

UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CRITICAL RESOLUTION MEDIATION  
LLC, a Georgia limited liability company,

PARLIAMENT SERVICES LLC, a Georgia  
limited liability company,

BRIAN CHARLES MCKENZIE,  
individually and as an officer of CRITICAL  
RESOLUTION MEDIATION LLC,

and

TRACEY DOTTRICE WARREN,  
individually and as an officer of  
PARLIAMENT SERVICES LLC

Defendants.

Case No. 1:20-cv-3932-JPB

**STIPULATED PERMANENT INJUNCTION  
AND MONETARY JUDGMENT AS TO ALL DEFENDANTS**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), on September 22, 2020, filed its Complaint for Permanent Injunction and Other Equitable Relief [[Doc. 1](#)], and subsequently its Amended Complaint for Permanent Injunction and Other Equitable Relief [[Doc. 31](#)] (as amended, “Complaint”),

pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), [15 U.S.C. §§ 53\(b\)](#) and [57b](#), and Section 814(a) of the Fair Debt Collection Practices Act (“FDCPA”), [15 U.S.C. § 1692-1692p](#). On September 30, 2020, the Court entered an *ex parte* Temporary Restraining Order with an asset freeze and other equitable relief [[Doc. 8](#)] and, on November 10, 2020, a stipulated Preliminary Injunction against Corporate Defendants Critical Resolution Mediation LLC and Parliament Services LLC and Individual Defendant Brian Charles McKenzie. [[Doc. 20](#)]. On March 2, 2021, the Court entered a stipulated Preliminary Injunction against Individual Defendant Tracey Dottrice Warren. [[Doc. 35](#)]. The Commission and all Defendants stipulate to the entry of this Stipulated Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute in this action between them.

### FINDINGS OF FACT

By stipulation of the parties, the Court finds that:

- A. This Court has jurisdiction over this matter.
- B. The Complaint charges that Defendants participated in unlawful acts or practices in violation of Section 5(a) of the FTC Act, [15 U.S.C. § 45\(a\)](#), and multiple provisions of the FDCPA, [15 U.S.C. §§ 1692–1692p](#), in connection with the collection and attempted collection of purported debts.

C. 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.

D. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order.

E. 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's fees.

### DEFINITIONS

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

A. **“Consumer”** means any Person.

B. **“Corporate Defendants”** means Critical Resolution Mediation LLC, Parliament Services LLC, and their successors and assigns.

C. **“Debt”** means any obligation or alleged obligation to pay money arising out of a transaction, whether or not such obligation has been reduced to judgment.

D. **“Debt Collection Activities”** means any activity of a Debt Collector to collect or attempt to collect, directly or indirectly, a Debt owed or due, or asserted to be owed or due.

E. **“Debt Collector”** means any Person who uses any instrumentality of

interstate commerce or the mail in any business of which the principal purpose is the collection of any Debts, or who regularly collects or attempts to collect, directly or indirectly, Debts owed or due, or asserted to be owed or due to another. The term also includes any creditor who, in the process of collecting its own Debts, uses any name other than its own which would indicate that a third Person is collecting or attempting to collect such Debts. The term also includes any Person to the extent such Person collects or attempts to collect any Debt that was in default at the time it was obtained by such Person.

F. **“Defendants”** means the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.

G. **“Individual Defendants”** means Brian Charles McKenzie and Tracy Dottrice Warren, individually, collectively, or in any combination;

H. **“Person”** means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

I. **“Receivership Entities”** means the Corporate Defendants, Portfolio Management Group LLC, and as any other entity that has conducted any business related to Defendants’ debt collection, including receipt of assets derived from any

activity that is the subject of the Complaint in this matter, and that the Receiver determines is controlled or owned by any Defendant.

## **ORDER**

### **I.**

#### **BAN ON DEBT COLLECTION AND DEBT BROKERING ACTIVITIES**

IT IS THEREFORE ORDERED that Defendants, whether directly or through any other Person, are permanently restrained and enjoined from:

- A. Participating in Debt Collection Activities; and
- B. Advertising, marketing, promoting, offering for sale, selling, or buying any Consumer or commercial Debt or any information regarding a Consumer relating to Debt.

### **II.**

#### **PROHIBITION AGAINST MISREPRESENTATIONS**

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, 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, are hereby permanently restrained, and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication:

- A. That any Person has a legal obligation to pay Defendants;
- B. That any Person is an attorney or affiliated or associated with an attorney or

law firm;

C. The nature or terms of any refund, cancellation, exchange, or repurchase policy, including, but not limited to, the likelihood of a Consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be provided to the Consumer; and

D. Any fact material to Consumers concerning any product or service, such as the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics.

### **III. CUSTOMER INFORMATION**

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, 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, are permanently restrained and enjoined from:

A. Failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, Social Security number, other

identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account) that any Defendant obtained prior to entry of this Order; and

C. Failing to destroy such customer information in all forms in their possession, custody, or control within thirty (30) days after receipt of written direction to do so from a representative of the Commission.

Provided, however, that customer information need not be disposed of, and may be disclosed, to the extent requested by a government agency or required by law, regulation, or court order.

#### **IV. MONETARY JUDGMENT AND PARTIAL SUSPENSION**

IT IS FURTHER ORDERED that:

A. Judgment in the amount of **THREE MILLION TEN THOUSAND ONE HUNDRED TWENTY-THREE DOLLARS AND SIXTY-FIVE CENTS** (\$3,010,123.65) is entered in favor of the Commission against Individual Defendants and Corporate Defendants, jointly and severally, as monetary relief.

B. Defendants are ordered to pay to the Commission **TWO HUNDRED SIXTY-SIX THOUSAND TWO HUNDRED FIFTY-EIGHT DOLLARS AND NINETY-FIVE CENTS** (\$266,258.95), which the Receiver has already recovered from Defendants' and Receivership Entity Portfolio Management Group LLC's

accounts.

C. In addition to subsection (B) above, all financial institutions holding accounts in the name of, on behalf of, or for the benefit of any Corporate Defendant or to which any Individual Defendant is a signatory or has other authority, shall, within seven (7) days from receipt of a copy of this Order, transfer to the Receiver or his designated agent, by wire transfer in accordance with instructions to be provided by the Receiver, all funds, if any, in such accounts, including, but not limited to:

1. Ameris Bank, account number ending -9433, in the name of Critical Resolution Mediation LLC;
2. Wells Fargo Bank, N.A., account number ending -1869, in the name of Critical Resolution Mediation LLC;
3. Wells Fargo Bank, N.A., account number ending -6566, in the name of Critical Resolution Mediation LLC;
4. JP Morgan Chase Bank, N.A., account number ending -5309, in the name of Critical Resolution Mediation LLC;
5. PNC Bank, N.A., account number ending -9785, in the name of Critical Resolution Mediation LLC;
6. Woodforest National Bank, account number ending -9928, in the name of Critical Resolution Mediation LLC;



7. Electronic Merchant Systems, account number ending -6448, in the name of Parliament Services LLC;

8. PayArc LLC, account ending -3622, in the name of Parliament Services LLC;

9. JP Morgan Chase Bank, N.A., account number ending -9555, in the name of Parliament Services LLC, and;

10. TD Bank, account number ending -6789 or other, in the name of Parliament Services LLC, and;

11. PaySafe Payment Processing Solutions LLC, account number ending -7485, in name of Parliament Services LLC.

D. In addition to subsections (B) and (C) above, effective upon the entry of this Order, Defendants shall surrender to the Commission all control, title, dominion, and interest in the assets of Receivership Entity Portfolio Management Group LLC and any other Receivership Entities, including the following:

1. all funds at banks/credit unions from accounts in the name of Portfolio Management Group LLC, including but not limited to JP Morgan Chase Bank, N.A., account number ending -9189.

E. In addition to subsections (B), (C), and (D) above, all financial institutions holding accounts in the name of, on behalf of, or for the benefit of any Individual

Defendant, or to which any Individual Defendant is a signatory or has other authority, shall, within seven (7) days from receipt of a copy of this Order, transfer to the Commission or its designated agent, by wire transfer in accordance with instructions to be provided by the Commission, all funds, if any, in the accounts identified below:

1. Ameris Bank, account number ending -5814, in the name of Brian McKenzie;

2. PNC Bank, N.A., account number ending -5632, in the name of Brian McKenzie,

3. Associated Credit Union, account number ending -8212, in the name of Brian McKenzie, and;

4. Woodforest National Bank, account number ending -3382, in the name of Brian McKenzie.

F. Upon the completion of asset transfers in IV.B and all other asset transfers required by Subsections IV.C–E of this Section, the remainder of the judgment is suspended, subject to the Subsections below.

G. The asset freeze is modified to permit the transfers identified in this Section. Upon completion of those transfers, the asset freeze as to all Defendants is dissolved.

H. The Commission’s agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Defendants’ sworn financial statements and related documents (collectively, “financial representations”) proffered to the FTC, pursuant to court order, through their counsel, namely:

1. the financial disclosures of Brian C. McKenzie, made on the FTC’s standard disclosure forms, initialed and signed by Mr. McKenzie on October 10, 2020, including all attachments thereto;

2. the financial disclosures of Critical Resolution Mediation LLC (“CRM”), made on the FTC’s standard disclosure forms, initialed and signed by Mr. McKenzie as “MBR” of CRM on October 10, 2020, including all attachments thereto;

3. the financial disclosures of Parliament Services LLC (“Parliament”), made on the FTC’s standard disclosure forms, initialed and signed by Tracey D. Warren as “Owner” of Parliament on October 10, 2020, including all attachments thereto;

4. the financial disclosures of Tracey Dottrice Warren, made on the FTC’s standard disclosure forms, initialed and signed by Ms. Warren on October 10, 2020, including all attachments thereto;

5. Defendant McKenzie's "Addendum to Prior Disclosure Dated 10/10/20," made on a portion of the FTC's standard disclosure forms, initialed and signed by Brian Charles McKenzie;

6. a list of bank accounts held by Brian McKenzie, provided by counsel to FTC via e-mail on February 16, 2021;

7. a list of bank accounts held by Tracey Warren, provided by counsel to FTC via e-mail on February 16, 2021;

8. the four Defendants' respective supplemental disclosures, including eleven (11) .pdf attachments, provided by Defendants' counsel via Google Drive, dated March 2, 2021, in response to letter from FTC Attorney Robin Rock, dated February 3, 2021;

9. the four Defendants' respective supplemental disclosures, provided by Defendants' counsel via e-mail on March 26, 2021, in response to letter from FTC Attorney Hans Clausen, dated March 8, 2021; and

10. the four Defendants' respective supplemental disclosures in response to letter from FTC Attorney Hans Clausen, dated April 8, 2021.

I. The suspension of the judgment will be lifted as to any Defendant if, upon motion by the Commission, the Court finds that Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other

material misstatement or omission in the financial representations identified above.

J. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Defendant in the amount specified in Subsection A above (which the parties stipulate only for the purposes of this Section represents the consumer injury alleged in the Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

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

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

M. The facts alleged in the Complaint establish all elements necessary to sustain an action by the FTC pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

N. Corporate Defendants acknowledge that their Taxpayer Identification Numbers, which they previously submitted to the FTC, may be used for collecting

and reporting on any delinquent amount arising out of this Order, in accordance with [31 U.S.C. § 7701](#).

O. All money paid to the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other relief (including consumer information remedies) as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any money not used for such relief is to be deposited to the U.S. Treasury. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

**V.  
CONTINUATION OF RECEIVERSHIP**

IT IS FURTHER ORDERED that Michael Fuqua shall continue as a permanent receiver over the Receivership Entities with full powers of a permanent receiver, including but not limited to those powers set forth in the Stipulated Preliminary Injunctions entered by the court on November 10, 2020 [[Doc 20](#)] and on March 2, 2020 [[Doc 35](#)], and including full liquidation powers. The Receiver is directed to wind up the Receivership Entities and liquidate all assets within one

hundred eighty (180) days after entry of this Order. Any party or the Receiver may request that the court extend the Receiver's term for good cause. Upon termination of the receivership and final payment to the Receiver of all approved fees, costs, and expenses, the Receiver shall turn over to the FTC or its designated agent all remaining assets in the receivership.

**VI.**  
**ORDER ACKNOWLEDGMENTS**

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

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

B. For twenty (20) years after entry of this Order, each Individual Defendant for any business that such Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, and each Corporate Defendant, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and all agents and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in

structure as set forth in the Section titled Compliance Reporting. Delivery must occur within seven (7) days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Defendant delivered a copy of this Order, that Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

## **VII. COMPLIANCE REPORTING**

IT IS FURTHER ORDERED that Defendants make timely submissions to the Commission:

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

1. Each Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Defendant; (b) identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the products and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Individual Defendants must describe if they know or should know due to their own



involvement); (d) describe in detail whether and how that Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.

2. Additionally, each Individual Defendant must: (a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest; and (c) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For twenty (20) years after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

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

any acts or practices subject to this Order.

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

C. Each Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant within fourteen (14) days of its filing.

D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with [28 U.S.C. § 1746](#), such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: \_\_\_\_\_” and supplying the date, signatory’s full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to [DEbrief@ftc.gov](mailto:DEbrief@ftc.gov) or sent by overnight courier (not the U.S. Postal Service) to:

Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *FTC v. Critical Resolution Mediation LLC*, X200057.

### **VIII. RECORDKEEPING**

IT IS FURTHER ORDERED that Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Corporate Defendant and each Individual Defendant for any business that such Defendant, individually or collectively with any other Defendants, is a majority owner or controls directly or indirectly, must create and retain the following records:

- A. accounting records showing the revenues from all products or services sold;
- B. personnel records showing, for each Person providing services, whether as an employee or otherwise, that Person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
- D. all records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission; and
- E. a copy of each unique advertisement or other marketing material.

**IX.**  
**COMPLIANCE MONITORING**

IT IS FURTHER ORDERED that, for the purpose of monitoring Defendants' compliance with this Order, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets as required by this Order:

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

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

C. The Commission may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to

Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

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

**X.**  
**RETENTION OF JURISDICTION**

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes.

**SO ORDERED this 10th day of Aug., 2021.**

A handwritten signature in blue ink, appearing to read "J. P. Boulee". The signature is cursive and fluid, with the first letters of each name being capitalized and prominent.

**J. P. BOULEE**  
United States District Judge

**SO STIPULATED AND AGREED:**

**PLAINTIFF FEDERAL TRADE COMMISSION:**

/s/ Hans Clausen Date: August 3, 2021

HANS CLAUSEN

Ga. Bar No. 153250

ROBIN L. ROCK

Ga. Bar No. 629532

Federal Trade Commission

Southeast Region

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FEDERAL TRADE COMMISSION

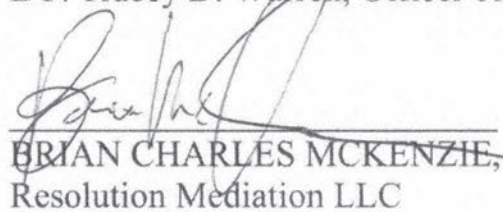
**DEFENDANTS CRITICAL RESOLUTION MEDIATION LLC,  
PARLIAMENT SERVICES LLC, BRIAN CHARLES MCKENZIE,  
AND TRACEY DOTTRICE WARREN:**


  
Date 6/23/21

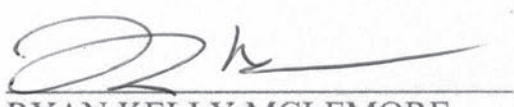
CRITICAL RESOLUTION MEDIATION LLC  
BY: Brian Charles McKenzie, Officer of Critical Resolution Mediation LLC

  
Date 6/23/21

PARLIAMENT SERVICES LLC  
BY: Tracey D. Warren, Officer of Parliament Services LLC

  
Date: 6/23/21  
BRIAN CHARLES MCKENZIE, individually and as an officer of Critical Resolution Mediation LLC

  
Date: 6/23/21  
TRACEY DOTTRICE WARREN, individually and as an officer of Parliament Services LLC

  
Date 6/24/21

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