

IN THE CIRCUIT COURT OF THE FOURTH JUDICIAL CIRCUIT  
IN AND FOR DUVAL COUNTY, FLORIDA

**FILED**

MAY 27 2015

*Ronnie W. Fussell*  
CLERK CIRCUIT COURT

OFFICE OF THE ATTORNEY GENERAL,  
DEPARTMENT OF LEGAL AFFAIRS,  
STATE OF FLORIDA

Plaintiffs,

CASE No. 16-2015-CA-001692

Division: CV-A

v.

SINGLES PLUS, INC., THE RELATIONSHIP COMPANY,  
JACKSONVILLE SINGLES SEARCH, INC., KENNETH POGUE and  
HEATHER OLSON,

Defendants.

**STIPULATED CONSENT FINAL JUDGMENT**

THIS CONSENT FINAL JUDGMENT was entered upon stipulation between Plaintiffs, OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS, STATE OF FLORIDA (hereinafter referred to as the "ATTORNEY GENERAL") and Defendants SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, JACKSONVILLE SINGLES SEARCH, INC. (the "Settling Entities"), and KENNETH POGUE (Mr. Pogue and the Settling Entities are collectively hereinafter referred to as the "Settling Defendants"). The Settling Defendants and the ATTORNEY GENERAL have consented in writing to the jurisdiction of this Court and hereby consent to the relief provided by this Judgment.

By express written consent of the Settling Defendants, it is hereby ORDERED, ADJUDGED and DECREED by this Court as follows:

**I. FACTUAL BACKGROUND AND FINDINGS**

1. A Complaint for Temporary and Permanent Injunctive Relief was filed against the DEFENDANTS, pursuant to the Florida Deceptive and Unfair Trade Practices Act ("FDUTPA"), Chapter 501, Part II, Fla. Stat. (2015). The Complaint arose from an investigation wherein the ATTORNEY GENERAL determined that an enforcement action served the public interest.

2. The Complaint concerns actions taking place in more than one Circuit. The Settling Defendants conducted business from an office located in Duval County, Florida among other locations within and outside the State of Florida.
3. A Motion for Temporary Injunctive Relief Without Notice was filed and granted, and this Court appointed Suzanne Judas as a receiver (the "Receiver") over the Settling Entities.
4. This Court has jurisdiction over the subject matter of this action pursuant to provisions of FDUPTA.
5. The award of injunctive relief and other equitable relief is within the jurisdiction of the Court and the amount in controversy meets the jurisdictional threshold of the Circuit Court.
6. Venue is proper in Duval County, Florida.
7. The acts and practices alleged in the Complaint filed by the Attorney General constitute violations of FDUTPA.
8. The Court FINDS that the acts and practices of the Settling Defendants constitute unfair, deceptive and unconscionable trade practices that are likely to deceive consumers acting reasonably under the circumstances.
9. Consumers in the State of Florida were actually injured by the unfair, deceptive and unconscionable practices of the Settling Defendants.
10. The Settling Defendants entered into this Consent Final Judgment freely and without coercion, and are represented by counsel. The Settling Defendants acknowledge that they have each read, understand, and are prepared to abide by the provisions of this Consent Final Judgment.
11. The parties have stipulated and agreed to this Consent Final Judgment without trial or adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising from the Complaint to the date of this Final Judgment.
12. The Settling Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Judgment.
13. The Settling Defendants waive and release any claims they may have against the Attorney General, its employees, representatives, or agents. The Settling Defendants agree that this Judgment does not entitle them to seek attorney's fees.

14. The Settling Defendants waive and release any claims they may have against the Receiver, her employees, representatives, or agents.
15. Entry of this Judgment is in the public interest.

## **II. SCOPE OF CONSENT FINAL JUDGMENT**

16. Scope of Consent Final Judgment: The injunctive provisions of this Consent Final Judgment are entered pursuant to Chapter 501, Part II, Florida Statutes (2015), and are applicable to Defendants SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, JACKSONVILLE SINGLES SEARCH, INC., and Mr. KENNETH POGUE, but do not apply to Defendant Heather Olson.

## **III. INJUNCTIVE RELIEF**

17. Defendants SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, JACKSONVILLE SINGLES SEARCH, INC., and KENNETH POGUE are hereby permanently enjoined and prohibited from engaging in any of the following activities:
  - a. Violating the provisions of FDUPTA, Chapter 501, Part II Florida Statutes.
  - b. Engaging in any business activity within the State of Florida involving in-person matchmaking services with Florida residents. This prohibition does not prohibit the Settling Defendants from liquidating assets of SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, and JACKSONVILLE SINGLES SEARCH, INC. to meet the obligations contemplated herein, settling debts of the Settling Defendants, contacting affected consumers for the purpose of restitution, and making restitution. The Settling Defendants, however, may not sell new memberships or continue to conduct normal business activity within the State of Florida

## **IV. MONETARY AND OTHER PROVISIONS**

18. Restitution: Final Judgment for restitution is entered in favor of the Attorney General against the Settling Defendants in the amount of Three Million Four Hundred Thousand Dollars (\$3,400,000.00) as restitution and monetary relief for consumer injury; provided, however, subject to the provisions of this Order,

judgment in the amount of One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00) is hereby suspended upon the Settling Defendants' compliance with the requirements, injunctions, and conditions of this Final Judgment. This amount was determined in part on the basis of the Settling Defendants' financial condition and resources, as represented to the Attorney General by the Settling Defendants. Should any of these representations prove to be untrue, the provisions of Paragraphs 25 and 26 hereof shall apply.

19. Payment Schedule. The Settling Defendants are hereby ORDERED to pay consumers restitution of \$2,050,000.00 (two million, fifty thousand dollars and zero cents in U.S. Currency) to be paid and distributed as follows:
- a. Restitution of 100% of all membership fees and/or other monies paid to the Settling Defendants by Florida consumers who filed a complaint prior to the date of this Judgment and to those consumers who purchased a membership within the past year (March 17, 2014-March 17, 2015). Restitution of \$1,000,000 will be remitted to such consumers within one year from the date of the Consent Final Judgment, with \$250,000 of that one million dollar amount being remitted within six months of the date of this Consent Final Judgment. Payment shall be made first to those consumers who filed a complaint prior to the date of this Judgment, with the remaining payments made to consumers who purchased memberships within the past year. Payments shall be made in reverse chronological order, i.e. to those who became members most recently first.
  - b. Restitution of 50% of all membership fees and/or other monies paid to the Settling Defendants by Florida consumers who purchased a membership between March 17, 2013 and March 17, 2014.
  - c. Restitution of 33% of all membership fees and/or other monies paid to the Settling Defendants by Florida consumers who purchased a membership between March 17, 2011 and March 17, 2013.

- d. Restitution totaling \$1,050,000 under b and c above is to be made over a period of four years beginning with July 1, 2016, with \$262,500.00 of the total being paid each year as follows:
- i. \$262,500 on or before 7/1/16,
  - ii. \$262,500 on or before 7/1/17,
  - iii. \$262,500 on or before 7/1/18, and
  - iv. \$262,500 on or before 7/1/19.
- e. This restitution formula is based in part upon the Settling Defendants' financial condition and resources, and in part upon the length of time during which the Settling Defendants may have had an opportunity to partially perform their contracts with consumers. Other than the passage of time, the Court finds that there is no verifiable way to determine the value of any services delivered by the Settling Defendants to Florida consumers.
- f. To the extent that the Settling Defendants are unable to locate some consumers for purposes of making restitution to those consumers, the Settling Defendants will inform the Attorney General's Office of their best efforts made to effect payment to those consumers and will remit the restitution payments payable to those consumers to the Attorney General to be held by the Attorney General in trust for those consumers. For a period of six months thereafter, the Settling Defendants will continue to use their best efforts to locate these consumers. If after six months such consumers still have not been located by the Settling Defendants, such funds shall distributed according to the provisions of Paragraphs 19(a) through 19(d) herein to the Florida consumers who were able to be located by the Settling Defendants.
- g. Payments shall be made directly by the Settling Defendants to the affected consumers.

- h. The Attorney General will supply the Settling Defendants with a list of Florida consumers who have filed a complaint against the Settling Defendants prior to the entry of this Final Judgment. The Settling Defendants are responsible for identifying all other consumers who are eligible to receive restitution as provided in this Judgment. The Settling Defendants are HEREBY ORDERED within 45 days of the date of this Judgment to provide the Attorney General with the following information: a list of Florida consumers who paid membership fees to the Settling Defendants between March 17, 2011 and March 17, 2015 and are thereby entitled to receive restitution pursuant to this Judgment--which list should include the names, addresses, telephone numbers, and email addresses of such consumers, the amount of money paid by such consumers to the Settling Defendants, and the amount of restitution due to be paid to such consumers pursuant to the terms of this Judgment.
- i. All expenses of administering the restitution process and reporting are to be borne by the Settling Defendants.
- j. If any Florida consumer obtained a refund of his or her membership fee by disputing a charge for such fee on his or her credit card, the amount of any such refund will count as an offset from the total amount of restitution owed to that consumer.
- k. If any Florida consumers financed their membership fees with a third party other than the Settling Defendants, the Settling Defendants will be responsible for making restitution of any payments made directly to the Settling Defendants by or on behalf of those consumers, and either canceling the debt obligations owed to third parties or paying off those obligations.
- l. If any Florida consumers financed their membership fees through any of the Settling Defendants themselves, the Settling Defendants will refund any payments made directly to the Settling Defendants by such consumers and cancel any remaining debt owed to the Settling Defendants by such consumers.

20. The Settling defendants are ORDERED to report to the Attorney General on the progress of all restitution payments made hereunder pursuant to Paragraph 19(a) through 19(l) by identifying the amounts and recipients of each payment made by the Settling Defendants on a quarterly basis beginning on July 1, 2015 and continuing until the final payment(s) provided hereunder has been made. The Settling Defendants are also ORDERED to respond within three (3) business days to any request made by the Attorney General at any other time for information concerning the status of any group of restitution payments or any individual restitution payment to a specific consumer.
21. This Consent Final Judgment represents a full and final settlement with the Office of the Attorney General by the Settling Defendants concerning matters alleged in the Complaint. Nothing herein shall be construed to impair or compromise any right or effect of any other government agency or any private party, and restricts only the Office of the Attorney General.
22. This Consent Final Judgment is a compromise settlement and is not an admission of any wrongdoing by the Settling Defendants.
23. The Settling Defendants shall not affect any change in the form of doing business or the organizational identity of any of the existing business entities or create any new business entity as a means of avoiding the terms and conditions set forth in this Judgment.
24. The Court FINDS that the Office of the Attorney General is entitled to the payment of its attorneys' fees and costs in this matter in the amount of \$135,000.00. The Court also FINDS that the Office of the Attorney General is entitled to civil penalties from the Settling Defendants in the amount of \$1,000,000.00 jointly and severally; and the Settling Defendants are hereby ORDERED to pay these amounts; provided however that, except as otherwise provided herein, the payment of the Attorney General's attorney's fees and civil penalties is hereby suspended upon the Settling Defendants' compliance with the requirements, injunctions and conditions of this Final Judgment.

25. The Attorney General's agreement to and the Court's approval of this Judgment are expressly premised upon the truthfulness, accuracy, and completeness of the Settling Defendants' financial Statements, all of which the Settling Defendants assert are truthful, accurate and complete. The Settling Defendants and the Attorney General stipulate that the Settling Defendants' financial statements provide the basis for the monetary judgment stated in this Judgment and that the Attorney General has relied upon the truthfulness, accuracy, and completeness of the Settling Defendants' financial statements.
26. If, upon motion by the Attorney General, and opportunity for Settling Defendants to be heard, this Court finds that any of the Settling Defendants have failed to comply with any provision of this Consent Final Judgment or have failed to provide truthful, accurate and complete financial statements to the Attorney General, the Court shall terminate, as to the offending Defendant(s), the suspension of the monetary judgment entered herein. The Court shall then enter a modified judgment holding the offending Defendants(s) liable to the Attorney General in the amount of three million four hundred thousand dollars (\$3,400,000.00) for consumer redress, one hundred thirty five thousand dollars (\$135,000.00) for attorneys' fees and costs, and one million dollars (\$1,000,000.00) for civil penalties, less any amounts already paid pursuant to this Judgment. In such event, the Court shall make an express determination that the judgment shall become immediately due and payable by the offending Defendant(s), jointly and severally, and the Attorney General shall be entitled to interest computed from the day of entry of this Judgment at the rate prescribed under Florida Statutes Section 55.03, as amended, on the unpaid balance.
27. The Settling Defendants shall cooperate with the Attorney General in the monitoring and enforcement of this Consent Final Judgment, and shall appear at such places and times as the Attorney General shall reasonably request, after written notice, for interviews, conferences, review of documents, and for such other matters as may be reasonably requested by the Attorney General. If requested in writing by the Office of the Attorney General, the Settling Defendants shall appear and provide truthful testimony in any trial, deposition or other proceeding related to the transactions or



occurrences that are the subject of the Complaint or that relate to this Consent Final Judgment without the service of a subpoena.

28. Until such time as all payments ordered herein are made by the Settling Defendants, the Settling Defendants will notify the Office of the Attorney General within thirty days of any of the following:
  - a. Any change of any Settling Defendant's address, telephone number or email address.
  - b. Any change of any Settling Defendant's name or fictitious name.
  - c. Any change in structure of any business entity owned or affiliated with any of the Settling Defendants.
  - d. Any bankruptcy filed by any of the Settling Defendants.

**VI. TERMINATION OF THE RECEIVERSHIP  
AND RETURN OF ASSETS TO THE SETTLING ENTITIES and MR. POGUE**

29. Upon the entry of this Judgment, the Receivership of the Settling Entities is hereby terminated.
30. The Receiver has presented her costs and fees to the Office of the Attorney General and to counsel for Mr. Pogue. A preliminary payment of \$58,564.68 has been made to cover a portion of Receiver's costs from accounts currently under the control of the Receiver. Mr. Pogue and the Settling Entities agree to pay \$166,721.00 to the Receiver, for agreed outstanding fees, costs, and obligations incurred arising out of this action ("Receiver's Costs") as of the date of this agreement. The Attorney General and Settling Defendants agree this amount is reasonable and fair. The Settling Defendants authorize Receiver to immediately transfer \$33,957.26 from accounts currently under the control of the Receiver to be applied towards the Receiver's Costs. Settling Defendants shall pay the remaining Receiver's Costs of \$132,763.74 by wire transfer or cashier's check to Receiver's attorney's (Holland & Knight) trust account as follows: \$15,000.00 within ten days of the execution of the

Consent Order, and \$19,627.29 on or before the 21st day of the month over the period of the next six months. The first monthly payment of 19,627.29 is due to be paid on or before June 21, 2015. If a monthly payment is not received by the first day of the following month, interest will be charged on that monthly payment according to the interest rates set forth pursuant to Section 55.03, Florida Statutes. As incentive to pay before the expiration of this six month period, Receiver agrees to reduce the Receiver's Costs in accordance with the chart below:

<b>Payment in Full Received by Date</b>	<b>Receiver Agrees to Reduce by Percentage (\$\$ Amount)</b>	<b>Total Amount Due Applying Early Payment Discount</b>
July 21, 2015	5% (\$8336.05)	\$158,384.95
August 21, 2015	4% (\$6668.84)	\$160,052.16
September 21, 2015	3% (\$5001.53)	\$161,719.37
October 21, 2015	2% (\$3334.42)	\$163,386.58

As an example, upon Receiver's transfer of \$33,957.26 into her accounts, and Settling Defendants payments of (a) the \$15,000 within ten days of execution of the agreement, and (b) the first monthly payment of \$19,627.29, Settling Defendants could pay off the total amount outstanding by paying Receiver \$87,300.40 on or before July 21, 2015. All payments received will be applied to offset the total amount due, except for monies received to satisfy interest charges on late monthly payments.

31. Settling Defendants shall pay within forty-five (45) from receipt of payment owed, any and all other reasonable fees, costs, and obligations incurred by Receiver, including but not limited to those incurred, billed, or invoiced after execution of this Consent Judgment.
32. All expenses of administering the return of Settling Defendants' seized assets and property, both real and personal, and tangible and intangible, shall be borne by the Settling Defendants.
33. Upon termination of the Receivership, Settling Defendants shall be immediately liable for all outstanding costs, and continuing liabilities and obligations, of the

Receiver and/or the Settling Entities, including but not limited to storage fees, lease payments, insurance premiums, credit card processing fees, payroll (including without limitation all associated federal, state, and local payroll taxes, and any pension and medical insurance payments), and any and all unpaid accounts payable.

34. The Receiver will transmit a copy of this Judgment terminating the Receivership to any counsel the Receiver has retained in other jurisdictions, who shall immediately move to terminate any and all actions in other states relating to the Receivership.
35. The Receiver will place Mr. Pogue in possession of the seized assets of the Settling Defendants upon termination of the Receivership.
36. Upon the termination of the Receivership and the entry of this Consent Final Judgment, the Temporary Injunction previously entered by this Court against the Settling Defendants is hereby vacated as to those parties only (but not, however, as to Defendant Heather Olson).

#### **VII. RETENTION OF JURISDICTION**


37. The Circuit Court of the Fourth Judicial Circuit will retain jurisdiction of this matter for purposes of construction, modification and enforcement of this Judgment.
38. This Final Judgment is continuing in nature and shall be binding upon any and all successors or assigns of the Settling Defendants.
39. This document is signed by the parties in anticipation of this Consent Final Judgment being submitted to the Court for approval, without the necessity of a hearing, which is hereby WAIVED by all parties. The signatures below indicate the parties' consent and agreement to this Final Judgment.
40. Time is of the essence in this Consent Final Judgment.
41. This document may be executed in Counterparts.

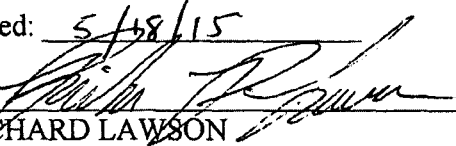
WHEREFORE, this Consent Final Judgment between the Office of the Attorney General and the Settling Defendants is hereby APPROVED:

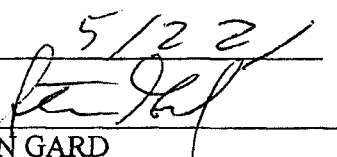
**CONSENTED AND AGREED TO:**

**FOR THE OFFICE OF THE ATTORNEY GENERAL:**

PAMELA JO BONDI,  
ATTORNEY GENERAL

By:   
PATRICIA A. CONNERS  
DEPUTY ATTORNEY GENERAL  
DEPARTMENT OF LEGAL AFFAIRS  
OFFICE OF THE ATTORNEY GENERAL  
The Capitol, PL-01  
Tallahassee, Florida 32399-1050  
850-245-0140

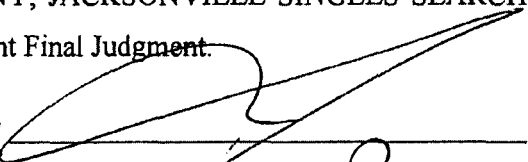
Dated: 5/18/15  
By:   
RICHARD LAWSON  
DIRECTOR,  
CONSUMER PROTECTION DIVISION  
DEPARTMENT OF LEGAL AFFAIRS  
OFFICE OF THE ATTORNEY GENERAL  
The Capitol, PL-01  
Tallahassee, Florida 32399-1050  
850-414-3600

Dated: 5/22/15  
By:   
STEVEN GARD  
SENIOR ASSISTANT ATTORNEY GENERAL  
CONSUMER PROTECTION DIVISION  
DEPARTMENT OF LEGAL AFFAIRS  
OFFICE OF THE ATTORNEY GENERAL  
1300 Riverplace Blvd., Suite 405  
Jacksonville, Florida 32207  
904-348-2720

Dated: May 15, 2015

By execution hereof, SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, JACKSONVILLE SINGLES SEARCH, INC., and KENNETH POGUE consent to the entry of this Consent Final Judgment, agree to all of the above terms and conditions, waive their rights to trial by jury and appeal, and agree to be bound by all provisions herein. The Undersigned represents that he has the authority to bind SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, JACKSONVILLE SINGLES SEARCH, INC, to the terms and conditions of this Consent Final Judgment.

By

  
\_\_\_\_\_

Ken Pogue President (Print Name/Title)

Date 05/14/15

State of South Carolina

County of Charleston

The foregoing instrument was acknowledged before me on this 14th day of May, 2015

By Ken Pogue as the President for the following entities

SINGLES PLUS, INC., THE RELATIONSHIP COMPANY, JACKSONVILLE SINGLES SEARCH, INC.

Personally known \_\_\_\_\_ or Produced Identification DRIVERS LICENSES

Type of Identification Produced South Carolina Drivers Licenses

  
\_\_\_\_\_

Kenneth Pogue, Individually

State of South Carolina

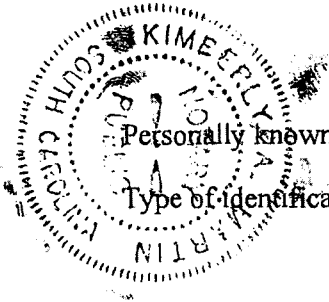
County of Charleston

BEFORE ME, an officer duly authorized to take acknowledgments in the State of South Carolina, KENNETH POGUE personally appeared and acknowledged before me that he executed the foregoing instrument for the purposes therein stated on the 14th day of May, 2015.

Subscribed to before me this 14th day of May, 2015.

Kimberly A. Martin

NOTARY PUBLIC



Personally known \_\_\_\_\_ or Produced Identification  (check one)

Type of identification produced: South Carolina Drivers License

\_\_\_\_\_  
Jo Ann Palchak, Esq.  
Fla. Bar. No. 22826  
The Law Office of Jo Ann Palchak, P.A.  
1725 1/2 E. 7th Ave. Suite 6  
Tampa, Florida 33605  
Telephone: 813-468-4884  
jpalchak@palchaklaw.co  
Attorney for Defendant Entities  
and Mr. Kenneth Pogue

Dated: \_\_\_\_\_

**SO ORDERED**, Approved and Entered in Chambers in Duval County, Florida, this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Hon. Thomas M. Beverly  
Circuit Judge

BEFORE ME, an officer duly authorized to take acknowledgments in the State of \_\_\_\_\_, KENNETH POGUE personally appeared and acknowledged before me that he executed the foregoing instrument for the purposes therein stated on the \_\_\_\_ day of \_\_\_\_\_, 2015.

Subscribed to before me this \_\_\_\_ day of \_\_\_\_\_, 2015.

NOTARY PUBLIC

Personally known \_\_\_\_\_ or Produced Identification \_\_\_\_\_ (check one)

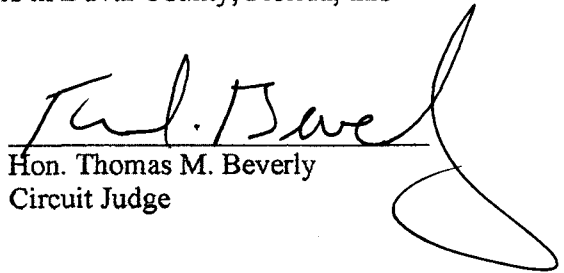
Type of identification produced: \_\_\_\_\_



Jo Ann Palchak, Esq.  
Fla. Bar. No. 22826  
The Law Office of Jo Ann Palchak, P.A.  
1725 1/2 E. 7<sup>th</sup> Ave. Suite 6  
Tampa, Florida 33605  
Telephone: 813-468-4884  
jpalchak@palchaklaw.com  
Attorney for Defendant Entities  
and Mr. Kenneth Pogue

Dated: 5/14/15

**SO ORDERED**, Approved and Entered in Chambers in Duval County, Florida, this 27 day of May, 2015.

  
Hon. Thomas M. Beverly  
Circuit Judge