

1 J. Ronald Brooke, Jr.  
2 (202) 326-3484; [jbrooke@ftc.gov](mailto:jbrooke@ftc.gov)  
3 Miry Kim (WA Bar No. 31456)  
4 (202) 326-3622; [mkim@ftc.gov](mailto:mkim@ftc.gov)  
5 Elsie Kappler (MA Bar No. 562265)  
6 (202) 326-2466; [ekappler@ftc.gov](mailto:ekappler@ftc.gov)  
7 Federal Trade Commission  
8 600 Pennsylvania Ave., NW, CC-6316  
9 Washington, DC 20580

7 David Hankin  
(Local Counsel)  
8 CA Bar No. 319825; [dhankin@ftc.gov](mailto:dhankin@ftc.gov)  
9 Federal Trade Commission  
10 10990 Wilshire Blvd., Suite 400  
Los Angeles, CA 90024  
Tel: (310) 824-4317; Fax: (310) 824-4380

11 Attorneys for Plaintiff  
12 Federal Trade Commission

13 [Additional Attorneys for Plaintiffs and Defendants Listed on Signature Pages]  
14  
15

16 **UNITED STATES DISTRICT COURT**  
17 **CENTRAL DISTRICT OF CALIFORNIA**

18 **Federal Trade Commission and the**  
19 **States of Arkansas; California;**  
20 **Colorado; Connecticut; Delaware;**  
21 **Florida; Georgia; Illinois; Indiana;**  
22 **Maryland; New York; North**  
23 **Carolina; Oklahoma; Oregon; South**  
24 **Carolina; Utah; Virginia; West**  
25 **Virginia; and Wisconsin,**

26 Plaintiffs,

27 v.

28 **Kars-R-Us.com, Inc.**, a corporation  
also doing business as Donate Car 2  
Veterans and Donation2Charity.com;

No. 2:25-cv-09150

**STIPULATION AS TO ENTRY OF  
ORDER FOR PERMANENT  
INJUNCTION, MONETARY  
JUDGMENT, AND OTHER  
RELIEF**

**Michael Irwin**, individually and as an officer of Kars-R-Us.com, Inc.; and

**Lisa Frank**, individually and as an officer of Kars-R-Us.com, Inc.,

Defendants.

Plaintiffs, the Federal Trade Commission (“FTC”); the Attorneys General of the states of Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Maryland, New York, North Carolina, Oklahoma, Oregon, Utah, Virginia, West Virginia, and Wisconsin; the Secretary of State of Maryland; the Secretary of State of North Carolina; the Secretary of State of South Carolina; and the Utah Division of Consumer Protection (collectively “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief ( “Complaint”), for a permanent injunction, monetary judgment, and other relief in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), and pursuant to the following legal authorities of the State Plaintiffs:

| STATE       | STATUTORY AUTHORITY                                                                            |
|-------------|------------------------------------------------------------------------------------------------|
| Arkansas    | Ark. Code Ann. § 4-28-412, Ark. Code Ann. § 4-28-416, and Ark. Code Ann. §§ 4-88-101 et seq.   |
| California  | Cal. Bus. & Prof. Code §§ 17200 - 17209, 17510 - 17510.95; Cal. Gov. Code §§ 12580 - 12599.10. |
| Colorado    | Colo. Rev. Stat. §§ 6-1-110 to 113                                                             |
| Connecticut | Conn. Gen. Stat. § 3-125; Conn. Gen. Stat. § 21a-190l(b); Conn. Gen. Stat. § 42-110m(a)        |
| Delaware    | 6 <i>Del. C.</i> § 2595(a) and 6 <i>Del. C.</i> § 2513(a).                                     |

|    |                |                                                                      |
|----|----------------|----------------------------------------------------------------------|
| 1  | Florida        | Florida Chapter 501, Part II, Florida Statutes (2024), Chapter       |
| 2  |                | 496, Florida Statutes (2024).                                        |
| 3  | Georgia        | GA. CODE ANN. § 10-1-390 – 408.                                      |
| 4  | Illinois       | 225 Ill. Comp. Stat. §§ 460/0.01 through 460/23.                     |
| 5  | Indiana        | IND. CODE §§ 23-7-8-1 through -9; and 24-5-0.5-1 through             |
| 6  |                | -12                                                                  |
| 7  | Maryland       | MD. CODE ANN., BUS. REG. §§ 6-101 through 6-701                      |
| 8  |                | (LexisNexis 2024).                                                   |
| 9  | New York       | N.Y. Executive Law §§ 171-a through 175, and 63(12); N.Y.            |
| 10 |                | Gen. Bus. Law § 349                                                  |
| 11 | North Carolina | N.C. Gen. Stat. §§ 75-1.1 <i>et seq.</i> ; N.C.G.S. 131F-20(1), (9), |
| 12 |                | (10), (15), (18); 131F-21; 131F-23; 131F-24.                         |
| 13 | Oklahoma       | OKLA. STAT. tit. 18 §§ 552.1 through 552.24 (West)                   |
| 14 | Oregon         | OR. REV. STAT. §§128.801 through 128.898, 646.605                    |
| 15 |                | through 646.642, and 180.060(7)                                      |
| 16 | South Carolina | S.C. CODE ANN. §§ 33-56-10 through 33-56-200.                        |
| 17 | Utah           | UTAH CODE ANN. §§13-22-1 through 13-22-23; 13-26-1                   |
| 18 |                | through 13-26-11; and 13-11-1 through 13-11-23.                      |
| 19 | Virginia       | VA. CODE ANN. §§ 57-48 through 57-69                                 |
| 20 | West Virginia  | W.Va. Code §§ 29-19-1, -15b; and W.Va. Code § 46A-1-101              |
| 21 |                | through 46A-6-110                                                    |
| 22 | Wisconsin      | WIS. STAT. §§ 202.01 through 202.18                                  |
| 23 |                |                                                                      |

24           Plaintiffs and Defendants stipulate to the entry of Stipulated Order For  
25 Permanent Injunction, Monetary Judgment, and Other Relief (“Order”) to resolve  
26 all matters in dispute in this action between them.

27           THEREFORE, IT IS ORDERED as follows:  
28

## FINDINGS

1. This Court has jurisdiction over this matter.

2. The Complaint charges that Defendants participated in deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, and the laws of the State Plaintiffs referenced above by misrepresenting, and failing to support claims that, Donors' vehicle Contributions to Defendant Kars-R-Us.com would be used to support United Breast Cancer Foundation, Inc.'s ("United Breast Cancer Foundation") breast screening services.

3. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.

4. Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.

5. Defendants and the Commission and State Plaintiffs waive all rights to appeal or otherwise challenge or contest the validity of this Order.

## DEFINITIONS

For the purpose of this Order, the following definitions apply:

A. **"Contribution"** means any donation or gift of money or any other thing of value, including motorized and other vehicles.

B. **"Defendants"** means Lisa Frank, Michael Irwin, and the Corporate Defendant, individually, collectively, or in any combination.

1. **"Corporate Defendant"** means KARS-R-US.COM, Inc. also doing business as DONATE CAR 2 VETERANS and DONATION2CHARITY.COM and its successors and assigns.

2. **"Individual Defendants"** means Michael Irwin and Lisa Frank.

1 C. **“Donor”** means any Person solicited to make, or who makes a  
2 Contribution.

3 D. **“Fundrais(e)(ing)”** means a plan, program, or campaign that is  
4 conducted to induce Contributions, including donations of motorized or other  
5 vehicles, by any means, including face-to-face, mail, telephone, electronic mail,  
6 social media, television, or radio.

7 E. **“Fundraising Services”** means providing assistance in Fundraising,  
8 directly or indirectly, including by advising, assisting, acting as a broker,  
9 independent contractor or fundraising consultant, investing, planning, supplying or  
10 arranging for the supply of contact or Donor lists, arranging for any Person to  
11 affiliate with any Person for the purpose of Fundraising, or providing or arranging  
12 for the provision of marketing services (e.g., creating or advising on solicitation  
13 materials), printing, customer service, caging, escrow, payment processing, mail  
14 processing, or fulfillment services in connection with Fundraising.

15 F. **“Fundraising Materials”** means initial, rebuttal, and other scripts;  
16 frequently asked questions (e.g. FAQs); brochures; or advertisements disseminated  
17 by any means, including face-to-face, mail, telephone, electronic mail, social  
18 media, television, or radio.

19 G. **“Nonprofit Organization”** means any Person that is, or is  
20 represented to be, a nonprofit entity or that has, or is represented to have, a  
21 charitable purpose, specifically including any entity that purports to benefit, either  
22 in whole or in part, individuals who suffer from any illness or disease, or their  
23 families, or screen for or prevent any illness or disease.

24 H. **“Person”** means any individual, group, organization, unincorporated  
25 association, limited or general partnership, corporation, or other legal entity,  
26 including a Nonprofit Organization.  
27  
28

I. **“State Plaintiffs”** means the Attorneys General of the states of Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Maryland, New York, North Carolina, Oklahoma, Oregon, Utah, Virginia, West Virginia, and Wisconsin; the Secretary of State of Maryland; the Secretary of State of North Carolina; the Secretary of State of South Carolina; and the Utah Division of Consumer Protection.

J. **“United Breast Cancer Foundation”** means United Breast Cancer Foundation, Inc., and its successors and assigns.

## **ORDER**

### **I. PROHIBITION ON FUNDRAISING**

#### **(As to Defendant Irwin)**

IT IS ORDERED that Defendant Irwin is permanently restrained and enjoined from Fundraising or providing Fundraising Services to any Person, whether directly or indirectly. This prohibition includes controlling, directly or indirectly, or holding an ownership in, any entity engaged in Fundraising or the provision of Fundraising Services.

*Provided, however, that,* subject to the limitations of this Section I, Defendant Irwin may be employed by or volunteer for any Nonprofit Organization in any capacity not prohibited by the above, such as working in any non-supervisory role unrelated to the solicitation, management, custody, control, or distribution of any charitable asset or Contribution.

### **II. PROHIBITION AGAINST MISREPRESENTATIONS**

#### **(As to Defendant Irwin)**

IT IS FURTHER ORDERED that Defendant Irwin, his officers, agents, employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, selling,

1 or distribution of any good or service, are permanently restrained and enjoined  
2 from misrepresenting, or assisting others in misrepresenting, expressly or by  
3 implication, any material fact.

4 **III. PROHIBITION AGAINST MISREPRESENTATIONS**  
5 **(As to Defendants Frank and Kars-R-Us.com)**

6 IT IS FURTHER ORDERED that Defendants Frank and Kars-R-Us.com,  
7 their officers, agents, employees, and all other persons in active concert or  
8 participation with any of them, who receive actual notice of this Order, whether  
9 acting directly or indirectly, in connection with Fundraising, or advertising,  
10 marketing, promotion, offering for sale, selling, or distribution of any good or  
11 service, are permanently restrained and enjoined from misrepresenting, or assisting  
12 others in misrepresenting, expressly or by implication:

13 A. The Person, program, cause, or purpose that a Contribution will  
14 support, including but not limited to any false or misleading representation that  
15 funds will be used to provide free or low-cost breast cancer screening;

16 B. The percentage or amount of any Contribution that will go, or has  
17 previously been applied, to:

18 1. Any services or activities that are the subject of the solicitation,  
19 such as cancer screening services; or

20 2. Any Person on whose behalf Defendants Frank and Kars-R-  
21 Us.com are Fundraising;

22 C. Any fact material to Donors' decisions concerning any good or  
23 service, or the use of a Contribution.  
24  
25  
26  
27  
28

**IV. PROHIBITION AGAINST FAILING TO SUBSTANTIATE ANY CLAIMS**

**(As to Defendants Frank and Kars-R-Us.com)**

IT IS FURTHER ORDERED that Defendants Frank and Kars-R-Us.com, their officers, agents, employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with Fundraising, are permanently restrained and enjoined from failing to ascertain and document, before entering into any agreement to solicit, or continuing to solicit, for any Nonprofit Organization, and again every year until Defendants Frank and Kars-R-Us.com stop soliciting for the Nonprofit Organization:

A. That all Fundraising Materials used by Defendants Frank and Kars-R-Us.com for the Nonprofit Organization or other Person, do not misrepresent:

1. The identity of the Fundraiser;
2. The Person, program, or purpose funded by a Contribution;
3. The geographic area or areas within which any of a Nonprofit Organization or other Person's programs or services are provided;
- and
4. The percentage or amount of any Contribution to the Nonprofit Organization or other Person that will be, or has previously been, applied to the charitable purpose.

B. That any Person that is represented to be a Nonprofit Organization on behalf of whom Defendants Frank and Kars-R-Us.com are Fundraising is registered in any state in which Defendants Frank and Kars-R-Us.com conduct Fundraising on such Person's behalf if that state requires such registration, and that such Person operates consistently with its stated purpose;

1 C. That Defendants Frank and Kars-R-Us.com are contractually  
2 authorized by any Person that is represented to be a Nonprofit Organization on  
3 behalf of whom Defendants Frank and Kars-R-Us.com are Fundraising to solicit in  
4 each state where Defendants Frank and Kars-R-Us.com conduct Fundraising;

5 D. That the Nonprofit Organization or other Person has provided the  
6 programs or services described in the Fundraising Materials used by Defendants  
7 Frank and Kars-R-Us.com for the Nonprofit Organization or other Person during  
8 the most recent fiscal or calendar year. If those programs or services were not  
9 described in the Nonprofit Organization's most recently filed Form 990 or other tax  
10 return with the Internal Revenue Service, substantiation shall be sufficient if the  
11 Nonprofit Organization or other Person provides to Defendants Frank and Kars-R-  
12 Us.com an attestation in writing to the accuracy of the statements in the  
13 Fundraising Materials, supported by documentation such as the Nonprofit  
14 Organization or other Person's written plan or itemized budget for delivering these  
15 benefits during the current calendar or fiscal year.

16 E. That more than an incidental amount of the Contributions received by  
17 the Nonprofit Organization or other Person are spent on the programs or services  
18 described in the Fundraising Materials used by Defendants Frank and Kars-R-  
19 Us.com during the most recent fiscal or calendar year, including by reviewing a  
20 financial statement of the Nonprofit Organization or other Person for each year and  
21 accounting period during the past three calendar or fiscal years (or for the period of  
22 the organization's operation, if less than two years) or, if the Nonprofit or other  
23 Person has filed a Form 990 or other tax return with the Internal Revenue Service  
24 at any time during the past three calendar or fiscal years, by reviewing copies of  
25 each Form 990 or other tax return filed by or on behalf of the Nonprofit  
26 Organization or other Person during that time, *provided that*, if such programs or  
27 services will be or have been provided for the first time during the current calendar  
28

or fiscal year, the substantiation shall be sufficient if it identifies or describes the program's intended beneficiaries and intended local communities and includes the organization's written plan and itemized budget for delivering these benefits during the current calendar or fiscal year.

## V. COMPLIANCE WITH STATE LAW

IT IS FURTHER ORDERED that Defendants, their officers, agents, employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, selling, or distribution of any good or service, are permanently restrained and enjoined from violating, causing others to violate, or assisting others in violating any provision of the following state laws:

| STATE       | STATUTORY AUTHORITY                                                                            |
|-------------|------------------------------------------------------------------------------------------------|
| Arkansas    | Ark. Code Ann. § 4-28-412, Ark. Code Ann. § 4-28-416, and Ark. Code Ann. §§ 4-88-101 et seq.   |
| California  | Cal. Bus. & Prof. Code §§ 17200 - 17209, 17510 - 17510.95; Cal. Gov. Code §§ 12580 - 12599.10. |
| Colorado    | Colo. Rev. Stat. §§ 6-1-101 through 115; and §§ 6-16-101 through 114.                          |
| Connecticut | Conn. Gen. Stat. § 21a-190h(1) and (2); Conn. Gen. Stat. § 42-110b(a)                          |
| Delaware    | 6 Del. C. § 2595(a) and 6 Del. C. § 2513(a)                                                    |
| Florida     | Chapter 501, Part II, Florida Statutes (2024); Chapter 496, Florida Statutes (2024).           |
| Georgia     | GA. CODE ANN. § 10-1-390 – 408.                                                                |
| Illinois    | 225 Ill. Comp. Stat. §§ 460/0.01 through 460/23.                                               |

|    |                |                                                           |
|----|----------------|-----------------------------------------------------------|
| 1  | Indiana        | IND. CODE §§ 23-7-8-1 through -9; and 24-5-0.5-1 through  |
| 2  |                | -12                                                       |
| 3  | Maryland       | MD. CODE ANN., BUS. REG. §§ 6-101 through 6-701           |
| 4  |                | (LexisNexis 2024).                                        |
| 5  | New York       | N.Y. Executive Law §§ 171-a through 175, and 63(12); N.Y. |
| 6  |                | Gen. Bus. Law § 349.                                      |
| 7  | North Carolina | N.C. Gen. Stat. §§ 75-14, 75-15.1, and 131F-1 to 131F-33  |
| 8  | Oklahoma       | OKLA. STAT. ANN. tit. 18 §§ 552.1 through 552.22 (West)   |
| 9  | Oregon         | OR. REV. STAT. §§128.886; and 646.605 through 646.636     |
| 10 | South Carolina | S.C. CODE ANN. §§ 33-56-10 through 33-56-200.             |
| 11 | Utah           | UTAH CODE ANN. §§13-22-1 through 13-22-23; 13-26-1        |
| 12 |                | through 13-26-11; and 13-11-1 through 13-11-23.           |
| 13 | Virginia       | VA. CODE ANN. §§ 57-48 through 57-69                      |
| 14 | West Virginia  | W.Va. Code §§ 29-19-1, -15b; and W.Va. Code § 46A-1-101   |
| 15 |                | through 46A-6-110                                         |
| 16 | Wisconsin      | WIS. STAT. §§ 202.01 through 202.18                       |

18           *Provided further*, the State Plaintiffs, except for the Colorado Attorney  
19 General's Office, agree that the Defendants' stipulating to this Order or entering  
20 into any other settlement agreement arising from the operative facts and conduct  
21 alleged in the Complaint and containing the same or similar injunctive prohibitions  
22 related to Fundraising shall not, separately or collectively, serve solely as the basis  
23 to enforce state statutory provisions that deny, suspend, revoke, or prohibit  
24 Defendants Kars-R-Us.com and Frank from Fundraising in their respective states.  
25 Defendants Kars-R-Us.com and Frank shall voluntarily withdraw their  
26 registrations in Colorado within 14 days of the entry of this Order for a period of  
27 not less than five years. The Colorado Attorney General's Office shall not take any  
28

1 administrative action against Defendants Kars-R-Us.com and Frank based on their  
2 voluntary withdrawal of their Colorado registrations as described above.

### 3 VI. DONOR INFORMATION

4 IT IS FURTHER ORDERED that Defendants, their officers, agents,  
5 employees, and all other persons in active concert or participation with any of  
6 them, who receive actual notice of this Order, are permanently restrained and  
7 enjoined from, directly or indirectly, disclosing, using, or benefitting from any  
8 information about any Donor to United Breast Cancer Foundation solicited by  
9 Defendants, including the name, address, telephone number, email address, Social  
10 Security number, other identifying information, or any data that enables access to a  
11 Donor's account (including a credit card, bank account, or other financial account),  
12 that any Defendant obtained prior to entry of the Order;

13 Provided, however, that Donor information may be disclosed or used:

- 14 1. for the limited and sole purpose of assisting prior donors to  
15 United Breast Cancer Foundation with any legal or tax issues pertaining to  
16 their donated vehicle; or
- 17 2. to the extent requested by a government agency or required by  
18 law, regulation, or court order.

### 20 VII. COOPERATION

21 IT IS FURTHER ORDERED that Defendants must fully cooperate with  
22 representatives of Plaintiffs in this case and in any investigation related to or  
23 associated with the transactions or the occurrences that are the subject of the  
24 Complaint. Defendants must provide truthful and complete information, evidence,  
25 and testimony. Individual Defendants must appear and Corporate Defendant "must  
26 cause its officers, employees, representatives, or agents to appear" for interviews,  
27 discovery, hearings, trials, and any other proceedings that a Plaintiff representative  
28

1 may reasonably request upon 5 days written notice, or other reasonable notice, at  
2 such places and times as a Plaintiff representative may designate, without the  
3 service of a subpoena.

4 **VIII. MONETARY JUDGMENT**

5 IT IS FURTHER ORDERED that:

6 A. Judgment in the amount of **Three Million Eight Hundred Eighty-**  
7 **Two Thousand and Ninety One Dollars (\$3,882,091)** is entered in favor of  
8 Plaintiffs against Individual Defendants and Corporate Defendant, jointly and  
9 severally, as equitable monetary relief.

10 B. Defendants shall pay **Five Hundred Fifty Thousand Dollars**  
11 **(\$550,000)**, of this sum within ten (10) calendar days of entry of the Order. This  
12 sum will be paid to one or more charities whose mission or purpose is consistent  
13 with the purported mission or purpose of United Breast Cancer Foundation as a  
14 Contribution as set forth below, following subsequent motion by the State Plaintiffs  
15 and order of this Court.

16 C. Defendants stipulate that their undersigned counsel holds the monies  
17 owed for the payment pursuant to Paragraph VIII.B in a client trust account for no  
18 purpose other than payment to the Florida Department of Legal Affairs Escrow  
19 Fund ("Florida Escrow Fund").

20 D. The monies owed by Defendants and held in a client trust account by  
21 their undersigned counsel shall be transferred within ten (10) calendar days of  
22 entry of the Order to the Florida Escrow Fund, which shall hold this amount for no  
23 purpose other than future payment to one or more charities as a Contribution,  
24 unless otherwise ordered by this Court. This transfer shall be made by wire  
25 transfer, cashier's check, or other certified funds made payable to the "Florida  
26 Department of Legal Affairs Escrow Fund."  
27  
28

1 E. Upon completion of the payment described in Paragraph VIII.B, the  
2 remainder of the judgment is suspended as to all Defendants, subject to Paragraphs  
3 VIII.F and VIII.G.

4 F. Plaintiffs' agreement to the suspension of part of the judgment is  
5 expressly premised upon the truthfulness, accuracy, and completeness of  
6 Defendants' sworn financial statements and related documents (collectively,  
7 financial representations") submitted to the Commission, namely:

8 1. the Financial Statement of Kars-R-Us.com, Inc., executed on  
9 January 9, 2025, and attachments thereto;

10 2. the Financial Statement of Individual Defendant Lisa Frank  
11 signed on February 14, 2025, including the attachments;

12 3. the email from Defendants' counsel dated March 28, 2025; and

13 4. the Financial Statement of Individual Defendant Michael Irwin  
14 signed on February 14, 2025, including the attachments.

15 G. The suspension of the judgment will be lifted as to any Defendant if,  
16 upon motion by any Plaintiff, the Court finds that Defendant failed to disclose any  
17 material asset, materially misstated the value of any asset, or made any other  
18 material misstatement or omission in the financial representations identified above.

19 H. If the suspension of the judgment is lifted, the judgment becomes  
20 immediately due as to that Defendant in the amount specified in Subsection A  
21 above, less any payment previously made pursuant to this Section, plus interest  
22 computed from the date of entry of this Order. Such payments shall be made by  
23 wire transfer, cashier's check, or other certified funds made payable to the "Florida  
24 Department of Legal Affairs Escrow Fund." If the Court has approved one or more  
25 charities to receive a Contribution pursuant to Paragraph VIII.I then any such  
26 payments shall be made to the approved charities.  
27  
28

1 I. The State Plaintiffs shall identify one or more charities to recommend  
2 to this Court as suitable to receive a Contribution. Within one hundred eighty  
3 (180) calendar days of entry of the Order, the State Plaintiffs shall submit to this  
4 Court a motion and proposed order recommending one or more recipients for the  
5 Contribution, the amount to be paid to any approved recipient, and the manner and  
6 timeframe for such payment. All monies paid by Defendants and held in the  
7 Florida Escrow Fund shall be distributed only as authorized and directed by this  
8 Court. Defendants shall have no right to challenge any recommendations  
9 regarding any Contribution or monetary distribution made by the State Plaintiffs.

10 J. Defendants understand that any Contribution to a charity described  
11 herein is being made in lieu of customer restitution and not on behalf of  
12 Defendants. Therefore, Defendants stipulate that they will not claim any tax  
13 deduction, credit, or other benefit related to any Contribution to a charity discussed  
14 in the Order.

15 K. The North Carolina Attorney General and the North Carolina  
16 Secretary of State shall be excluded from this Section VIII.

17 **IX. ADDITIONAL MONETARY PROVISIONS**

18 IT IS FURTHER ORDERED that:

19 A. Defendants relinquish dominion and all legal and equitable right, title,  
20 and interest in all assets transferred pursuant to this Order and may not seek the  
21 return of any assets.

22 B. The facts alleged in the Complaint will be taken as true, without  
23 further proof, in any subsequent civil litigation by or on behalf of any Plaintiff,  
24 including in a proceeding to enforce its rights to any payment or monetary  
25 judgment pursuant to this Order, such as a nondischargeability complaint in any  
26 bankruptcy case.

27 C. The facts alleged in the Complaint establish all elements necessary to  
28

1 sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the  
2 Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral  
3 estoppel effect for such purposes.

4 D. Each Defendant acknowledges that Defendant's Employer  
5 Identification Number, Social Security Number, or other Taxpayer Identification  
6 Number ("TIN"), including all TINs that Defendants previously provided, may be  
7 used by the Plaintiffs for reporting and other lawful purposes, including collecting  
8 on any delinquent amount arising out of this Order in accordance with 31 U.S.C.  
9 §7701.

#### 10 **X. ORDER ACKNOWLEDGMENTS**

11 IT IS FURTHER ORDERED that Defendants obtain acknowledgments of  
12 receipt of this Order:

13 A. Each Defendant, within 7 days of entry of this Order, must submit to  
14 the Commission an acknowledgment of receipt of this Order sworn under penalty  
15 of perjury.

16 B. For 5 years after entry of this Order, each Individual Defendant for  
17 any business that such Defendant, individually or collectively with any other  
18 Defendants, is the majority owner or controls directly or indirectly, and the  
19 Corporate Defendant, must deliver a copy of this Order to: (1) all principals,  
20 officers, directors, and LLC managers and members; (2) all employees having  
21 managerial responsibilities for conduct related to the subject matter of the Order  
22 and all agents and representatives who participate in conduct related to the subject  
23 matter of the Order; and (3) any business entity resulting from any change in  
24 structure as set forth in the Section titled Compliance Reporting. Delivery must  
25 occur within 7 days of entry of this Order for current personnel. For all others,  
26 delivery must occur before they assume their responsibilities.

27 C. From each individual or entity to which a Defendant delivered a copy  
28

1 of this Order, that Defendant must obtain, within 30 days, a signed and dated  
2 acknowledgment of receipt of this Order.

### 3 **XI. COMPLIANCE REPORTING**

4 IT IS FURTHER ORDERED that Defendants make timely submissions to  
5 the Commission and, on behalf of State Plaintiffs, to the California Department of  
6 Justice, Office of the Attorney General (“California Department of Justice”),  
7 according to the following terms:

8 A. One year after entry of this Order, each Defendant must submit a  
9 compliance report, sworn under penalty of perjury:

10 1. Each Defendant must: (a) identify the primary physical, postal,  
11 and email address and telephone number, as designated points of contact,  
12 which representatives of the Commission and State Plaintiffs may use to  
13 communicate with Defendant; (b) identify all of that Defendant’s businesses  
14 by all of their names, telephone numbers, and physical, postal, email, and  
15 Internet addresses; (c) describe the activities of each business, including the  
16 goods and services advertised, marketed, promoted, offered, sold, or  
17 distributed, and the involvement of any Defendant (which Defendants must  
18 describe if they know or should know due to their own involvement); (d)  
19 describe in detail whether and how that Defendant is in compliance with  
20 each Section of this Order; and (e) provide a copy of each Order  
21 Acknowledgment obtained pursuant to this Order, unless previously  
22 submitted to the Commission.

23 2. Additionally, each Individual Defendant must: (a) identify all  
24 telephone numbers and all physical, postal, email and Internet addresses,  
25 including all residences; (b) identify all business activities, including any  
26 business for which such Defendant performs services whether as an  
27 employee or otherwise and any entity in which such Defendant has any  
28

1 ownership interest; and (c) describe in detail such Defendant's involvement  
2 in each such business, including title, role, responsibilities, participation,  
3 authority, control, and any ownership.

4 B. For 10 years after entry of this Order, each Defendant must submit a  
5 compliance notice, sworn under penalty of perjury, within 14 days of any change  
6 in the following:

7 1. Each Defendant must report any change in: (a) any designated  
8 point of contact; or (b) the structure of Corporate Defendant or any entity  
9 that Defendant has any ownership interest in or controls directly or indirectly  
10 that may affect compliance obligations arising under this Order, including:  
11 creation, merger, sale, or dissolution of the entity or any subsidiary, parent,  
12 or affiliate that engages in any acts or practices subject to this Order.

13 2. Additionally, each Individual Defendant must report any  
14 change in: (a) name, including aliases or fictitious name, or residence  
15 address; or (b) title or role in any business activity, including any business  
16 for which such Defendant performs services whether as an employee or  
17 otherwise and any entity in which such Defendant has any ownership  
18 interest, and identify the name, physical address, and any Internet address of  
19 the business or entity.

20 C. Each Defendant must submit to the Commission and California  
21 Department of Justice notice of the filing of any bankruptcy petition, insolvency  
22 proceeding, or similar proceeding by or against such Defendant within 14 days of  
23 its filing.

24 D. Any submission to the Commission required by this Order to be  
25 sworn under penalty of perjury must be true and accurate and comply with 28  
26 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under  
27 the laws of the United States of America that the foregoing is true and correct.  
28

1 Executed on: \_\_\_\_\_” and supplying the date, signatory’s full name, title (if  
2 applicable), and signature.

3 E. Unless otherwise directed by a Commission representative in writing,  
4 all submissions to the Commission pursuant to this Order must be emailed to  
5 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:  
6 Associate Director for Enforcement, Bureau of Consumer Protection, Federal  
7 Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The  
8 subject line must begin: FTC et al. v. Kars-R-Us.com, Inc., et al., Matter No.  
9 2523067.

10 F. Unless otherwise directed by a representative of the California  
11 Department of Justice, all submissions to California Department of Justice  
12 pursuant to this Order must be emailed to juan.rodriguez@doj.ca.gov (email  
13 address) or sent to:

14 California Department of Justice  
15 Office of the Attorney General  
16 Charitable Trusts Section  
17 300 South Spring Street, Suite 1702  
18 Los Angeles, CA 90013

19 The subject line must begin: FTC et al. v. Kars-R-Us.com, Inc., et al.

20 G. Defendants expressly consent to the sharing of any and all documents  
21 submitted as part of their compliance reporting to any Plaintiff with all other  
22 Plaintiffs.

## 23 XII. RECORDKEEPING

24 IT IS FURTHER ORDERED that Defendants must create certain records for  
25 10 years after entry of the Order, and retain each such record for 5 years, unless  
26 state law requires the retention of such record for a period longer than 5 years, in  
27 which case the state law shall govern the record retention period in that state.  
28

1 Specifically, Corporate Defendant and each Individual Defendant for any business  
2 that such Defendant, individually or collectively with any other Defendants, is a  
3 majority owner or controls directly or indirectly, must create and retain the  
4 following records:

5 A. accounting records showing the revenues from sales on behalf of any  
6 other Person;

7 B. personnel records showing, for each person providing services,  
8 whether as an employee or otherwise, that person's: name; addresses; telephone  
9 numbers; job title or position; dates of service; and (if applicable) the reason for  
10 termination;

11 C. records of all complaints and refund requests, whether received  
12 directly or indirectly, such as through a third party, and any response;

13 D. all records necessary to demonstrate full compliance with each  
14 provision of this Order, including all submissions to the Commission and the  
15 California Department of Justice; and

16 E. a copy of each unique advertisement, charitable solicitation, or other  
17 marketing material.

### 18 **XIII. COMPLIANCE MONITORING**

19 IT IS FURTHER ORDERED that, for the purpose of monitoring  
20 Defendants' compliance with this Order:

21 A. Within 14 days of receipt of a written request from a representative of  
22 any Plaintiff, each Defendant must: submit additional compliance reports or other  
23 requested information, which must be sworn under penalty of perjury; appear for  
24 depositions; and produce documents for inspection and copying. Each Plaintiff is  
25 also authorized to obtain discovery, without further leave of court, using any of the  
26 procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including  
27 depositions by remote means), 31, 33, 34, 36, 45, and 69.  
28

1           B. For matters concerning this Order, each Plaintiff is authorized to  
2 communicate directly with each Defendant. Defendants must permit  
3 representatives of any Plaintiff to interview any employee or other person affiliated  
4 with any Defendant who has agreed to such an interview. The person interviewed  
5 may have counsel present.

6           C. Any Plaintiff may use all other lawful means, including posing,  
7 through its representatives as Donors, consumers, suppliers, or other individuals or  
8 entities, to Defendants or any individual or entity affiliated with Defendants,  
9 without the necessity of identification or prior notice. Nothing in this Order limits  
10 the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20  
11 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

12           D. Upon written request from a representative of any Plaintiff, any  
13 consumer reporting agency must furnish consumer reports concerning Individual  
14 Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C.  
15 §1681b(a)(1).

#### 16                   **XIV. STATE COURT ENFORCEMENT**

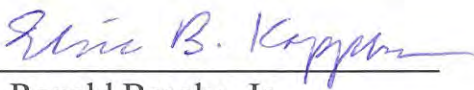
17           IT IS FURTHER ORDERED that, without limiting any other provisions of  
18 the Order, each State Plaintiff shall have the authority to enforce or seek sanctions  
19 for violations of the Order independently in a court of general jurisdiction in its  
20 state, if that State Plaintiff has reason to believe that Persons in its state have been  
21 or will be affected. No approval from any other Plaintiff is required. Defendants  
22 consent to any such state court's jurisdiction for purposes of enforcing the terms of  
23 the Order.

#### 24                   **XV. RETENTION OF JURISDICTION**

25           IT IS FURTHER ORDERED that this Court retains jurisdiction of this  
26 matter for purposes of construction, modification, and enforcement of this Order.  
27  
28

1  
2 **SO STIPULATED AND AGREED:**

3 **FEDERAL TRADE COMMISSION**  
4

5  
6 

Date: Sept. 25, 2025

7 J. Ronald Brooke, Jr.

8 Miry Kim

9 Elsie Kappler

Attorneys

Federal Trade Commission

600 Pennsylvania Ave. NW

Washington, DC 20580

[jbrooke@ftc.gov](mailto:jbrooke@ftc.gov)

(202) 326-3484

[mkim@ftc.gov](mailto:mkim@ftc.gov)

(202) 326-3622

[ekappler@ftc.gov](mailto:ekappler@ftc.gov)

(202) 326-2466  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1  
2 **FOR THE STATE OF ARKANSAS:**

3  
4   
5 \_\_\_\_\_

Date: 09-11-2025

Jared Davis Self (2022148)

Assistant Attorney General

Bob R. Brooks Jr. Justice Building

101 West Capitol Avenue

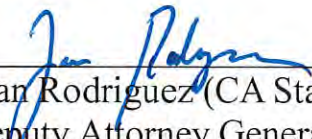
Little Rock, AR 72201

(501) 682-8063

Jared.Self@ArkansasAG.gov

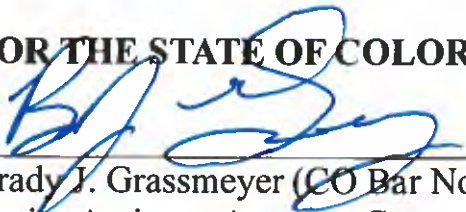
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1  
2 **FOR THE STATE OF CALIFORNIA:**

3  
4   
5 Juan Rodriguez (CA State Bar No. 282081)  
6 Deputy Attorney General  
7 California Department of Justice  
8 Office of the Attorney General  
9 300 South Spring Street, Suite 1702  
10 Los Angeles, CA 90013  
11 (213) 269-6192  
12 juan.rodriquez@doj.ca.gov  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Date: 9/12/25

1  
2 **FOR THE STATE OF COLORADO**

3   
4 Brady J. Grassmeyer (CO Bar No. 47479)  
5 Senior Assistant Attorney General  
6 Colorado Department of Law  
7 1300 Broadway, 10<sup>th</sup> Floor  
8 Denver, CO 80203  
9 (720) 508-6263  
10 brady.grassmeyer@coag.gov

Date:

9/16/2025

1  
2 **FOR THE STATE OF CONNECTICUT**

3  
4  
5 Date: 9/11/2025

6 Caitlin Calder (CT State Bar No. 429604)  
7 Connecticut Office of the Attorney General  
8 Office of the Attorney General  
9 165 Capitol Ave, Hartford, CT 06106  
10 (860) 808-5020  
11 [caitlin.calder@ct.gov](mailto:caitlin.calder@ct.gov)  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**FOR THE STATE OF DELAWARE**



Date: 9/12/2025

Maryanne T. Donaghy (DE Bar No. 4213)

Deputy Attorney General

Delaware Department of Justice

820 N. French Street 5th Floor

Wilmington, DE 19801

(302) 683-8843

maryanne.donaghy@delaware.gov

**FOR THE STATE OF FLORIDA**

Jenny Hinton Knutton

Date: 9/11/25

Jennifer Hinton Knutton (FL Bar No. 92771)  
Chief-Assistant Attorney General, Orlando Bureau  
Office of the Attorney General  
State of Florida  
Department of Legal Affairs  
Consumer Protection Division  
135 W. Central Blvd.,  
Suite 1000  
Orlando, FL 32801  
(407) 316-4840  
Jennifer.Knutton@myfloridalegal.com

1 **FOR THE STATE OF GEORGIA**

2 

Date: 9/12/25

3 \_\_\_\_\_  
4 Lindsey Anderson (GA Bar No. 453201)

5 Assistant Attorney General

6 40 Capitol Square SW

7 Atlanta, Georgia 30334

8 404-458-3825

9 Landerson@law.ga.gov

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

**FOR THE STATE OF ILLINOIS**

*Kristin C Louis*

Date: September 11, 2025

Kristin C. Louis (IL Bar No. 6255714)  
Bureau Chief, Charitable Trust Bureau  
Office of the Attorney General  
State of Illinois  
115 South LaSalle Street, 24<sup>th</sup> Floor  
Chicago, Illinois 60603  
(312) 814-2595  
kristin.louis@ilag.gov

1 **FOR THE STATE OF INDIANA**

2 THEODORE E. ROKITA  
3 INDIANA ATTORNEY GENERAL

4  
5 

6 Date: September 12, 2025

7 Tamara Weaver (IN Bar No. 28494-64)  
8 Deputy Attorney General  
9 Indiana Government Center South – 5th Fl.  
10 302 W. Washington Street  
11 Indianapolis, IN 46204-2770  
12 Phone: (317) 234-7122  
13 Fax: (317) 232-7979  
14 Email: [Tamara.Weaver@atg.in.gov](mailto:Tamara.Weaver@atg.in.gov)  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 **FOR THE STATE OF MARYLAND**

2 Josaphine B. Yuzuik  
3 Josaphine B. Yuzuik

Date:

9/15/2025

4 Assistant Attorney General  
5 Office of the Attorney General  
6 Office of the Secretary of State  
7 16 Francis Street  
8 Annapolis, MD 21401  
9 (410) 260-3855  
10 Josaphine.yuzuik@maryland.gov  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 **FOR THE STATE OF NEW YORK**

2 

Date: 9-11-2025

3 Peggy J. Farber (NY Bar No. 4342655)

4 Assistant Attorney General

5 Charities Bureau – Enforcement Section

6 New York State Office of the Attorney General

7 28 Liberty Street, 19<sup>th</sup> Floor

8 New York, NY 10005

(212) 416-8785

9 [peggy.farber@ag.ny.gov](mailto:peggy.farber@ag.ny.gov)

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**FOR THE STATE OF NORTH CAROLINA**

  
M. Denise Stanford (NC State Bar No. 17601)  
Counsel for NC Secretary of State  
Special Deputy Attorney General  
North Carolina Department of Justice  
114 W. Edenton St. Raleigh, NC 27603  
(919) 716-6621  
[dstanford@ncdoj.gov](mailto:dstanford@ncdoj.gov)

Date: *September 12, 2025*

1 **FOR THE STATE OF NORTH CAROLINA**

2 

Date:

3 Logan R. Walters (NC State Bar No. 51050)

4 Special Deputy Attorney General

5 North Carolina Department of Justice

6 114 W. Edenton St. Raleigh

North Carolina 27603 (919) 716-6000

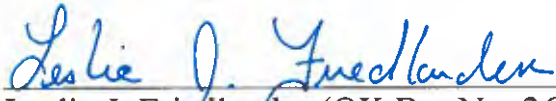
lwalters@ncdoj.gov

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 **FOR THE STATE OF OKLAHOMA**

2  
3 GENTNER DRUMMOND

4 Attorney General

5 

Date: 9/11/25

6 Leslie J. Friedlander (OK Bar No. 36493)

7 Office of the Oklahoma Attorney General

8 313 N.E. 21<sup>st</sup> Street

9 Oklahoma City, OK 73105

Telephone: (405) 522-0682

10 Email: [Leslie.Friedlander@oag.ok.gov](mailto:Leslie.Friedlander@oag.ok.gov)

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

**FOR THE STATE OF OREGON**

*Heather L. Weigler*

Date: September 11, 2025

Heather L. Weigler (OR Bar No. 035900)  
Senior Assistant Attorney General  
Oregon Department of Justice  
100 SW Market Street, Portland, Oregon 97201  
(971) 673-1880  
[Heather.L.Weigler@doj.state.or.us](mailto:Heather.L.Weigler@doj.state.or.us)

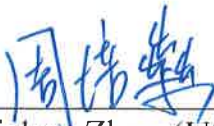
1 **FOR THE STATE OF SOUTH CAROLINA**

2  
3 

Date: 9/15/2025

4 Shannon A. Wiley (SC State Bar No. 69806)  
5 General Counsel & Public Information Director  
6 South Carolina Secretary of State's Office  
7 1205 Pendleton Street, Suite 525  
8 Columbia, SC 29201  
9 (803) 734-0246  
10 [swiley@sos.sc.gov](mailto:swiley@sos.sc.gov)  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**FOR THE STATE OF UTAH, UTAH DIVISION OF CONSUMER  
PROTECTION**

  
\_\_\_\_\_  
Peishen Zhou (USB No. 18596)

Date: 09/11/2025

Assistant Attorney General  
Counsel for Utah Division of Consumer Protection  
Office of the Attorney General for the State of Utah  
Address: 160 East 300 South, 5th Floor  
Salt Lake City, UT 84114  
Telephone: (801) 366-0310  
Email: peishenzhou@agutah.gov

1 **FOR THE COMMONWEALTH OF VIRGINIA,**  
2 ***EX REL.* JASON S. MIYARES,**  
3 **ATTORNEY GENERAL**

4 

5  
6 Date: September 11, 2025

7 Mark S. Kubiak (VSB NO. 73119)  
8 Senior Assistant Attorney General  
9 Chandler P. Crenshaw (VSB NO. 93452)  
10 Assistant Attorney General  
11 Office of the Attorney General of Virginia  
12 Barbara Johns Building  
13 202 North Ninth Street  
14 Richmond, VA 23219  
15 Telephone: (804) 786-7364  
16 Email: [mkubiak@oag.state.va.us](mailto:mkubiak@oag.state.va.us)  
17 [ccrenshaw@oag.state.va.us](mailto:ccrenshaw@oag.state.va.us)  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**FOR THE STATE OF WEST VIRGINIA**

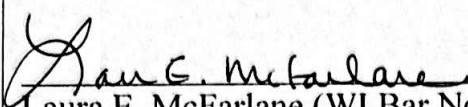
JOHN B. MCCUSKEY  
Attorney General of West Virginia



Date: 9/11/25

Michael M. Morrison (WV Bar No. 9822)  
Assistant Attorney General  
Consumer Protection/Antitrust Division  
Office of the West Virginia Attorney General  
1900 Kanawha Blvd., East  
State Capitol Complex Bldg. 6, Suite 401  
Charleston, WV 25305  
Telephone: (304) 558 -8986  
Facsimile: (304) 558-0184  
Email: [Matt.M.Morrison@wvago.gov](mailto:Matt.M.Morrison@wvago.gov)

1 **FOR THE STATE OF WISCONSIN**

2  
3  
4   
Laura E. McFarlane (WI Bar No. 1089358)

Date: 9/23/25

5 Assistant Attorney General

6 17 West Main Street

7 P.O. Box 7857

8 Madison, WI 53707-7857

(608) 266-8911

9 mcfarlanele@doj.state.wi.us  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 **FOR DEFENDANTS:**

2  
3  
4 

Date: 9/11/25

5 Karen Donnelly  
6 Colin Gregory  
7 Copilevitz, Lam & Raney, P.C.  
8 310 W. 20<sup>th</sup> Street, Suite 300  
9 Kansas City, MO 64108  
10 Telephone: (816) 472-9000  
11 Email: kdonnelly@clrkc.com  
12 cgregory@clrkc.com

13  
14 Counsel for Kars-R-Us.com, Inc.,  
15 Michael Irwin, and Lisa Frank

16  
17 DEFENDANT MICHAEL IRWIN

18  
19 

Date: 9/9/25

20 Michael Irwin, Individually

21  
22 DEFENDANTS KARS-R-US.COM, INC. and LISA FRANK

23 

Date: 9/9/2025

24 Lisa Frank, Individually and as an Officer  
25 of Kars-R-Us.com, Inc.  
26  
27  
28