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15 **UNITED STATES DISTRICT COURT**  
16 **DISTRICT OF NEVADA**

17  
18 FEDERAL TRADE COMMISSION,

Case No. 2:14-cv-00896-GMN-VCF

19 Plaintiff,

20 v.

21 PHILIP DANIELSON, LLC, *et al.*

22 Defendants.  
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24  
25 **ORDER ENTERING STIPULATED PRELIMINARY INJUNCTION**  
**WITH ASSET FREEZE AND OTHER EQUITABLE RELIEF**

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1 THIS MATTER comes before the Court upon the stipulation of Plaintiff, Federal Trade  
2 Commission, and Defendants Philip Danielson, LLC (d/b/a Danielson Law Group, DLG Legal,  
3 and American Mortgage Assistance Center); Foundation Business Solutions, LLC; emergant,  
4 LLC (d/b/a Full Biz Solutions); Direct Results Solutions, LLC; Strata G Solutions, LLC; Acutus  
5 Law, P.C.; Philip J. Danielson; Tony D. Norton; Sean J. Coberly; Tanya L. Hawkins; Chad E.  
6 VanSickle; and Relief Defendant April D. Norton (collectively "Stipulating Defendants") for the  
7 entry of a stipulated preliminary injunction order ("Order").

8 Having considered the Complaint, the stipulation of the parties, and the other filings in  
9 this action, the Court finds that:

10 1. The FTC and the Stipulating Defendants have stipulated and agreed to the entry  
11 of this preliminary injunction order without any admission of wrongdoing or violation of law,  
12 and without a finding by the Court of law or fact other than stated below.

13 2. The Stipulating Defendants waive all rights to seek judicial review or otherwise  
14 challenge or contest the validity of their Stipulation hereto or this Order.

15 3. This Court has jurisdiction over the subject matter of this case, there is good cause  
16 to believe it will have jurisdiction over all parties hereto, and venue in this district is proper;

17 4. The FTC asserts that there is good cause to believe that Stipulating Defendants  
18 have engaged in and are likely to engage in acts and practices that violate Section 5(a) of the  
19 FTC Act and the MARS Rule, 12 C.F.R. § 1015 and 16 C.F.R. § 322, and that the FTC is  
20 therefore likely to prevail on the merits of this action.

21 5. The FTC asserts that there is good cause to believe that Stipulating Relief April  
22 D. Norton received funds or assets that can be traced directly to Stipulating Defendants'  
23 unlawful acts or practices and has no legitimate claims to those funds;

24 6. The FTC asserts that there is good cause to believe that immediate and irreparable  
25 damage will result unless the Stipulating Defendants are restrained and enjoined by Order of this

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1 Court;

2 7. The entry of this Order is in the public interest; and

3 8. No security is required of any agency of the United States for the issuance of a  
4 Temporary Restraining Order. Fed. R. Civ. P. 65(c).

5 **DEFINITIONS**

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

7 A. **“Assets”** means any legal or equitable interest in, right to, or claim to, any and all real  
8 and personal property of Stipulating Defendants or Stipulating Relief Defendant, or held  
9 for the benefit of Stipulating Defendants or Stipulating Relief Defendant, wherever  
10 located, whether in the United States or abroad, including but not limited to chattel,  
11 goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds,  
12 contracts, mail or other deliveries, inventory, checks, notes, accounts, credits, receivables  
13 (as those terms are defined in the Uniform Commercial Code), shares of stock, futures,  
14 and all cash and currency, and trusts, including but not limited to any trust held for the  
15 benefit of any Stipulating Defendant or Relief Stipulating Defendant, any of the  
16 Individual Stipulating Defendants’ minor children, or any of the Individual Stipulating  
17 Defendants’ spouses, and shall include both existing assets and assets acquired after the  
18 date of entry of this Order.

19 B. **“Assisting others”** includes, but is not limited to:

20 1. Performing customer service functions, including, but not limited to, receiving or  
21 responding to consumer complaints;

22 2. Formulating or providing, or arranging for the formulation or provision of, any  
23 advertising or marketing material, including, but not limited to, any telephone  
24 sales script, direct mail solicitation, or the design, text, or use of images of any  
25 Internet website, email, or other electronic communication;

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3. Formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including but not limited to, web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services;
4. Providing names of, or assisting in the generation of, potential customers;
5. Performing marketing, billing, or payment services of any kind; and
6. Acting or serving as an owner, officer, director, manager, or principal of any entity.

C. **“Corporate Defendants”** means Philip Danielson, LLC (d/b/a American Mortgage Assistance Center, d/b/a Danielson Law Group, and d/b/a DLG Legal); Foundation Business Solutions, LLC; emerchant, LLC (d/b/a Full Biz Solutions); Linden Financial Group, LLC; Direct Results Solutions, LLC; Strata G Solutions, LLC; Acutus Law, P.C; and their successors, assigns, affiliates, or subsidiaries, and each of them by whatever names each might be known.

D. **“Defendants”** means all Individual Defendants and Corporate Defendants, individually, collectively, or in any combination, and each of them by whatever names each might be known.

E. **“Document”** and **“Electronically Stored Information”** are synonymous in meaning and equal in scope to the usage of the terms in Rule 34(a) of the Federal Rules of Civil Procedure and include but are not limited to:

1. The original or a true copy of any written, typed, printed, electronically stored, transcribed, taped, recorded, filmed, punched, or graphic matter or other data compilations of any kind, including, but not limited to, letters, email or other correspondence, messages, memoranda, interoffice communications, notes, reports, summaries, manuals, magnetic tapes or discs, tabulations, books, records,

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1 checks, invoices, work papers, journals, ledgers, statements, returns, reports,  
2 schedules, or files; and

- 3 2. Any electronically stored information stored on any server, Blackberrys or any  
4 type of mobile device, flash drives, personal digital assistants (“PDAs”), desktop  
5 personal computer and workstations, laptops, notebooks, and other portable  
6 computers, or other electronic storage media, whether assigned to individuals or  
7 in pools of computers available for shared use, or personally owned but used for  
8 work-related purposes; backup disks and tapes, archive disks and tapes, and other  
9 forms of offline storage, whether stored onsite with the computer used to generate  
10 them, stored offsite in another company facility, or stored, hosted, or otherwise  
11 maintained offsite by a third-party; and computers and related offline storage used  
12 by Defendants, Relief Defendant, or Defendants’ participating associates, which  
13 may include persons who are not employees of the company or who do not work  
14 on company premises.

15 F. **“Electronic Data Host”** means any person or entity in the business of storing, hosting, or  
16 otherwise maintaining electronically stored information.

17 G. **“Financial Institution”** means any bank, savings and loan institution, credit union, or  
18 any financial depository of any kind, including, but not limited to, any brokerage house,  
19 trustee, broker-dealer, escrow agent, title company, commodity trading company, or  
20 precious metal dealer.

21 H. **“Individual Defendants”** means Philip J. Danielson; Tony D. Norton; Sean J. Coberly;  
22 Tanya L. Hawkins; Chad E. VanSickle; Jennifer B. Danielson; and any other names by  
23 which they might be known.

24 I. **“Mortgage Assistance Relief Product or Service”** means any product, service, plan, or  
25 program, offered or provided to the consumer in exchange for consideration, that is

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1 represented, expressly or by implication, to assist or attempt to assist the consumer with  
2 any of the following:

- 3 1. stopping, preventing, or postponing any mortgage or deed of trust foreclosure sale  
4 for the consumer's dwelling, any repossession of the consumer's dwelling, or  
5 otherwise saving the consumer's dwelling from foreclosure or repossession;
- 6 2. negotiating, obtaining, or arranging a modification of any term of a dwelling loan,  
7 including a reduction in the amount of interest, principal balance, monthly  
8 payments, or fees;
- 9 3. obtaining any forbearance or modification in the timing of payments from any  
10 dwelling loan holder or servicer on any dwelling loan;
- 11 4. negotiating, obtaining, or arranging any extension of the period of time within  
12 which the consumer may (i) cure his or her default on a dwelling loan, (ii)  
13 reinstate his or her dwelling loan, (iii) redeem a dwelling, or (iv) exercise any  
14 right to reinstate a dwelling loan or redeem a dwelling;
- 15 5. obtaining any waiver of an acceleration clause or balloon payment contained in  
16 any promissory note or contract secured by any dwelling; or
- 17 6. negotiating, obtaining, or arranging (i) a short sale of a dwelling, (ii) a deed-in-  
18 lieu of foreclosure, (iii) or any other disposition of a dwelling other than a sale to  
19 a third party that is not the dwelling loan holder. The foregoing shall include any  
20 manner of claimed assistance, including, but not limited to, auditing or examining  
21 a consumer's mortgage or home loan application and offering to provide or  
22 providing legal services, or offering to sell a consumer a plan or subscription to a  
23 service that provides such assistance.

24 J. **“Person”** means any individual, group, unincorporated association, limited or general  
25 partnership, corporation or other business entity.

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1 K. **“Relief Defendant”** or **“Stipulating Relief Defendant”** means April D. Norton and her  
2 successors, assigns, affiliates, or subsidiaries, and each of them by whatever names each  
3 might be known.

4 L. **“Stipulating Defendants”** means Philip Danielson, LLC (d/b/a American Mortgage  
5 Assistance Center, d/b/a Danielson Law Group, and d/b/a DLG Legal); Foundation  
6 Business Solutions, LLC; emergent, LLC (d/b/a Full Biz Solutions); Direct Results  
7 Solutions, LLC; Strata G Solutions, LLC; Acutus Law, P.C.; Philip J. Danielson; Tony  
8 D. Norton; Sean J. Coberly; Tanya L. Hawkins; and Chad E. VanSickle; individually,  
9 collectively, or in any combination, and each of them by whatever names each might be  
10 known.

11 **I.**  
12 **PROHIBITED REPRESENTATIONS**

13 **IT IS THEREFORE ORDERED** that Stipulating Defendants and their successors,  
14 assigns, officers, agents, servants, employees, and attorneys, and those persons or entities in  
15 active concert or participation with any of them who receive actual notice of this Order by  
16 personal service, facsimile transmission, email, or otherwise, whether acting directly or through  
17 any corporation, subsidiary, division, or other device, in connection with the advertising,  
18 marketing, promotion, offering, for sale or sale of any mortgage assistance relief product or  
19 service, are hereby preliminarily restrained and enjoined from falsely representing, or assisting  
20 others who are falsely representing, expressly or by implication, any of the following:

- 21 A. that any Stipulating Defendant or any other person typically will obtain for consumers  
22 mortgage loan modifications that will make consumers’ payments substantially more  
23 affordable, or will help consumers avoid foreclosure;
- 24 B. that any Stipulating Defendant is affiliated with, endorsed or approved by, or otherwise  
25 associated with the maker, holder, or servicer of the consumer’s dwelling loan;

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- 1 C. that the consumer is not obligated to, or should not, make scheduled periodic payments or
- 2 any other payments pursuant to the terms of the consumer's dwelling loan;
- 3 D. that the consumer will receive a refund in the event Stipulating Defendants do not deliver
- 4 promised results from their mortgage assistance relief services;
- 5 E. that the consumer will receive legal representation; and
- 6 F. that as a result of a mortgage analysis report provided by any Stipulating Defendant,
- 7 consumers typically will obtain a mortgage loan modification that will make consumers'
- 8 payments substantially more affordable or will help consumers avoid foreclosure.

9 **II.**  
10 **DISCLOSURES REQUIRED BY AND REPRESENTATIONS**  
11 **PROHIBITED BY THE MARS RULE**

12 **IT IS FURTHER ORDERED** that Stipulating Defendants and their successors, assigns,  
13 officers, agents, servants, employees, and attorneys, and those persons or entities in active  
14 concert or participation with any of them who receive actual notice of this Order by personal  
15 service or otherwise, whether acting directly or through any corporation, subsidiary, division, or  
16 other device, in connection with the telemarketing, advertising, marketing, promotion, offering  
17 for sale or sale of any good or service, are hereby preliminarily restrained and enjoined from  
18 engaging in, or assisting others in engaging in, the following conduct:

- 19 A. Misrepresenting, expressly or by implication, any material aspect of any mortgage
- 20 assistance relief service, in violation of 12 C.F.R. § 1015.3(b) & 16 C.F.R. § 322.3(b).
- 21 B. Representing, expressly or by implication, in connection with the advertising, marketing,
- 22 promotion, offering for sale, sale or performance of any mortgage assistance relief
- 23 service, that a consumer cannot or should not contact or communicate with his lender or
- 24 servicer, in violation of 12 C.F.R. § 1015.3(a) & 16 C.F.R. § 322.3(a);
- 25 C. Failing to make the following disclosure in all general and consumer-specific commercial
- 26 communications: "[Name of Company]" is not associated with the government, and our

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1 service is not approved by the government or your lender,” in violation of 12 C.F.R. §  
2 1015.4(a)(1), (a)(3), (b)(2), and (b)(4) & 16 C.F.R. § 322.3(a)(1), (a)(3), (b)(2), and  
3 (b)(4);

4 D. Failing to make the following disclosure in all general and consumer-specific commercial  
5 communications: “Even if you accept this offer and use our service, your lender may not  
6 agree to change your loan,” in violation of 12 C.F.R. § 1015.4(a)(2), (a)(3), (b)(3), and  
7 (b)(4) & 16 C.F.R. § 322.4(a)(2), (a)(3), (b)(3) and (b)(4);

8 E. Failing to make the following disclosure in all consumer-specific commercial  
9 communications: “You may stop doing business with us at any time. You may accept or  
10 reject the offer of mortgage assistance we obtain from your lender [or servicer]. If you  
11 reject the offer, you do not have to pay us. If you accept the offer, you will have to pay  
12 us [insert amount or method for calculating the amount] for our services.” For the  
13 purposes of this subsection, the amount “you will have to pay” shall consist of the total  
14 amount the consumer must pay to purchase, receive, and use all of the mortgage  
15 assistance relief services that are the subject of the sales offer, including but not limited  
16 to, all fees and charges, in violation of 12 C.F.R. § 1015.4(b)(1) and (b)(4) & 16 C.F.R.  
17 § 322.4(b)(1) and (b)(4); and

18 F. Failing, in all general commercial communications, consumer-specific commercial  
19 communications, and other communications in cases where any Stipulating Defendant or  
20 person has represented, expressly or by implication, in connection with the advertising,  
21 marketing, promotion, offering for sale, or performance of any mortgage assistance relief  
22 service, that the consumer should temporarily or permanently discontinue payments, in  
23 whole or in part, on a dwelling loan, to place clearly and prominently, and in close  
24 proximity to any such representation the following disclosure: “If you stop paying your  
25 mortgage, you could lose your home and damage your credit rating,” in violation of 12

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1 C.F.R. § 1015.4(c) & 16 C.F.R. § 322.4(c).

2 **III.**  
3 **PROHIBITION AGAINST COLLECTION OF ADVANCE FEES**

4 **IT IS FURTHER ORDERED** that Stipulating Defendants and their successors, assigns,  
5 officers, agents, servants, employees, and attorneys, and those persons or entities in active  
6 concert or participation with any of them who receive actual notice of this Order by personal  
7 service or otherwise, whether acting directly or through any corporation, subsidiary, division, or  
8 other device, in connection with the telemarketing, advertising, marketing, promotion, offering  
9 for sale or sale of any good or service, are hereby preliminarily restrained and enjoined from  
10 asking for or receiving payment of any fee or other consideration until a consumer has executed  
11 a written agreement between the consumer and the consumer's loan holder or servicer  
12 incorporating the offer of mortgage assistance relief obtained on the consumer's behalf.

13 **IV.**  
14 **PRESERVATION OF RECORDS AND TANGIBLE THINGS**

15 **IT IS FURTHER ORDERED** that Stipulating Defendants and their successors, assigns,  
16 officers, agents, servants, employees, and attorneys, and those persons or entities in active  
17 concert or participation with any of them who receive actual notice of this Order by personal  
18 service or otherwise, whether acting directly or through any corporation, subsidiary, division, or  
19 other device, in connection with the telemarketing, advertising, marketing, promotion, offering  
20 for sale or sale of any good or service, are hereby preliminarily restrained and enjoined from  
21 destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in  
22 any manner, directly or indirectly, any documents or records that relate to the business practices,  
23 or business and personal finances, of Defendants, or an entity directly or indirectly under the  
control of Defendants.

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**V.  
DISABLEMENT OF WEBSITES AND PRESERVATION  
OF ELECTRONICALLY STORED INFORMATION**

**IT IS FURTHER ORDERED** that, to the extent not already done pursuant to the TRO issued in this case, immediately upon service of the Order upon them, (1) any person hosting any Internet website or server for, or on behalf of, any Stipulating Defendant, and (2) Stipulating Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, shall:

- A. Immediately take any necessary steps to ensure that any Internet website used by Stipulating Defendants for the advertising, marketing, promotion, offering for sale, sale, or provision of any mortgage assistance relief service, and containing statements or representations prohibited by Sections I-II of this Order cannot be accessed by the public; and
- B. Prevent the alteration, destruction or erasure of any (1) Internet website used by Stipulating Defendants for the advertising, marketing, promotion, offering for sale, sale, or provision of any mortgage assistance relief service, by preserving such websites in the format in which they are maintained currently and (2) any electronically stored information stored on behalf of Corporate Defendants or entities in active concert or participation with any of them.

**VI.  
SUSPENSION OF INTERNET DOMAIN NAME REGISTRATIONS**

**IT IS FURTHER ORDERED** that, to the extent not already done pursuant to the TRO issued in this case, any domain name registrar shall suspend the registration of any Internet website used by Stipulating Defendants for the advertising, marketing, promotion, offering for

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1 sale, sale, or provision of any mortgage assistance relief service, and containing statements or  
2 representations prohibited by Sections I-II of this Order and provide immediate notice to counsel  
3 for the FTC of any other Internet domain names registered by Stipulating Defendants or their  
4 officers, agents, servants, employees, and attorneys, and those persons or entities in active  
5 concert or participation with any of them who receive actual notice of this Order by personal  
6 service or otherwise.

7 **VII.**  
8 **ASSET FREEZE**

9 **IT IS FURTHER ORDERED** that:

10 A. Except as set forth in Section VII.B-D of this Order, Stipulating Defendants and  
11 Stipulating Relief Defendant, and their officers, agents, servants, employees, and  
12 attorneys, and all persons or entities directly or indirectly under the control of any of  
13 them, including any financial institution, and all other persons or entities in active concert  
14 or participation with any of them who receive actual notice of this Order by personal  
15 service, facsimile, email, or otherwise, each are hereby preliminarily restrained and  
16 enjoined from directly or indirectly

17 1. Selling, liquidating, assigning, transferring, converting, loaning, hypothecating,  
18 disbursing, gifting, conveying, encumbering, pledging, concealing, dissipating,  
19 spending, withdrawing, granting a lien or security interest or other interest in, or  
20 otherwise disposing of any funds, real or personal property, contracts, consumer  
21 lists or other assets or any interest therein, wherever located, including any assets  
22 outside the territorial United States that are:

- 23 i. in the actual or constructive possession of any Stipulating Defendant or  
24 Stipulating Relief Defendant;  
25 ii. owned or controlled by, or held, in whole or in part for the benefit of, or

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1 subject to access by, or belonging to, any Stipulating Defendant or  
2 Stipulating Relief Defendant; or

3 iii. in the actual or constructive possession of, or owned or controlled by, or  
4 subject to access by, or belonging to, any corporation, partnership, trust or  
5 other entity directly or indirectly owned, managed, or under the control of  
6 any Stipulating Defendant or Stipulating Relief Defendant;

7 2. Opening, or causing to be opened, any safe deposit boxes titled in the name of or  
8 subject to access by any Stipulating Defendant or Stipulating Relief Defendant;

9 3. Incurring charges on any credit card, stored value card, debit card, or charge card  
10 issued in the name, singly or jointly, of any Stipulating Defendant or Stipulating  
11 Relief Defendant or any other entity directly or indirectly owned, managed, or  
12 controlled by any Stipulating Defendant or Stipulating Relief Defendant;

13 4. Obtaining a personal or secured loan;

14 5. Cashing any checks from consumers, clients, or customers of any Stipulating  
15 Defendant;

16 6. Failing to disclose to the FTC, immediately upon service of this Order,  
17 information that fully identifies each asset of the Stipulating Defendants or  
18 Stipulating Relief Defendant, and each entity holding such asset, including,  
19 without limitation, the entity's name, address, and telephone number, the number  
20 of the account, and the name under which the account is held.

21 B. Tony and April Norton shall transfer the amount of \$10,350 in cash to Bank of the West  
22 account number #2571 in the name of Tony Norton. Thereafter, the asset freeze  
23 provisions of this Order shall not apply to

24 1. America First Credit Union #4747 in the name of Sean Coberly;

25 2. America First Credit Union #8268 in the name of Chad and Jennifer VanSickle;

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- 1 3. Bank of American Fork #3946 in the name of Tonya Hawkins and Brenton
- 2 Hawkins;
- 3 4. JP Morgan Chase #6782 in the name of April Donohue;
- 4 5. JP Morgan Chase #0904 in the name of April Donohue;
- 5 6. Jordan Credit Union #2727 in the name of Tonya Hawkins and Brenton Hawkins;
- 6 7. Wells Fargo Bank #0481 in the name of Philip Danielson;
- 7 8. Wells Fargo Bank #4326 in the name of Philip Danielson;
- 8 9. Wells Fargo Bank #8079 in the name of Chad VanSickle and Joseph DaRonche;
- 9 10. Wells Fargo Bank #1704 in the name of Chad and Jennifer VanSickle;
- 10 11. Wells Fargo Bank #0860 in the name of Chad and Jennifer VanSickle;
- 11 12. Zions Bank #5670 in the name of Chad and Jennifer VanSickle;
- 12 13. Zions Bank #3479 in the name of Tonya Hawkins and Brenton Hawkins;
- 13 14. Zions Bank #2331 in the name of Tonya Hawkins and Torrie Hawkins; and
- 14 15. Zions Bank #1193 and #3295 in the name of Tonya Hawkins and Brenna
- 15 Hawkins.

16 C. The Stipulating Individual Defendants may retain and spend income received from  
17 employment performed after the date of entry of this Order, provided, however, that they  
18 shall first deposit such income into one of the accounts identified in sub-section B above.

19 D. Stipulating Individual Defendants may retain and spend assets acquired by loan or gift  
20 after the date of entry of this Order only after identifying such assets to FTC counsel.  
21 This notice provision does not apply to loans or gifts valued at less than \$500.

22 E. Nothing herein shall preclude the Stipulating Defendants from filing future motions or  
23 stipulations with the Court for releases of additional funds for the payment of reasonable  
24 and necessary living expenses or attorney's fees. Nothing herein shall preclude the FTC  
25 from filing objections to any such future motion for release of funds.

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1 C. Deny access to any safe deposit boxes that are either titled in the name, individually or  
2 jointly, or subject to access by, any Stipulating Defendant, Stipulating Relief Defendant,  
3 or other party subject to Section VII above; and

4 D. To the extent not already done so pursuant to the TRO issued in this case, provide to  
5 counsel for the FTC, within one (1) business day, a sworn statement setting forth:

6 1. the identification of each account or asset titled in the name, individually  
7 or jointly, or held on behalf of or for the benefit of, subject to withdrawal  
8 by, subject to access or use by, or under the signatory power of any  
9 Stipulating Defendant, Stipulating Relief Defendant, or other party subject  
10 to Section VII above, whether in whole or in part;

11 2. the balance of each such account, or a description of the nature  
12 and value of such asset, as of the close of business on the day on  
13 which this Order is served;

14 3. the identification of any safe deposit box that is either titled in the name  
15 of, individually or jointly, or is otherwise subject to access or control by,  
16 any Stipulating Defendant or Stipulating Relief Defendant, or other party  
17 subject to Section VII above, whether in whole or in part; and

18 4. if the account, safe deposit box, or other asset has been closed or removed,  
19 the date closed or removed, the balance on said date, and the name or the  
20 person or entity to whom such account or other asset was remitted;

21 E. To the extent not already done so pursuant to the TRO issued in this case, provide  
22 counsel for the FTC, within three (3) business days after being served with a request,  
23 copies of all documents pertaining to such account or asset, including but not limited to:  
24 account statements, account applications, signature cards, checks, deposit tickets,  
25 transfers to and from the accounts, wire transfers, all other debit and credit instruments or

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1 slips, 1099 forms, and safe deposit box logs; and

2 F. Cooperate with all reasonable requests of the FTC relating to this Order's  
3 implementation.

4 **IT IS FURTHER ORDERED** that the accounts subject to this provision include (a) all  
5 assets of each Stipulating Defendant or Stipulating Relief Defendant deposited as of the time this  
6 Order is entered, and (b) those assets deposited after entry of this Order that are derived from the  
7 actions alleged in Plaintiff's Complaint. This Section VIII does not prohibit the Repatriation of  
8 Foreign Assets, as specifically required in Section XI of this Order.

9 **IT IS FURTHER ORDERED** that, in addition to the information and documents  
10 required to be produced pursuant to Subsections VIII.D, VIII.E, and Section VII, the FTC is  
11 granted leave, pursuant to Fed. R. Civ. P. 45, to subpoena documents immediately from any  
12 financial or brokerage institution, business entity, electronic data host, or person served with a  
13 copy of this Order that holds, controls, or maintains custody of any account, document,  
14 electronically stored information, or asset of, on behalf of, in the name of, for the benefit of,  
15 subject to withdrawal by, subject to access or use by, or under the signatory power of any  
16 Stipulating Defendant, Stipulating Relief Defendant, or other party subject to Section VII above,  
17 or has held, controlled, or maintained any such account, document, electronically stored  
18 information, or asset, and such financial or brokerage institution, business entity, electronic data  
19 host or person shall respond to such subpoena within three (3) business days after service.

20 **IX.**  
21 **FINANCIAL STATEMENTS AND ACCOUNTING**

22 **IT IS FURTHER ORDERED** that, to the extent it has not already been done pursuant to  
23 the TRO issued in this case, each Stipulating Defendant or Stipulating Relief Defendant, within  
24 three (3) business days of service of this Order, shall prepare and deliver to counsel for the FTC:

25 A. For Individual Stipulating Defendants and Stipulating Relief Defendant, a completed

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1 financial statement accurate as of the date of service of this Order upon such Stipulating  
2 Defendant in the form of Attachment A to this Order captioned "Financial Statement of  
3 Individual Stipulating Defendant."

4 B. For Corporate Stipulating Defendants, a completed financial statement accurate as of the  
5 date of service of this Order upon such Stipulating Defendant (unless otherwise agreed  
6 upon with FTC counsel) in the form of Attachment B to this Order captioned "Financial  
7 Statement of Corporate Stipulating Defendant."

8 C. For each Stipulating Defendant and Stipulating Relief Defendant, a completed statement,  
9 verified under oath, of all payments, transfers or assignments of funds, assets, or property  
10 worth more than \$2,500 in funds or other assets during the previous three years by loan,  
11 gift, sale or other transfer. For each person to whom a transfer has been made, state the  
12 total amount transferred during that period. Such statement shall include: (a) the  
13 transferee's name, address and relationship; (b) the property transferred; (c) the aggregate  
14 value; and (d) the transfer date; and (e) the type of transfer.

15 D. Corporate Stipulating Defendants shall state their: (1) total gross sales revenues for 2011,  
16 2012, 2013, and 2014 to date; (2) their total gross expenses for 2011, 2012, 2013, and  
17 2014 to date; (3) their gross operating expenditures on a monthly basis per category for  
18 2011, 2012, 2013, and 2014 to date, including but not limited to payroll, advertising,  
19 marketing, utilities, and property leases; and (4) their gross capital expenditures for 2011,  
20 2012, 2013, and 2014 to date.

21 E. Corporate Stipulating Defendants shall provide a list of all of their officers, directors, and  
22 trustees, and all other individuals or entities with authority to direct the operations of any  
23 Corporate Stipulating Defendant or withdraw money from the account of any Corporate  
24 Stipulating Defendant.

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**X.  
CONSUMER CREDIT REPORTS**

**IT IS FURTHER ORDERED** that pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(1), any consumer reporting agency may furnish to the FTC a consumer report concerning any Stipulating Defendant or Stipulating Relief Defendant.

**XI.  
REPATRIATION OF FOREIGN ASSETS**

**IT IS FURTHER ORDERED** that, to the extent it has not already been done pursuant to the TRO issued in this case, within five (5) business days following the service of this Order, each Stipulating Defendant and Stipulating Relief Defendant shall:

- A. Provide counsel for the FTC with a full accounting of all assets, accounts, funds, and documents outside of the territory of the United States that are held either: (1) by Stipulating Defendants or Stipulating Relief Defendant; (2) for their benefit; (3) in trust by or for them, individually or jointly; or (4) under their direct or indirect control, individually or jointly;
- B. Transfer to the territory of the United States all assets, accounts, funds, and documents in foreign countries held either: (1) by them; (2) for their benefit; (3) in trust by or for them, individually or jointly; or (4) under their direct or indirect control, individually or jointly;
- C. All repatriated assets, accounts, funds, and documents are subject to Section VII of this Order; and
- D. Provide the FTC access to all records of accounts or assets of the Stipulating Defendants and Stipulating Relief Defendant held by financial institutions located outside the territorial United States by signing the Consent to Release of Financial Records attached to this Order as Attachment C.

**XII.  
NONINTERFERENCE WITH REPATRIATION**

**IT IS FURTHER ORDERED** that Stipulating Defendants and Stipulating Relief

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1 Defendant are hereby preliminarily restrained and enjoined from taking any action, directly or  
2 indirectly, that may result in the encumbrance or dissipation of foreign assets, or in the hindrance  
3 of the repatriation required by the preceding Section XI of this Order, including, but not limited  
4 to:

5 A. Sending any statement, letter, fax, email or wire transmission, or telephoning or engaging  
6 in any other act, directly or indirectly, that results in a determination by a foreign trustee  
7 or other entity that a “duress” event has occurred under the terms of a foreign trust  
8 agreement until such time that all assets have been fully repatriated pursuant to Section  
9 XI of this Order; or

10 B. Notifying any trustee, protector, or other agent of any foreign trust or other related  
11 entities of either the existence of this Order, or of the fact that repatriation is required  
12 pursuant to a court order, until such time that all assets have been fully repatriated  
13 pursuant to Section XI of this Order.

14 **XIII.**

15 **PROHIBITION ON RELEASE OF CONSUMER INFORMATION**

16 **IT IS FURTHER ORDERED** that, except as required by a law enforcement agency,  
17 law, regulation or court order, Stipulating Defendants, and their officers, agents, servants,  
18 employees, and attorneys, and all other persons in active concert or participation with any of  
19 them who receive actual notice of this Order by personal service or otherwise, are preliminarily  
20 restrained and enjoined from disclosing, using, or benefitting from consumer information,  
21 including the name, address, telephone number, email address, social security number, other  
22 identifying information, or any data that enables access to a consumer’s account (including a  
23 credit card, bank account, or other financial account), of any person which any Stipulating  
24 Defendant obtained prior to entry of this Order in connection with any mortgage assistance relief  
25 product or service.

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**XIV.  
MONITORING**

**IT IS FURTHER ORDERED** that agents or representatives of the FTC may contact Stipulating Defendants directly or anonymously for the purpose of monitoring compliance with this Order, and may record or preserve any communications that occur in the course of such contacts.

**XV.  
STIPULATING DEFENDANTS' DUTY TO DISTRIBUTE ORDER**

**IT IS FURTHER ORDERED** that Stipulating Defendants and Stipulating Relief Defendant shall immediately provide a copy of this Order to each affiliate, subsidiary, division, sales entity, successor, assign, officer, director, employee, independent contractor, client company, electronic data host, agent, attorney, spouse, and representative of Stipulating Defendants and Stipulating Relief Defendant and shall, within three (3) calendar days from the date of entry of this Order, provide counsel for the FTC with a sworn statement that: (a) confirms that Stipulating Defendants and Stipulating Relief Defendant have provided copies of the Order as required by this Section and (b) lists the names and addresses of each entity or person to whom Stipulating Defendants and Stipulating Relief Defendant provided a copy of the Order. Furthermore, Stipulating Defendants and Stipulating Relief Defendant shall not take any action that would encourage officers, agents, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns, or other persons or entities in active concert or participation with Stipulating Defendants and Stipulating Relief Defendant to disregard this Order or believe that they are not bound by its provisions.

**XVI.  
CORRESPONDENCE WITH PLAINTIFF**

**IT IS FURTHER ORDERED** that, for the purposes of this Order, because mail addressed to the FTC is subject to delay due to heightened security screening, all correspondence and service of pleadings on Plaintiff shall be sent either via email, facsimile, or courier such as

Federal Express to:

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1 Thomas J. Widor, Esq.  
2 Federal Trade Commission  
3 600 Pennsylvania Ave., NW  
4 Mail Stop CC-10232  
5 Washington, DC 20580  
6 twidor@ftc.gov  
7 (202) 326-3039  
8 (202) 326-3768 (facsimile)

9 **XVII.**  
10 **SERVICE OF THIS ORDER**

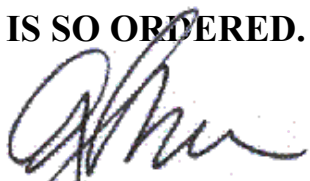
11 **IT IS FURTHER ORDERED** that copies of this Order may be served by facsimile,  
12 email, personal or overnight delivery, or U.S. Mail, by agents and employees of the FTC or any  
13 state or federal law enforcement agency or by private process server, upon any financial  
14 institution or other entity or person that may have possession, custody, or control of any  
15 documents or assets of any Stipulating Defendant or Stipulating Relief Defendant, or that may  
16 otherwise be subject to any provision of this Order. Service upon any branch or office of any  
17 financial institution shall effect service upon the entire financial institution.

18 **XVIII.**  
19 **RETENTION OF JURISDICTION**

20 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this  
21 matter for all purposes of construction, modification, and enforcement of this Order.

22 **IT IS FURTHER ORDERED** that the Preliminary Injunction hearing set for  
23 Monday, July 7, 2014, is hereby **VACATED**.

24 **IT IS SO ORDERED.**

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27 Gloria M. Navarro, Chief Judge  
United States District Court

**DATED: 07/03/2014**