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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION,  
Plaintiff,

v.

IVY CAPITAL, INC., *et al.*,  
Defendants, and

CHERRYTREE HOLDINGS, LLC, *et al.*,  
Relief Defendants.

) Case No. 2:11-cv-00283-JCM-  
) GWF

) **STIPULATED FINAL**  
) **JUDGMENT AND ORDER**  
) **FOR MONETARY RELIEF**

Plaintiff, the Federal Trade Commission (the "FTC" or the "commission") filed a complaint for permanent injunction and other equitable relief, including redress to consumers and disgorgement of ill-gotten gains (the "complaint"), pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (the "FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud Abuse Prevention Act (the "Telemarketing Act"), 15 U.S.C. §§ 6101-6108. The FTC and relief defendants Virtucon, LLC ("Virtucon") and Melyna Harrison ("Mrs. Harrison"), by and through their counsel, hereby stipulate to the entry of, and request the court to enter, this stipulated final judgment and order for monetary relief ("order"), to resolve all matters of dispute between them in this action.



1 7. The FTC and the settling defendants, by and through their counsel, have agreed that  
2 the entry of this order resolves all matters in dispute between them arising from the  
3 complaint in this action up to the date of entry of this order;

4 8. This order is for settlement purposes only, and does not constitute and shall not be  
5 interpreted to constitute an admission by the settling defendants or a finding that the  
6 law has been violated as alleged in the complaint, or the facts alleged in the  
7 complaint, other than the jurisdictional facts, are true;

8 9. The settling defendants waive all rights to seek appellate review or otherwise  
9 challenge or contest the validity of this order. The settling defendants further waive  
10 and release any claim they may have against the FTC, its employees, representatives,  
11 or agents concerning the prosecution of this action to the date of this order;

12 10. The settling defendants agree that this order does not entitle them to seek or obtain  
13 attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C.  
14 § 2412, concerning the prosecution of this action to the date of this order. Each  
15 settling party shall bear its own costs and attorneys' fees; and

16 11. Entry of this order is in the public interest.

17 **DEFINITIONS**

18 For the purpose of this order, the following definitions shall apply:

- 19 1. "And" and "or" shall be understood to have both conjunctive and disjunctive  
20 meanings.
- 21 2. "Asset" means any legal or equitable interest in, right to, or claim to, any real,  
22 personal, or intellectual property including, but not limited to, chattel, goods,  
23 instruments, equipment, fixtures, general intangibles, effects, leaseholds, contracts,  
24 mail or other deliveries, shares or stock, securities, inventory, checks, notes, accounts,  
25 credits, receivables (as those terms are defined in the Uniform Commercial Code),

1 cash, trusts, including but not limited to asset protection trusts, and reserve funds or  
2 other accounts associated with any payments processed on behalf of any defendant,  
3 including, but not limited to, such reserve funds held by a payment processor, credit  
4 card processor, or bank.

5 3. “**Commission**” or “**FTC**” means the Federal Trade Commission.

6 4. “**Corporate defendants**” means Ivy Capital, Inc., Fortune Learning System, LLC,  
7 Vianet, Inc., 3 Day MBA, LLC, Global Finance Group, LLC, Virtual Profit, LLC ,  
8 ICI Development, LLC, Ivy Capital, LLC, Logic Solutions, LLC, Oxford Debt  
9 Holdings, LLC, Revsynergy, LLC, and Sell It Vizions, LLC; and their successors,  
10 assigns, affiliates or subsidiaries.

11 5. “**Defendants**” means the individual defendants and the corporate defendants,  
12 individually, collectively, or in any combination. The relief defendants are expressly  
13 excluded from this definition.

14 6. “**Document**” is synonymous in meaning and equal in scope to the usage of the term  
15 in the Federal Rules of Civil Procedure 34(a), and includes writing, drawings, graphs,  
16 charts, Internet sites, Web pages, Web sites, electronic correspondence, including e-  
17 mail and instant messages, photographs, audio and video recordings, contracts,  
18 accounting data, advertisements (including, but not limited to, advertisements placed  
19 on the World Wide Web), FTP Logs, Server Access Logs, USENET Newsgroup  
20 postings, World Wide Web pages, books, written or printed records, handwritten  
21 notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business  
22 canceled checks and check registers, bank statements, appointment books, computer  
23 records, and other data compilations from which information can be obtained and  
24 translated, if necessary, through detection devices into reasonably usable form. A  
25 draft or non-identical copy is a separate document within the meaning of the term.



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**II.  
MONETARY RELIEF**

**IT IS FURTHER ORDERED** that judgment is hereby entered in favor of the commission and against Mrs. Harrison in the amount of eight hundred twelve thousand, three hundred one dollars, and sixty cents (\$812,301.60); provided, however, that subject to the provisions of Section III, this judgment shall be suspended upon Mrs. Harrison's completion of the requirements stated in subsections A, C and E of this section.

Judgment is further entered in favor of the commission and against Virtucon in the amount of one hundred thirteen thousand, eight hundred thirty-nine dollars, and eighty cents (\$113,839.80); provided, however, that subject to the provisions of Section III, this judgment shall be suspended upon Virtucon's completion, by and through John Harrison and Mrs. Harrison as the owners and managing members of Virtucon, of the requirements stated in subsections B, C and E of this section.

**A.** Effective upon the entry of this order, Mrs. Harrison shall surrender to the FTC all control, title, dominion, and interest in the following assets:

1. All funds held in the Credit Union 1 account ending in 8822, in the name of John Harrison and/or Mrs. Harrison, individually or jointly;
2. All funds held in the PayPal accounts ending in 700361, 25279 and 69188, in the name of John Harrison or Mrs. Harrison;
3. The 2007 Infiniti G35 [VIN JNKBV61E27M720506] registered to John Harrison identified in Item 21 of the individual financial statement signed by John Harrison, dated March 10, 2011;
4. The 2007 Land Rover Range Rover Sport [VIN SALSH23417A990780] registered to John Harrison identified in Item 21 of the individual financial statement signed by John Harrison, dated March 10, 2011; and

1           **5.** The 2008 Chevrolet Van [VIN 1GAHG39K881116372] registered to John  
2           Harrison identified in Item 21 of the individual financial statement signed by  
3           John Harrison, dated March 10, 2011.

4           **B.** Effective upon the entry of this order, Virtucon shall surrender to the FTC all control,  
5           title, dominion, and interest in all funds held by Credit Union 1, including the account  
6           ending in 2308, in the name of Virtucon.

7           **C.** To effect the surrender of the funds identified in subsections II.A.1-2 and II.B, the  
8           court directs that the entities holding the funds or their successors shall, within ten  
9           (10) business days of the date of entry of this order, remit the funds to the  
10          commission by certified check(s) or other guaranteed funds payable to the FTC,  
11          Financial Management Office, or by wire transfer in accordance with directions  
12          provided by counsel for the commission. To the extent any identified nonparty  
13          cannot comply with this subsection without the assistance of one or more of the  
14          settling defendants, such party must, within three (3) business days of receiving this  
15          order, notify the settling defendant(s) and counsel for the commission of its inability  
16          to comply. Such notification shall specify the actions by the settling defendant(s) that  
17          are necessary to comply with this order. The settling defendant(s) shall immediately  
18          complete any action necessary to facilitate the identified nonparty's ability to timely  
19          comply with this subsection, and the failure of the settling defendant(s) to complete  
20          such action within ten (10) days shall be deemed a violation of the order and interest  
21          at the rate prescribed in 28 U.S.C. § 1961(a) shall immediately begin to accrue.

22          **D.** In the event of default on any obligation to make payment under this order, interest,  
23          computed pursuant to 28 U.S.C. § 1961(a), shall accrue from the date of default to the  
24          date of payment. In the event such default continues for ten (10) calendar days  
25          beyond the date the payment is due, the entire amount of the judgment, less any

1 amounts previously paid pursuant to this order, together with interest, shall  
2 immediately become due and payable. The settling defendants shall be liable for all  
3 payments required by this order and any interest on such payments.

4 **E.** Immediately upon entry of this order, the settling defendants shall deliver possession  
5 to the receiver of the assets identified in subsections II.A.3-5 (the "Harrison/Virtucon  
6 assets"). The receiver is hereby directed to market and sell the Harrison/Virtucon  
7 assets. The settling defendants shall take all steps necessary to assist the receiver in  
8 the sale of the Harrison/Virtucon assets and shall not add any encumbrances on the  
9 Harrison/Virtucon assets. Any transfer fees, taxes, or other payments mandated from  
10 the transferor under law shall be paid from the proceeds of each sale at the time such  
11 asset is sold.

12 **F.** All funds paid pursuant to this order shall be deposited into a fund administered by  
13 the commission or its agents to be used for equitable relief, including, but not limited  
14 to, redress to consumers, and any attendant expenses for the administration of such  
15 equitable relief. In the event that direct redress to consumers is wholly or partially  
16 impracticable or funds remain after the redress is completed, the commission may  
17 apply any remaining funds for such other equitable relief (including consumer  
18 information remedies) as it determines to be reasonably related to the defendants'  
19 practices alleged in the complaint. Any funds not used for such equitable relief shall  
20 be deposited to the United States Treasury as disgorgement. The settling defendants  
21 shall have no right to challenge the commission's choice of remedies or the manner of  
22 distribution under this subsection.

23 **G.** No portion of any payment under the judgment herein shall be deemed a payment of  
24 any fine, penalty, or punitive assessment.  
25



1           **H.** The settling defendants relinquish all dominion, control, and title to the funds paid to  
2           the fullest extent permitted by law. The settling defendants shall make no claim to or  
3           demand for return of the funds, directly or indirectly, through counsel or otherwise.

4           **I.** The settling defendants agree that the facts as alleged in the complaint filed in this  
5           action shall be taken as true without further proof in any bankruptcy case or  
6           subsequent civil litigation pursued by the commission to enforce its rights to any  
7           payment or money judgment pursuant to this order, including, but not limited to, a  
8           nondischargeability complaint in any bankruptcy case. The settling defendants  
9           further stipulate and agree that the facts alleged in the complaint establish all  
10          elements necessary to sustain an action pursuant to Section 523(a)(2)(A) of the  
11          Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this order shall have collateral  
12          estoppel effect for such purposes.

13          **J.** In accordance with 31 U.S.C. § 7701, the settling defendants are hereby required,  
14          unless they have done so already, to furnish to the commission their taxpayer  
15          identifying number and social security number, which shall be used for the purposes  
16          of collecting and reporting on any delinquent amount arising out of the settling  
17          defendants' relationship with the government.

18          **K.** The settling defendants agree that they will not, whether acting directly or through  
19          any corporation, partnership, subsidiary, division, agent, or other device, submit to  
20          any federal or state tax authority any return, amended return, or other official  
21          document that takes a deduction for, or seeks a tax refund or other favorable  
22          treatment for, any payment made by the settling defendants pursuant to this order.

**III.  
RIGHT TO REOPEN**

**IT IS FURTHER ORDERED** that:

- A.** The commission's agreement to and the court's approval of this order are expressly premised upon the truthfulness, accuracy, and completeness of the settling defendants' financial statements dated March 18, 2011, ("financial statements"), all of which the settling defendants assert are truthful, accurate, and complete. The settling defendants and the commission stipulate that the settling defendants' financial statements provide the basis for the monetary judgment in Section II of this order and that the commission has relied on the truthfulness, accuracy, and completeness of the settling defendants' financial statements.
- B.** If, upon motion by the commission, this court finds that settling defendants have: (1) materially misstated in their financial statements, the value of any asset; (2) made any material misrepresentation or omitted material information concerning their financial condition by failing to disclose any asset that should have been disclosed in their financial statements; or (3) made any other material misstatement or omission in their financial statements, the court shall terminate the suspension of the monetary judgment entered in Section II. The court, without further adjudication, shall enter a modified judgment holding the settling defendants liable to the commission in the amount of nine hundred twenty-six thousand, one hundred forty-one dollars, and forty cents (\$926,141.40) for equitable monetary relief, less any amounts turned over to the FTC pursuant to Section II of this order. Upon such reinstatement of the monetary judgment, the court shall make an express determination that the judgment shall become immediately due and payable by the settling defendants and the commission shall be entitled to interest computed from the day of entry of this order at the rate

1 prescribed under 28 U.S.C. § 1961, as amended, on the unpaid balance. The  
2 commission shall be permitted to execute on the judgment immediately after the  
3 suspension is lifted and engage in discovery in aid of execution.

4 **C.** The settling defendants acknowledge and agree that: (1) this monetary judgment  
5 is equitable monetary relief, solely remedial in nature, and not a fine, penalty,  
6 punitive assessment, or forfeiture; (2) any proceedings instituted under this  
7 section would be in addition to, and not in lieu of, any other civil or criminal  
8 remedies as may be provided by law, including any other proceedings that the  
9 FTC may initiate to enforce this order; and (3) all money paid to satisfy the  
10 monetary judgment is irrevocably paid for purposes of settlement between the  
11 parties.

12 **D.** Should this order be modified pursuant to this section, this order, in all other  
13 respects, shall remain in full force and effect unless otherwise ordered by the  
14 court.

15 **IV.**  
**LIFTING OF ASSET FREEZE**

16 **IT IS FURTHER ORDERED** that the freeze of the settling defendants' assets set forth  
17 in the preliminary injunction, entered by this court on March 25, 2011, shall be lifted to the  
18 extent necessary to turn over settling defendants' assets as required by Section II of this order,  
19 and, shall be lifted permanently immediately upon completion of the turn-over.

20 **V.**  
**APPOINTMENT OF RECEIVER TO LIQUIDATE ASSETS**

21 **IT IS FURTHER ORDERED** that Robb Evans & Associates, LLC, the receiver  
22 appointed by prior orders of this court, is hereby appointed receiver for the purpose of taking the  
23 necessary steps liquidate the assets of the settling defendants turned over pursuant to Section II  
24 of this order, and pay any net proceeds to the FTC to satisfy the monetary judgment in this order.  
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**VIII.  
COMPLIANCE MONITORING**

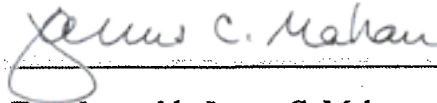
**IT IS FURTHER ORDERED** that, for the purpose of monitoring the settling defendants' compliance with this order, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets as required by this order:

- A. Within fourteen (14) days of receipt of a written request from a representative of the commission, each settling 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, provided that the settling defendants, after attempting to resolve a dispute without court action and for good cause shown, may file a motion with this court seeking an order including one or more of the protections set forth in Rule 26(c).
- B. For matters concerning this order, the commission is authorized to communicate directly with each settling defendant. The settling defendants must permit representatives of the commission to interview any employee or other person affiliated with any settling defendant who has agreed to such an interview. The person interviewed may have counsel present.

IX.  
RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this order.

IT IS SO ORDERED:



The Honorable James C. Mahan

UNITED STATES DISTRICT JUDGE

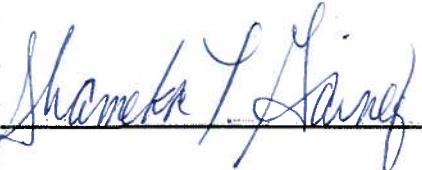
DATED: December 20, 2012

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1 The parties consent to the terms and conditions set forth above and consent to entry of this  
2 stipulated final judgment and order for monetary relief at the court's convenience and without  
3 further notice to the parties.

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**FOR THE PLAINTIFF:**

 Dated: 12/18/12

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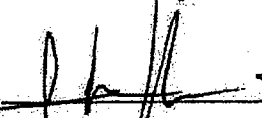
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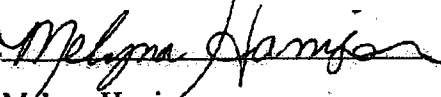
1 **FOR THE RELIEF DEFENDANTS:**

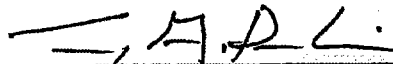
2 Virtucon, LLC

3  
4  Dated: 7/20/2012  
5 Melyna Harrison, Managing Member

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7  Dated: 7/20/2012  
8 John H. Harrison, Managing Member

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 Dated: 7/20/2012  
Melyna Harrison

 Dated: 7/25/2012

JEFFREY WILLIS, ESQ.  
CHAD R. FEARS, ESQ.  
CASEY G. PERKINS, ESQ.  
SNELL & WILMER L.L.P.  
3883 HOWARD HUGHES PARKWAY, SUITE 1100  
LAS VEGAS, NEVADA 89169  
Attorneys for Defendants



**Certificate of Service**

I hereby certify that on December 18, 2012, I electronically filed the foregoing document with the clerk of the court using CM/ECF, which will send a notice of electronic filing to all counsel of record.

/s/ Shameka L. Gainey  
Shameka L. Gainey