the Defendants regarding any issue or fact alleged in the complaint, and without Defendants admitting any liability herein, and the Court having considered the matter and the pleadings, and from the evidence before the Court and good cause appearing therefrom:

Plaintiffs, the PEOPLE OF THE STATE OF CALIFORNIA, appearing through its attorncy,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

- 1. This Court has jurisdiction over the subject matter and the parties hereto.
- 2. The injunctive provisions of the Preliminary Injunction are applicable to Defendants Fax.com, Inc.; Kevin Katz; Eric Wilson; Charles Martin; Thomas Roth; Jeffrey Dupree; Everglades Enterprises, LLC; Joe Garson, individually and doing business as Everglades Enterprises, LLC; Tech Access Systems, Corp.; Telcom Tech Support, LLC; Robert W. Battaglia; Impact Marketing Solutions, LLC; Data Research Systems, Inc., ("Defendants") and to their agents, assigns, employees and representatives, and to all persons acting by, through, under or on behalf of Defendants, and to all persons acting in concert with or participating with the Defendants who have actual or constructive knowledge of this Preliminary Injunction.
- 3. Pursuant to 47 U.S.C. section 227 (f)(2), the Defendants, and each of them, are hereby commanded to comply with the provisions of the Telephone Consumer Protection Act (TCPA), 47 U.S.C. section 227, including the requirement that the Defendants take such action as is necessary to remove the danger of such violation. Pursuant to 47 U.S.C. section 227 (f)(2), the Defendants, and each of them, are hereby enjoined and restrained from:

- a) Violating, or assisting and/or facilitating in the violation of the provisions of the TCPA, 47 U.S.C. section 227, including the requirement that Defendants take such action as is necessary to remove the danger of such violation;
- b) Engaging in a pattern or practice of sending, or causing to be sent, unsolicited faxes, via facsimile machine, computer, or other device to facsimile machines located within the United States in violation of the TCPA, 47 U.S.C. § 227(b)(1)(C), or 47 C.F.R. § 64.1200(a)(3);
- c) Engaging in a pattern or practice of sending faxes without including in the margin an identification of the business sending the fax and the number from which the fax was sent in violation of the TCPA, 47 U.S.C. § 227(d), or 47 C.F.R. § 68.318(d);
- d) Making, or causing to be made, telephone calls to residential telephone lines in the United States using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party in violation of the TCPA, 47 U.S.C. § 227(b)(1)(B), or 47 C.F.R. § 64.1200(a)(2);
- Using an "automatic dialing system" as defined by 47 U.S.C. §227(a)(1) and 47 C.F.R. § 64.1200 (f)(1) to store or produce telephone numbers to be called using a random or sequential number generator and to dial such numbers to make calls to one or more emergency telephone lines; one or more telephone lines of a guest room or patient room of a hospital, health care facility, elderly home, or similar establishment; and one or more telephone numbers assigned to a paging service, cellular telephone service, specialized mobile radio service, or other radio common carrier service, or any service for which the called party is charged for the call in violation of 47 U.S.C. §227(b)(1)(a) or 47 C.F.R. §64.1200 (a)(1); or
- f) Using any technology to dial any telephone number for the purpose of determining whether the line is a facsimile or voice line in violation of 47 C.F.R. §64.1200 (a)(7).
- 4. Pursuant to Business and Professions Code sections 17203 and 17535, the Defendants, and each of them, are hereby enjoined and restrained from:

a) Making, or causing to be made, in violation of California Business & Professions Code § 17500, any untrue or misleading statements to the public in the State of California in an attempt to sell their services to their clients or to sell the products, goods or services of their clients. Such statements include, but are not limited to, the following:

- Defendants and the recipients of the facsimiles sent by Defendants under which Defendants have the legal right to send such facsimile advertisements to such recipients, when there is no such agreement;
- ii) Representing, directly or by implication, that Defendants have obtained the consent of the facsimile recipients where Defendants have only offered an opportunity for recipients to opt out of Defendants' proprietary database and the recipients have not done so;
- iii) Representing, directly or by implication, that Defendants may legally send facsimile advertisements to persons from whom Defendants have not obtained express invitation or permission when they may not legally send such facsimile advertisements;
- iv) Representing, directly or by implication, that Defendants will remove the recipient's facsimile number from Defendants' proprietary database when the recipient requests removal, but removal of the number does not occur; and/or if the number is removed, it is only temporarily removed;
- v) Failing to disclose and/or misrepresenting the identity of the sender of unsolicited faxes in order to conceal Defendants' identity as the sender from the recipient by any means, including, but not limited to, the following:
 - (1) Failing to identify Defendants as the entities responsible for sending the fax;
 - (2) Failing to identify Defendants in the opt-out telephone message recordings a consumer hears when s/he calls the opt-out number to request removal;

- (3) Failing to include the actual facsimile number of the sender or number the fax was sent from on the unsolicited facsimiles Defendants send, or using the opt-out toll free telephone number as the sender's "sent from" number;
- (4) Varying the toll-free opt-out telephone numbers that are displayed on different unsolicited fax advertisements Defendants send;
- (5) Varying the location and font size used to disclose the toll-free opt-out telephone numbers that are displayed on different unsolicited fax advertisements Defendants send;
- (6) Failing to identify the advertiser's name in the text or body of the unsolicited fax advertisement Defendants send;
- (7) Using an 800 number which does not belong to Defendants as their toll free opt-out number;
- b) Representing, directly or by implication, that by agreeing to the "Your Permission Please" facsimile, a true and correct copy of which is attached hereto as Exhibit 1 and incorporated herein by this reference as though set forth in full, which agreement Defendants claim they have if the recipient of the "Your Permission Please" facsimile does not respond to it with an objection, recipients will receive no more than one unsolicited facsimile per week from Defendants when:
 - (1) Defendants do not have the ability to keep track of the numbers of facsimile transmissions they send to each recipient;
 - (2) Defendants often send more than one facsimile per week to each recipient; or
 - (3) Defendants vary the toll-free opt-out telephone numbers that are displayed on different unsolicited fax advertisements they send which makes it difficult, for the recipient to determine whether or not Defendants have honored the one fax per week promise.

- c) Representing, directly or by implication, in the "Your Permission Please" facsimile, see Exhibit 1, that the recipient can delete himself/herself from the program at any time by calling the toll-free number on the bottom of every fax they send out when:
 - (1) Recipients are unable to ascertain whether they have been removed from the program after they request such removal because Defendants do not identify the sender by name on the unsolicited fax advertisements they send;
 - (2) Recipients are unable to ascertain whether they have been removed from the program after they request such removal because when recipients call the toll free opt out number, Defendants do not identify the sender in the message; or
 - (3) Recipients who request removal are not removed from Defendants' proprietary database, or are only removed from Defendants' proprietary database temporarily.
- d) Representing, directly or by implication, that they have obtained the consent of the facsimile recipients since they claim to send unsolicited fax advertisements only to those recipients who have not objected to the "Your Permission Please" facsimile, Exhibit 1;
- e) Engaging in unfair competition as defined in California Business & Professions Code § 17200. Such acts of unfair competition include, but are not limited to, the following acts or practices:
 - (1) Violating the TCPA, 47 U.S.C. § 227(b)(1)(C), or 47 C.F.R. § 64.1200(a)(3) which prohibit the use of any telephone facsimile machine, computer, or other device to send an unsolicited advertisement to a telephone facsimile machine without the prior express consent of the called party;
 - (2) Violating the TCPA, 47 U.S.C. § 227 (d) or 47 C.F.R. § 68.318(d) by engaging in a pattern or practice of sending faxes without including in the margin an

identification of the business sending the fax and the number from which the fax was sent;

- (3) Violating the TCPA, 47 U.S.C. § 227(b)(1)(B) or C.F.R. § 64.1200(a)(2) which prohibit the initiation of a telephone call to any residential telephone line using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party;
- (4) Violating California Business & Professions Code § 17500;
- Using an automatic dialing-announcing device in the state of California to place a call that is received by a telephone in California during the hours between 9 p.m. and 9 a.m. in violation of California Public Utilities Code § 2872;
- g) Transmitting unsolicited faxes, or causing such faxes to be transmitted, to a recipient after receiving notification by any means from that recipient of his or her request not to receive any further unsolicited faxed advertisements;
- h) Varying the toll-free opt-out telephone numbers displayed on each advertisement, and the telephone facsimile machine numbers from which the advertisements are sent, or engaging in any practice which has the effect of making it more difficult for the recipient to determine whether or not Defendants have honored the recipient's request not to receive any more unsolicited faxed advertisements from Defendants;
- i) Making, or causing to be made, telephone calls which deliver an unsolicited prerecorded message without an unrecorded, natural voice first informing the person answering the telephone of the name of the caller or the organization being represented, and either the address or telephone number of the caller, and without obtaining the consent of that person to listen to the prerecorded message, in violation of California Civil Code § 1770(a)(22);
- j) Engaging in a pattern or practice of, when clients of Defendants who use their faxblasting services are sued in California Small Claims Court for the dissemination of unsolicited facsimile advertisements by the recipients of those faxes, although Defendants are not named as a party in the suit, having Defendants' officers and/or

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