

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Case No: 6:17-cv-2048-Orl-41KRS

**HIGHER GOALS MARKETING LLC,
SUNSHINE FREEDOM SERVICES
LLC, BRANDUN L ANDERSON, LEA
A. BROWNELL, MELISSA M. DEESE,
GERALD D. STARR, JR., TRAVIS L.
TEEL and WAYNE T. NORRIS,**

Defendants.

ORDER

THIS CAUSE is before the Court on Plaintiff's Unopposed Motion to Enter Stipulated Orders for Permanent Injunction and Monetary Relief ("Motion," Doc. 80) and the Stipulated Proposed Orders ("Stipulations," Doc. Nos. 80-1-80-6) attached thereto. It is **ORDERED** and **ADJUDGED** that the Motion is **GRANTED**. The Court enters this order of permanent injunction against Defendants Sunshine Freedom Services, LLC; Brandun L. Anderson; Lea A. Brownell; Melissa M. Deese; Wayne T. Norris; Gerald D. Starr, Jr.; and Travis L. Teel in accordance with the Stipulations.

Plaintiff, the Federal Trade Commission ("Commission") filed its Complaint (Doc. 1) for Permanent Injunction and Other Equitable Relief pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), and the Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. §§ 6101-6108. The Commission and Defendants Brandun L. Anderson; Lea A. Brownell; Melissa M. Deese; Wayne T. Norris;

Gerald D. Starr, Jr.; Sunshine Freedom Services, LLC; and Travis L. Teel (hereinafter “the Settling 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. It is therefore **ORDERED** and **ADJUDGED** as follows:

I. FINDINGS

This Court has jurisdiction over this matter. The Complaint charges that Settling Defendants participated in deceptive acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310. (*See generally* Doc. 1). The Complaint charges that since July 2016, Defendants have engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Defendants have sold these services by false guarantees that Defendants will get consumers substantially and permanently lower interest rates on their credit cards. Settling Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Settling Defendants waive and release any claims that Settling Defendants may have against the Commission, the Receiver, and their agents that relate to this action. Each Settling Defendant agrees to bear his, her, or its own costs and attorneys’ fees. Settling Defendants waive all rights to appeal or otherwise to challenge or to contest the validity of this Order.

II. DEFINITIONS

For purposes of this Order, the following definitions apply:

1. **“Clear(ly) and Conspicuous(ly)”** means that a required disclosure is difficult to miss (i.e., easily noticeable) and easily understandable by ordinary consumers, including in all of the following ways:

- a. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure is made in only one means.
- b. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
- c. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.
- d. In any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable.
- e. The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears.
- f. The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.

- g. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
 - h. When the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, “ordinary consumers” includes reasonable members of that group.
- 2. **“Corporate Defendants”** means Higher Goals Marketing LLC and Sunshine Freedom Services LLC; each of their subsidiaries, affiliates, successors, assigns; and any fictitious business entities or business names created or used by these entities.
- 3. **“Debt-Relief Product or Service”** means any product, service, plan, or program represented, expressly or by implication, to:
 - a. renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a person and one or more creditor or debt collector, including, but not limited to, a reduction in balance, interest rate, or fees owed by a person to any creditor or debt collector; or
 - b. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards.
- 4. **“Defendants”** means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.
- 5. **“Financial Institution”** means any bank, savings and loan institution, credit union, or any financial depository of any kind, including any brokerage house, trustee, broker-dealer, escrow agent, title company, commodity trading company, or precious metal dealer.

6. **“Individual Defendants”** means Brandun L. Anderson (“Anderson”), Lea A. Brownell (“Brownell”), Melissa M. Deese (“Deese”), Travis L. Teel (“Teel”, Wayne T. Norris (“Norris”), and Gerald D. Starr, Jr. (“Starr”), individually, collectively, or in any combination, and by whatever other names each may be known.
7. **“Receiver”** means Mark J. Bernet, the Receiver appointed in the preliminary injunction entered by the Court on December 28, 2017 (“Preliminary Injunction Order,” Doc. 53), and any deputy receiver that shall be named by the Receiver.
8. **“Settling Corporate Defendant”** means Sunshine Freedom Services LLC, and its subsidiaries, affiliates, successors, assigns, and any fictitious business entities or business names created or used by Sunshine Freedom Services LLC.
9. **“Telemarketing”** means any plan, program, or campaign which is conducted to induce the purchase of goods or services by use of one or more telephones, and which involves a telephone call, whether or not covered by the TSR.

III. PERMANENT INJUNCTION

A. Ban on Telemarketing

It is **ORDERED** that Settling Defendants¹ are permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

¹ The Court has incorporated the language from all of the Stipulations into this single document for ease of reference. (*See* Doc. Nos. 80-1–80-6). Because the terms of the Stipulations are nearly identical, the Settling Defendants are referred to collectively throughout this Order. However, it should be recognized, as indicated in the Stipulations, that the terms and obligations set forth in this Order apply individually to each Settling Defendant.

Provided, however, that this Section shall not prohibit Settling Defendants Anderson, Brownell, Deese, or Norris from speaking to consumers in telephone calls initiated (i.e., dialed) by the consumers as part of the Settling Defendants' employment by a publicly traded company in which the Settling Defendant does not own more than one percent of the outstanding common shares.

B. Ban on Any Debt-Relief Product or Service

It is **FURTHER ORDERED** that Settling Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, selling, or providing fulfillment of, or assisting others in advertising, marketing, promoting, offering for sale, selling, or providing fulfillment of, any Debt-Relief Product or Service.

C. Prohibition Against Misrepresentations and Deceptive Omissions

It is **FURTHER ORDERED** that Settling Defendants, Settling Defendants' 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

1. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:
 - a. The total cost to purchase, receive, or use the product, service, plan, or program;
 - b. That any person is affiliated with, endorsed or approved by, or otherwise connected to any other person; government entity; public, non-profit, or other non-commercial program; or any other program;

- c. The expertise, position, or job title of any person who provides the product, service, plan, or program;
 - d. The terms of any policy about refunds, cancellations, exchanges, or repurchases;
 - e. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
 - f. Any other material fact.
2. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:
- a. The total cost to purchase, receive or use the product, service, plan, or program;
 - b. The terms of any policy about refunds, cancellations, exchanges, or repurchases; or
 - c. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service plan, or program.

D. Prohibited Payment and Billing Practices

It is **FURTHER ORDERED** that the Settling Defendants, Settling Defendants' 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

1. Obtaining payment by taking a cash advance against a consumer's credit card, except that for Settling Defendants Anderson, Brownell, Deese and Norris,

obtaining payment by taking a cash advance against a consumer's credit card is permissible where payment or authorization of payment is made after a face-to-face meeting with the consumer; and

2. Causing billing information to be submitted for payment without first having obtained the consumer's express informed consent² to submit such billing information for payment.
 - a. As to Defendants Anderson, Brownell, and Deese, the Clear and Conspicuous disclosure of the information identified in Section C.2. above must be made in close proximity to the consumer's express informed consent to purchase the product or service.

E. Monetary Judgment and Suspension

It is **FURTHER ORDERED** that:

1. Judgment is entered in the amount of three million, one hundred forty-nine thousand, nine hundred twenty dollars and thirty-four cents (\$3,149,920.34) in favor of the Commission against Settling Defendants, jointly and severally, as equitable monetary relief.
2. **As to Settling Defendant Anderson:**
 - a. The judgment is suspended subject to the conditions set forth in Subsections b, c, and d of this Section.
 - b. The Commission's agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of

² Settling Defendant Starr and Settling Corporate Defendant are required to obtain the consumer's "express written consent." (Doc. 80-5 at 8).

Anderson's sworn financial statements and related documents (collectively "Anderson financial representations") submitted to the Commission, namely:

- i. The Federal Trade Commission Financial Statement of Anderson, signed on February 6, 2018, including the attachments; and
 - ii. The deposition of Anderson taken by Commission counsel on February 28, 2018.
- c. The suspension of the judgment will be lifted as to Anderson if, upon motion by the Commission, the Court finds that Anderson failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Anderson financial representations identified above.
 - d. If the suspension of the judgment is lifted as to Anderson, the judgment becomes immediately due as to Anderson in the amount specified in Subsection 1 above (which the parties stipulate only for purposes of this Section represents the consumer injury caused by the violations alleged in the Complaint) plus interest computed from the date of entry of this Order.

3. As to Settling Defendant Brownell:

- a. The judgment is suspended subject to the conditions set forth in Subsections b, c, and d of this Section.
- b. The Commission's agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Brownell's sworn financial statements and related documents (collectively

“Brownell financial representations”) submitted to the Commission, namely:

- i. The Federal Trade Commission Financial Statement of Brownell, signed on January 8, 2018, including the attachments;
 - ii. The information submitted by e-mail from Brownell to Commission counsel Rhonda P. Perkins on March 19, 2018, at 4:40 p.m., March 20, 2018 at 11:57 a.m., and March 20, 2018, at 1:06 p.m.; and
 - iii. The deposition of Brownell taken by Commission counsel on February 28, 2018.
- c. The suspension of the judgment will be lifted as to Brownell if, upon motion by the Commission, the Court finds that Brownell failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Brownell financial representations identified above.
- d. If the suspension of the judgment is lifted, the judgment becomes immediately due as to Brownell in the amount specified in Subsection 1 above (which the parties stipulate only for purposes of this Section represents the consumer injury caused by the violations alleged in the Complaint) plus interest computed from the date of entry of this Order.

4. As to Settling Defendant Deese:

- a. Full payment of the foregoing shall be suspended upon satisfaction of the obligations set forth in Subsections b and c, and subject to the conditions set forth in Subsections d, e, and f of this Section.

- b. Regions Bank is ordered, within seven days after entry of this Order, to transfer to the Commission the funds from Deese's bank accounts ending with account numbers x9342, x2315, and x3606, which are held pursuant to the asset freeze provision of the Preliminary Injunction Order.
- c. SunTrust Bank is ordered, within seven days after entry of this Order, to transfer to the Commission the funds from Deese's bank account ending with account number x7455, which are held pursuant to the asset freeze provision of the Preliminary Injunction Order.
- d. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Deese's sworn financial statements and related documents (collectively "Deese financial representations") submitted to the Commission, namely:
 - i. The Federal Trade Commission Financial Statement of Deese, signed on January 5, 2018, including the attachments;
 - ii. The revised Federal Trade Commission Financial Statement of Deese, signed on March 28, 2018, including the attachments; and
 - iii. The deposition of Deese taken by Commission counsel on March 1, 2018.
- e. The suspension of the judgment will be lifted as to Deese if, upon motion by the Commission, the Court finds that Deese failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Deese financial representations identified above.

- f. If the suspension of the judgment is lifted, the judgment becomes immediately due as to Deese in the amount specified in Subsection 1 above (which the parties stipulate only for purposes of this Section represents the consumer injury caused by the violations alleged in the Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

5. As to Settling Defendant Norris:

- a. Full payment of the foregoing shall be suspended upon satisfaction of the obligations set forth in Subsections b and c, and subject to the conditions set forth in Subsections d, e, and f of this Section.
- b. Norris is ordered to pay to the Commission the sum of fifteen thousand dollars, less any funds paid pursuant to Subsection c, by making payment to the Commission, which, as Norris stipulates, Norris's undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within thirty days of entry of this Order. Payment shall be made by electronic fund transfer in accordance with instructions previously provided by a representative of the FTC.
- c. Wells Fargo Bank, N.A. and Priority Credit Union are ordered, within seven days after entry of this Order, to transfer to the Commission the funds held in bank accounts pursuant to the asset freeze provision of the Preliminary Injunction Order.
- d. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of

Norris's sworn financial statements and related documents (collectively "Norris financial representations") submitted to the Commission, namely:

- i. The Federal Trade Commission Financial Statement of Norris, signed on January 4, 2018, including the attachments;
 - ii. The information submitted by e-mail from Norris's counsel, Andrew N. Cove, to Commission counsel, Joshua A. Doan, on March 14, 2018, at 6:30 p.m.; and
 - iii. The information submitted by e-mail from Norris's counsel, Andrew N. Cove to Commission counsel, Joshua A. Doan, on April 3, 2018, at 4:04 p.m., attaching Norris's response to Plaintiff's First Set of Asset Interrogatories to Defendant Wayne T. Norris.
- e. The suspension of the judgment will be lifted as to Norris if, upon motion by the Commission, the Court finds that Norris failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Norris financial representations identified above.
- f. If the suspension of the judgment is lifted, the judgment becomes immediately due as to Norris in the amount specified in Subsection 1 above (which the parties stipulate only for purposes of this Section represents the consumer injury caused by the violations alleged in the Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

6. As to Settling Defendant Starr and Settling Corporate Defendant:

- a. Full payment of the foregoing shall be suspended upon satisfaction of the obligations set forth in Subsections b and c, and subject to the conditions set forth in Subsections d, e, and f of this Section.
- b. Starr is ordered to pay to the Commission the sum of two thousand, five hundred dollars, by making payment to the Commission, which, as Starr stipulates, Starr's undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within thirty days of entry of this Order. Payment shall be made by electronic fund transfer in accordance with instructions previously provided by a representative of the FTC.
- c. Bank of America, N.A., Branch Banking and Trust Company (BB&T), Regions Bank, and TD Bank, N.A., are ordered, within seven days after entry of this Order, to transfer to the Receiver the funds held in Settling Corporate Defendant's bank accounts pursuant to the asset freeze provision of the Preliminary Injunction Order.
- d. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Starr and Settling Corporate Defendant's sworn financial statements and related documents (collectively "Starr financial representations") submitted to the Commission, namely:
 - i. The Federal Trade Commission Financial Statement of Starr, signed on January 17, 2018;

- ii. The Federal Trade Commission Financial Statement of Settling Corporate Defendant signed on January 25, 2018;
 - iii. The deposition of Starr taken by Commission counsel on March 1, 2018;
 - iv. The information submitted by e-mail from Starr to Commission counsel Joshua A. Doan on April 18, 2018, at 6:28 p.m. and 6:58 p.m.;
 - v. The information submitted by e-mail from Starr and Settling Corporate Defendant's counsel Mario A. Ceballos to Commission counsel Joshua A. Doan on April 12, 2018, at 7:35 p.m. and 8:59 p.m.; and
 - vi. The information submitted by e-mail from Starr and Settling Corporate Defendant's counsel Mario A. Ceballos to Commission counsel Joshua A. Doan on January 29, 2018, at 12:49 p.m.
- e. The suspension of the judgment will be lifted as to Starr and Settling Corporate Defendant if, upon motion by the Commission, the Court finds that Starr and Settling Corporate Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Starr financial representations identified above.
- f. If the suspension of the judgment is lifted, the judgment becomes immediately due as to Starr and Settling Corporate Defendant in the amount specified in Subsection 1 above (which the parties stipulate only for

purposes of this Section represents the consumer injury caused by the violations alleged in the Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

7. As to Settling Defendant Teel:

- a. The judgment is suspended subject to the conditions set forth in Subsections b, c, and d of this Section.
- b. The Commission's agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Teel's sworn financial statements and related documents (collectively "Teel financial representations") submitted to the Commission, namely:
 - i. The Federal Trade Commission Financial Statement of Teel, signed on January 8, 2018, including the attachments; and
 - ii. The deposition of Teel taken by Commission counsel on February 28, 2018.
- c. The suspension of the judgment will be lifted as to Teel if, upon motion by the Commission, the Court finds that Teel failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Teel financial representations identified above.
- d. If the suspension of the judgment is lifted, the judgment becomes immediately due as to Teel in the amount specified in Subsection 1 above (which the parties stipulate only for purposes of this Section represents the

consumer injury caused by the violations alleged in the Complaint) plus interest computed from the date of entry of this Order.

F. Additional Monetary Provisions

It is **FURTHER ORDERED** that:

1. Settling 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.
2. 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 Commission, 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.
3. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission 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.
4. Settling Defendants acknowledge that Settling Defendants' Taxpayer Identification Number or Social Security Number, which was previously submitted to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.
5. This Order is the result of a government agency action on behalf of injured purchasers of Defendants' Debt-Relief Product or Service and may serve as the basis to recover any surety bond, letter of credit, certificate of deposit, or other form of security filed with the Florida Department of Agriculture and Consumer Services

(“DOACS”). In addition to the obligations set forth in Section E, the Commission and Settling Defendants agree that restitution may be paid from any such surety bond, letter of credit, certificate of deposit, or other form of security filed with the DOACS.

6. 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 equitable relief, including 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 equitable relief (including consumer information remedies) as it determines to be reasonably related to the Defendants’ practices alleged in the Complaint. Any money not used for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Settling Defendants have no right to challenge any actions the Commission, the Receiver, or their representatives may take pursuant to this Subsection.

G. Modification of Asset Freeze

As to Defendants Anderson and Brownell, it is **FURTHER ORDERED** that the freeze on Anderson’s and Brownell’s assets pursuant to the Preliminary Injunction Order is hereby dissolved. A Financial Institution shall be entitled to rely upon a letter from the Commission that the freeze on Anderson and/or Brownell’s assets have been lifted.

As to Defendants Deese, Norris, Starr, and Settling Corporate Defendant, it is **FURTHER ORDERED** that the freeze on Deese’s, Norris’s, Starr’s, and Settling Corporate

Defendant's assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section E of this Order. At such time, the asset freeze is dissolved as to Deese, Norris, Starr, and Settling Corporate Defendant. A Financial Institution shall be entitled to rely upon a letter from the Commission that the freeze on Deese's and Norris's assets has been lifted.

H. Customer Information

It is **FURTHER ORDERED** that Settling Defendants, Settling Defendants' agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, are permanently restrained and enjoined from directly or indirectly:

1. 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, Settling Defendants must provide it, in the form prescribed by the Commission, within fourteen days;
2. Disclosing, using, or benefiting 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
3. Failing to destroy such customer information in all forms in their possession, custody, or control within thirty days after receipt of written direction to do so from a representative of the Commission.

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

I. Prohibition Against Collecting on Accounts

It is **FURTHER ORDERED** that Settling Defendants, Settling Defendants' 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 attempting to collect, collecting, or assigning any right to collect payment from any consumer who purchased or agreed to purchase any Debt-Relief Product or Service from any Defendant.

J. Cooperation

It is **FURTHER ORDERED** that Settling Defendants must fully cooperate with representatives of the Commission and the Receiver in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint. Settling Defendants must provide truthful and complete information, evidence, and testimony. Settling Defendants must appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission representative may reasonably request upon five days written notice, or other reasonable notice, at such places and times as a Commission representative may designate, without the service of a subpoena.

K. Receivership Termination

As to Settling Defendant Starr and Settling Corporate Defendant, it is FURTHER ORDERED that the appointment of Mark J. Bernet as Receiver over Settling Corporate

Defendant, as set forth in the Preliminary Injunction Order, is hereby continued in full force and effect except as modified by this Section.

1. The Receiver is directed and authorized to accomplish the following within sixty days after entry of this Order:
 - a. Complete, as necessary, the liquidation of the assets of Settling Corporate Defendant;
 - b. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Corporate Defendant pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
 - c. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Corporate Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.
2. Upon completion of the above tasks, the duties of the receivership over Settling Corporate Defendant shall terminate, and the Receiver shall be discharged as to Settling Corporate Defendant only.

L. Order Acknowledgments

It is **FURTHER ORDERED** that Settling Defendants obtain acknowledgments of receipt of this Order:

1. Each Settling Defendant, within seven days of entry of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

2. For ten years after entry of this Order, each Settling Individual Defendant for any business that the Settling Individual Defendant, individually or collectively with any other Defendant, is the majority owner or controls directly or indirectly, must deliver a copy of this Order to:
 - a. All principals, officers, directors, and LLC managers and members;
 - b. All employees, agents, representatives, payment processors, and list brokers who participate in conduct related to the subject matter of this Order; and
 - c. Any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting.
3. Delivery must occur within seven days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.
 - a. **As to Settling Defendants Anderson, Brownell, Deese, and Starr:** In any other business, such as one in which the Settling Individual Defendant is an employee without any ownership or control, that particular Settling Individual Defendant must deliver a copy of this Order to all principals and managers of the business before participating in conduct related to the subject matter of this Order.
4. From each individual or entity to which a Settling Defendant delivered a copy of this Order, that particular Settling Defendant must obtain, within thirty days, a signed and dated acknowledgment of receipt of this Order.

M. Compliance Reporting

It is **FURTHER ORDERED** that the Settling Defendants make timely submissions to the Commission:

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

a. Each Settling Defendant must:

- i. Identify the primary physical, postal, and e-mail address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with that Settling Defendant;
- ii. Identify all of that Settling Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses;
- iii. 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 that Settling Individual Defendant must describe if that Settling Individual Defendant knows or should know due to the Settling Individual Defendant's own involvement);
- iv. Describe in detail whether and how that Settling Defendant is in compliance with each Section of this Order; and
- v. Provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.

b. Additionally, each Settling Individual Defendant must:

- i. Identify all telephone numbers and all physical, postal, e-mail and Internet addresses, including all residences;

- ii. Identify all business activities, including any business for which that Settling Individual Defendant performs services whether as an employee or otherwise and any entity in which that Settling Individual Defendant has any ownership interest; and
 - iii. Describe in detail that Settling Individual Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.
2. For ten years after entry of this Order, each Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen days of any change in the following:
 - a. Each Settling Defendant must report any change in:
 - i. Any designated point of contact; or
 - ii. The structure of any entity³ that Settling 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.
 - b. Additionally, each Settling Individual Defendant must report any change in:
 - i. Name, including aliases or fictitious name, or residence address; or

³ Starr and Settling Corporate Defendant are required to report any change in any "Corporate Defendant" as well as "any entity" (Doc. 80-5 at 17).

- ii. Title or role in any business activity, including any business for which that Settling Individual Defendant performs services whether as an employee or otherwise and any entity in which that Settling Individual Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.
3. Each Settling Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or any similar proceeding by or against such Settling Defendant within fourteen days of its filing.
4. 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 that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s full name, title (if applicable), and signature.
5. Unless otherwise directed by a representative of the Commission, all submissions to the Commission pursuant to this Order must be emailed to 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. [Settling Defendant’s Name]*, Matter Number X180010.

N. Recordkeeping

It is **FURTHER ORDERED** that Settling Defendants must create certain records for ten years after entry of the Order and retain each such record for five years. Specifically, each Settling Defendant, for any business that such Settling Defendant, individually or collectively with any other Defendants, is a majority owner or controls directly or indirectly, must create and retain the following records:

1. Accounting records showing the revenues from all products or services sold;
2. 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;
3. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
4. Customer files showing the names, addresses, telephone numbers, dollar amounts paid, and the quantity and description of products or services purchased, to the extent such information is obtained in the ordinary course of business;
5. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
6. A copy of each unique advertisement or other marketing material; and
7. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, or dialing platforms.

O. 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 the judgment or part of the judgment was suspended:⁴

1. Within fourteen days of receipt of a written request from a representative of the Commission, each Settling Defendant who received the written request 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.
2. For matters concerning this Order, the Commission is authorized to communicate directly with each Settling Defendant. Each Settling 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.
3. The Commission may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, to Settling Defendants or any individual or entity affiliated with Settling Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the

⁴ For Defendants Deese, Norris, Starr, and Settling Corporate Defendant, this Section is also for the purpose of monitoring their failure to transfer any assets as required by this Order. (See Doc. 80-3-80-5).

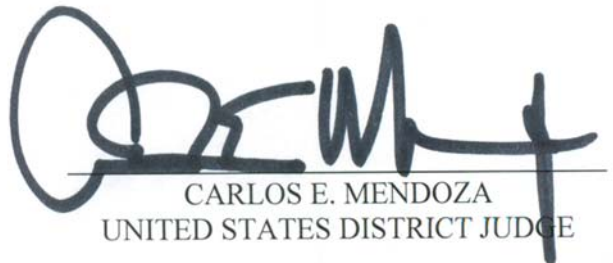
Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

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

P. 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.

DONE and ORDERED in Orlando, Florida on March 18, 2019.



CARLOS E. MENDOZA
UNITED STATES DISTRICT JUDGE

Copies furnished to:

Counsel of Record
Unrepresented Parties