

STATE OF NEW YORK
DEPARTMENT OF STATE

In the Matter of the Alleged Violations of the
Do Not Call Registry

- by-

DIRECTBUY INC.

CONSENT ORDER

13-DNC-0688
2013-0688

1. The New York State Department of State ("Department") is an executive agency of the State of New York charged with the regulation of the "Do Not Call" law and the enforcement of Article 26 of the General Business Law.
2. Respondent DIRECTBUY INC., ("DBI") is a foreign business corporation with an address of 8450 Broadway, Merrillville, IN 46410.
3. The Department of State Division of Licensing Services Enforcement Unit received numerous complaints stating that DBI violated the Do Not Call law.
4. The Department's staff conducted an investigation, which investigation resulted in commencement of the above-captioned administrative proceeding.
5. Respondent DBI has been advised of its right to be represented by an attorney and is represented by C. Joseph Yast, Esq., 8450 Broadway, Merrillville, IN 46410.
6. By executing this Consent Order, the Respondent affirmatively waives the right to a hearing in the manner provided by law, consents to the issuance and entry of this Order and agrees to be bound by the terms, provisions and conditions contained herein.
7. DBI enters into this agreement in order to resolve a disputed matter. DBI affirms that all violations alleged in the Department's Notice of Apparent Liability, regarding a pattern of business practices by DBI's New York franchisees which allegedly violated the relevant sections of the General Business Law have been, or will be rectified, in accordance with the terms set forth herein:

To resolve the Department's allegations that DBI's New York franchisees made no less than twenty-six (26) unsolicited telemarketing sales calls to twenty-three (23) consumers whose telephone numbers were validly registered on the National Do Not Call Registry, in violation of New York General Business Law (GBL) Section 399-z and 21 NYCRR Parts 4602 and 4603 DBI agrees to a settlement payment in the amount of \$500 per alleged call, for a total payment due of \$13,000.00.

NOW, in consideration of the above premises, it is **ORDERED**:

1. That Respondent DBI shall execute and forward the within Consent Order to the NYS Department of State, Office of General Counsel, Attn: David A. Mossberg, Esq., 123 William Street, 20th Floor, New York, NY 10038, so that the original of same is received on or before **August 25, 2014**;

2. That Respondent DBI shall be ordered to pay a fine in the sum of thirteen thousand (\$13,000.00) dollars made payable to: "NYS Department of State" by certified check or postal money order only. Respondent DBI is ordered to return the same so that it is received by Department on or before **August 25, 2014**;
3. That upon execution of this Order by the Secretary of State or his designee, the Complaint in this matter shall be terminated, withdrawn and discontinued with prejudice with respect to Respondent in accordance with the terms hereof;
4. That the Consent Order herein expressly depends upon representations made by the Respondent, both oral or written, formal or informal which relate to the subject matter of the Consent Order and that such representations have fully, accurately and truthfully disclosed all relevant facts to the Department of State. If any such representation is determined to be limited, inaccurate or untruthful, the Department of State shall not be bound by the terms herein and shall initiate any action it deems appropriate in the administrative, civil or criminal prosecution of the Respondent;
5. The effective date of this Order shall be the date on which the Secretary of State or his designee signs the same and shall expire when Respondent has fully complied with the requirements of this Order. The Department will provide Respondent or Respondent's counsel with a fully executed copy of this Order as soon as practicable after the Secretary of State signs the same;
6. The failure of Respondent to comply fully and in timely fashion with any provision of this Order shall constitute a default and a failure to perform an obligation under this Order. Such default shall result in an administrative hearing for the purpose of determining whether additional penalties should be imposed due to the Respondent's default and failure to perform an obligation under this Order;
7. This Order constitutes the entire agreement of the parties and no provision of the agreement shall be deemed waived or otherwise modified except as is specifically set forth in a writing executed by the Secretary of State or his designee indicating an intent to modify this Order;

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8. Nothing contained in this Order shall be construed as barring, diminishing, adjudicating or in any way affecting (1) any legal, administrative or equitable rights or claims, actions, suits, causes of action or demand whatsoever that the Department may have against anyone other than Respondent (2) any right of the Department to enforce administratively or at law or in equity, the terms, provisions and conditions of this Order; (3) any right of the Department to bring any future action, either administrative or judicial, for any other violations of the applicable laws, the implementing regulations or conditions contained in orders if any, issued by the Department to Respondent;

Dated: 8/13/14

Albany, New York

NEW YORK STATE
DEPARTMENT OF STATE

By: William L Sharp
William Sharp
Principal Attorney

CONSENT OF DIRECTBUY INC.

Respondent DIRECTBUY INC., hereby consents to the issuing and entering of this Order, waives its right to a hearing and agrees to be bound by the terms and conditions herein.

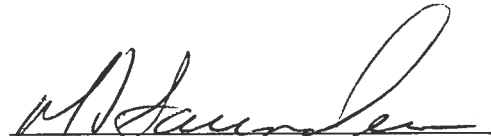
Consent of: DIRECTBUY INC.



By: Mike Bornhorst
DIRECTBUY INC.

STATE OF)
)
COUNTY OF) ss.:

On this 31 day of July in the year 2014 before me, the undersigned, personally appeared Mike Bornhorst, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


Notary Public