

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE
ATTORNEY GENERAL, STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY
JUDGMENT AS TO CHASE P. JACKOWSKI, LPSOFFLA LLC,
LPSOFFLORIDA L.L.C., and YFP SOLUTIONS LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Through counsel, having filed a joint motion, Plaintiffs and Defendants Chase P. Jackowski, LPSOFFLA LLC, LPSOFFLORIDA L.L.C., and YFP Solutions LLC (collectively, “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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendants participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling 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 Settling Defendants have sold these services by false guarantees that they will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling 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, Settling Defendants admit the facts necessary to establish jurisdiction.
5. Settling Defendants waive and release any claims that they may have against Plaintiffs, the Receiver and their agents that relate to this action. Settling Defendants agree to bear their own costs and attorneys’ fees.

6. Settling Defendants waive all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. **“Person”** means a natural person, 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.

8. **“Plaintiffs”** means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. **“Settling Corporate Defendants”** means Corporate Defendants LPSOFFLA LLC, LPSOFFLORIDA L.L.C., and YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, and any fictitious business entities or business names created or used by these entities.

10. **“Settling Defendants”** means Settling Corporate Defendants LPSOFFLA LLC, LPSOFFLORIDA L.L.C., and YFP Solutions LLC and Settling Individual Defendant Chase P. Jackowski, individually, collectively, or in any combination.

11. **“Settling Individual Defendant”** means Individual Defendant Chase P. Jackowski, and by whatever other names he may be known.

12. **“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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

**II. 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, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendants, their 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

- A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:
 - I. The total cost to purchase, receive, or use the product, service, plan, or program;

2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and

Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendants, their 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, in

connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendants, jointly and severally, as equitable monetary relief.

B. Full payment of the foregoing shall be suspended upon satisfaction of the obligations set forth of in Subsection C, and subject to the conditions set forth in Subsections D and E of this section.

C. Immediately upon entry of this Order, Settling Defendants shall surrender to the Receiver all control, title, dominion, and interest in all assets of any Settling Defendant in the possession of the Receiver or frozen pursuant to the Preliminary Injunction entered by the Court on July 6, 2016.

D. Plaintiffs' agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendants' sworn financial statement and related documents (collectively "financial representations") signed and submitted to Plaintiffs on October 24, 2016, namely:

1. Federal Trade Commission Financial Statement of Individual Defendant Chase P. Jackowski, including the attachments;
2. Federal Trade Commission Financial Statement of Corporate Defendants LPSOFFLA LLC, LPSOFFLORIDA L.L.C., including the attachments; and
3. Federal Trade Commission Financial Statement of Corporate Defendants YFP Solutions LLC, including the attachments.

E. The suspension of the judgment will be lifted as to any Settling Defendant if, upon motion by any Plaintiff, the Court finds that such Settling 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.

F. If the suspension of the judgment is lifted, the entire monetary judgment becomes immediately due as to that Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

- A. 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.
- B. The facts alleged in the Complaint will be taken as true, without further proof,

in any subsequent civil litigation by or on behalf of Plaintiffs, including in a proceeding to enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which such Settling Defendants previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and the 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or

money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendants' assets pursuant to the Preliminary Injunction is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as to the Settling Defendants. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendants' assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, their 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, are permanently restrained and enjoined from directly or indirectly:

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 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendants, their 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendants must fully cooperate with

representatives of Plaintiffs 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 Individual Defendant must appear and Settling Corporate Defendants must cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendants, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Corporate Defendants;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Corporate Defendants pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Corporate Defendants, distribute to the

Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Corporate Defendants shall terminate, and the Receiver shall be discharged as to Settling Corporate Defendants only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Each Settling 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, Settling Individual Defendant for any business that Settling Individual Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, and each Settling Corporate Defendant, must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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. In any other business, such as one in which the Settling Individual Defendant is an employee

without any ownership or control, that 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.

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

XIII. COMPLIANCE REPORTING

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

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

1. Each Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with such Settling Defendant;

b. Identify all of that Settling 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 the Settling Individual Defendant must describe if the Settling Individual Defendant knows or should know due to the Settling Individual Defendant's own involvement);

d. Describe in detail whether and how that Settling 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 Plaintiffs.

2. Additionally, Settling 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 Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Each Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

2. Additionally, Settling 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 Settling Defendant must submit to the Plaintiffs notice of the filing of any bankruptcy petition, insolvency proceeding, or any similar proceeding by or against such Defendant within fourteen (14) days of its filing.

D. Any submission to the Plaintiffs 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 representative of any Plaintiff, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov and or sent by overnight courier (not the U.S. Postal Service) to both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. Chase P. Jackowski et al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, each Settling Corporate Defendant and Settling 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of

this Order, including all submissions to the Commission;

F. A copy of each unique advertisement or other marketing material; and

G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring 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 any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with each Settling Defendant. Each Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its

representatives, as consumers, suppliers, or other individuals or entities, any Settling Defendant or any individual or entity affiliated with any Settling Defendant, 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 any Plaintiff, any consumer reporting agency must furnish consumer reports concerning Settling Individual Defendant, pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XVI. 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.

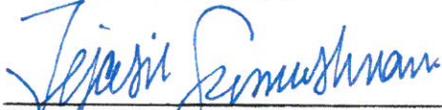
SO ORDERED, this ____ day of _____, _____.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



TEJASVI M. SRIMUMSHNAM
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Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrimushnam@ftc.gov; jdoan@ftc.gov

Dated: August 31, 2017

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION


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Consumer Protection Division
135 W. Central Blvd., Suite 670
Orlando, Florida 32801
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Facsimile: (407) 245-0365

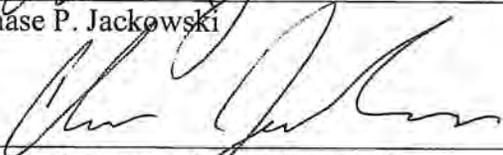
Dated: August 30, 2017

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

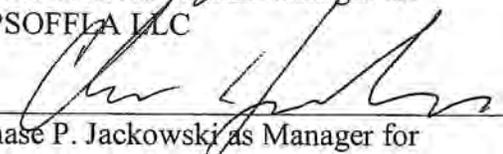
FOR SETTLING DEFENDANTS:


Chase P. Jackowski

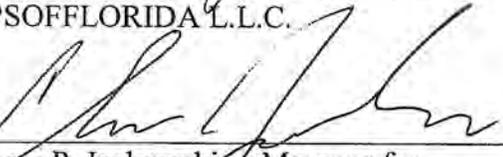
Dated: 3-10-, 2017


Chase P. Jackowski as Manager for
LPSOFFLA LLC

Dated: 3-10, 2017


Chase P. Jackowski as Manager for
LPSOFFLORIDA L.L.C.

Dated: 3-10, 2017


Chase P. Jackowski as Manager for
YFP Solutions LLC,

Dated: 3-10, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
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**STIPULATED ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO CLARENCE C. WAHL, A/K/A HARRY WAHL,
AND KAREN M. WAHL**

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Stipulated Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendants participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a), various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and Section 501.204 of FDUTPA.
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4. Settling 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, Settling Defendants admit the facts necessary to establish jurisdiction.
5. Settling Defendants waive and release any claims that they may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendants agree to bear their own costs and attorneys’ fees.

6. Settling Defendants waive all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence II. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. **“Person”** means a natural person, 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.

8. **“Plaintiffs”** means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. **“Settling Defendants”** means Individual Defendants Clarence H. Wahl, a/k/a Harry C. Wahl, and Karen M. Wahl, and by whatever other names each may be known.

10. **“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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. 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, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

III. 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:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

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 or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendants, jointly and severally, as equitable monetary relief.
- B. Full payment of the foregoing shall be suspended upon satisfaction of the

obligations set forth in Subsections C and D, and subject to the conditions set forth in Subsections E and F of this Section.

C. Immediately upon entry of this Order, each Settling Defendant shall surrender to the Receiver all control, title, dominion, and interest in all assets of any Settling Defendant in the possession of the Receiver or frozen pursuant to the Preliminary Injunction Order entered by the Court on June 30, 2016.

D. Settling Defendants are ordered to pay to Plaintiffs the sum of Twenty[✓] Thousand Dollars (\$20,000), by making payment to the Commission, which, as Settling Defendants stipulate, Settling Defendants' undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within seven (7) 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 Plaintiffs.

E. Plaintiffs' agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendants' sworn financial statements and related documents (collectively "financial representations") submitted to Plaintiffs, namely:

1. Declaration of Clarence H. Wahl, a/k/a Harry C. Wahl signed June 20, 2016, including the attachments; and
2. Declaration of Karen M. Wahl signed June 20, 2016, including the attachments.

F. The suspension of part of the judgment will be lifted as to any Settling Defendant if, upon motion by any Plaintiff, the Court finds that such Settling 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.

G. If the suspension of part of the judgment is lifted, the entire monetary judgment becomes immediately due as to that Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendants acknowledge that their Taxpayer Identification Numbers and Social Security Numbers, which were previously submitted to Plaintiffs, may be used for

collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and the 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver, or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendants' assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as to the Settling Defendants. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendants' assets has been lifted.

VIII. 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:

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, Settling Defendants must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendants must fully cooperate with representatives of Plaintiffs 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 or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena. This Section does not preclude Settling Defendants from invoking any Fifth Amendment privilege against self-incrimination.

XI. ORDER ACKNOWLEDGMENTS

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

A. Each Settling 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, Settling Defendant for any business that Settling 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:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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. In any other business, such as one in which the Settling Defendant is an employee without any ownership or control, that Settling 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.

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

acknowledgment of receipt of this Order.

XII. COMPLIANCE REPORTING

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

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

1. Each Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with such Settling Defendant;

b. Identify all of that Settling 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 the Settling Defendant must describe if the Settling Defendant knows or should know due to the Settling Defendant's own involvement);

d. Describe in detail whether and how that Settling 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 Plaintiffs.

2. Additionally, each Settling 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 Settling Defendant performs services whether as an employee or otherwise and any entity in which such Settling Defendant has any ownership interest; and

c. Describe in detail such Settling 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 Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Each Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

2. Additionally, Settling 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 Settling Defendant performs services whether as an employee or otherwise and

any entity in which such Settling Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. Clarence H. Wahl, a/k/a Harry C. Wahl, and Karen M. Wahl, et al.*

XIII. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, each Settling Defendant for any business that such Settling Defendant, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
- F. A copy of each unique advertisement or other marketing material; and
- G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XIV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring 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 any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with each Settling Defendant. Each Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, any Settling Defendant or any individual or entity affiliated with any Settling Defendant, 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 any Plaintiff, any consumer reporting agency must furnish consumer reports concerning Settling Defendant, pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XVI. 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.

SO ORDERED, this _____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



TEJASVI M. SRIMUSHNAM
JOSHUA A. DOAN
Federal Trade Commission
600 Pennsylvania Ave., NW, Mail Stop H-286
Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrimushnam@ftc.gov; jdoan@ftc.gov

Dated: August 31, 2017

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



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Office of the Attorney General
Consumer Protection Division
135 W. Central Blvd., Suite 670
Orlando, Florida 32801
Telephone: (407) 316-4840
Facsimile: (407) 245-0365

Dated: August 30, 2017

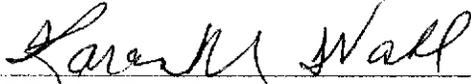
Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANTS:



CLARENCE H. WAHL

Dated: 4/12, 2017



KAREN M. WAHL

Dated: 4/12, 2017



Elias R. Hilal

Dated: 4/12/17, 2017

Elias R. Hilal, Counsel for Karen M. Wahl
and Clarence H. Wahl
Florida Bar # 60337
Williams Hilal Wigand Grande, PLLC
633 Southeast Third Avenue, Suite 301
Fort Lauderdale, Florida 33301
Tel: 954.463.2065
Fax: 954.337.0117
Elias@whwlegal.com

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO IVD RECOVERY, LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendant IVD Recovery, LLC (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.
6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit, and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. “**Person**” means a natural person, 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.

8. “**Plaintiffs**” means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. “**Settling Defendant**” means IVD Recovery, LLC, and its successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. “**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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendant is permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. BAN ON ANY DEBT-RELIEF PRODUCT OR SERVICE

IT IS FURTHER ORDERED that Settling Defendant is permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT

IT IS FURTHER ORDERED that Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that its Taxpayer Identification Number or Employer Identification Number, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and Settling Defendant 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 DACS.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant's assets pursuant to the Preliminary Injunction Order is hereby dissolved as to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, its 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, are permanently restrained and enjoined from directly or indirectly:

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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, its 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendant, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendant;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendant pursuant to this Order and the Preliminary

Injunction Order, and a final application for compensation and expenses; and

3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendant shall terminate, and the Receiver shall be discharged as to Settling Defendants only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

1. Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;

b. Identify all of Settling 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;

d. Describe in detail whether and how Settling 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 Plaintiffs.

B. For twenty (20) years after entry of this Order, Settling Defendant must

submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff in writing, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW

Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. IVD Recovery, LLC, et. al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendant, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of

this Order, including all submissions to the Commission;

- F. A copy of each unique advertisement or other marketing material; and
- G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's compliance with this Order:

A. Within fourteen (14) days of receipt of a written request from a representative of any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, Settling Defendant or any individual or entity affiliated with Settling Defendant, 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.

XVI. 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.

SO ORDERED, this _____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel

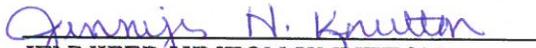


TEJASVI M. SRIMUSHNAM

Dated: August 31, 2017

JOSHUA A. DOAN
Federal Trade Commission
600 Pennsylvania Ave., NW, Mail Stop H-286
Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrimushnam@ftc.gov; jdoan@ftc.gov

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



JENNIFER HINTON KNUTTON

Dated: August 30, 2017

DENISE BEAMER
Assistant Attorneys General
Florida Bar # 92771 (Knutton) and # 69369 (Beamer)
Email: Jennifer.Knutton@myfloridalegal.com
Denise.Beamer@myfloridalegal.com
Office of the Attorney General
Consumer Protection Division
135 W. Central Blvd., Suite 670
Orlando, Florida 32801
Telephone: (407) 316-4840
Facsimile: (407) 245-0365

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:



MARK J. BERNET, Receiver for
IVD Recovery, LLC

Dated: April 28, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO KWP SERVICES, LLC AND
KWP SERVICES OF FLORIDA LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendants KWP Services, LLC and KWP Services of Florida LLC (collectively, “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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendants participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling 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 Settling Defendants have sold these services by false guarantees that they will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling 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, Settling Defendants admit the facts necessary to establish jurisdiction.
5. Settling Defendants waive and release any claims that they may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendants agree to bear their own costs and attorneys’ fees.

6. Settling Defendants waive all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. “**Person**” means a natural person, 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.

8. “**Plaintiffs**” means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. “**Settling Defendants**” means Corporate Defendants KWP Services, LLC and KWP Services of Florida LLC, and their successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. “**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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

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AND DECEPTIVE OMISSIONS**

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A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
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- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendants, jointly and severally, as equitable monetary relief.
- B. Immediately upon entry of this Order, each Settling Defendant shall surrender

to the Receiver all control, title, dominion, and interest in all assets of any Settling Defendant in the possession of the Receiver or frozen pursuant to the Preliminary Injunction Order entered by the Court on July 6, 2016. The value of such assets will be applied toward satisfying the Judgment amount identified in Subsection A of this Section.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendants acknowledge that their Taxpayer Identification Numbers or Employer Identification Numbers, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 (“DACCS”). In addition to the obligations set forth in Section V, Plaintiffs and the Settling Defendant 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 DACS.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendants’ assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as

to the Settling Defendants. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendants' assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, their 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, are permanently restrained and enjoined from directly or indirectly:

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, Settling Defendants must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendants, their 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendants must fully cooperate with representatives of Plaintiffs 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 cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendants, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendants;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendants pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendants, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendants shall terminate, and the Receiver shall be discharged as to Settling Defendants only.

XII. ORDER ACKNOWLEDGMENTS

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

- A. Each Settling 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 Settling Defendant must deliver a copy of this Order to:
 1. All principals, officers, directors, and LLC managers and members;
 2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, that Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

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

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

1. Each Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with such Settling Defendant;

b. Identify all of that Settling 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;

d. Describe in detail whether and how that Settling 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 Plaintiffs.

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

1. Each Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. KWP Services, LLC and KWP Services of Florida LLC, et. al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, each Settling Defendant for any business that such Defendant, individually or collectively with any other Defendant, 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. 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;

E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;

F. A copy of each unique advertisement or other marketing material; and

G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendants' compliance with this Order:

A. Within fourteen (14) days of receipt of a written request from a representative of any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with each Settling Defendant. Each Settling Defendant must permit representatives

of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, any Settling Defendant or any individual or entity affiliated with any Settling Defendant, 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.

XVI. 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.

SO ORDERED, this ____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



TEJASVI M. SRIMUSHNAM
JOSHUA A. DOAN
Federal Trade Commission
600 Pennsylvania Ave., NW, Mail Stop H-286
Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrimushnam@ftc.gov; jdoan@ftc.gov

Dated: August 31, 2017

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



JENNIFER HINTON KNUTTON
DENISE BEAMER
Assistant Attorneys General
Florida Bar # 92771 (Knutton) and # 69369 (Beamer)
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Office of the Attorney General
Consumer Protection Division
135 W. Central Blvd., Suite 670
Orlando, Florida 32801
Telephone: (407) 316-4840
Facsimile: (407) 245-0365

Dated: August 30, 2017

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANTS:



MARK J. BERNET, Receiver for
KWP SERVICES, LLC and
KWP SERVICES OF FLORIDA LLC

Dated: 09/29, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY
JUDGMENT AS TO LIFE MANAGEMENT SERVICES
OF ORANGE COUNTY, LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendant Life Management Services of Orange County, LLC (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.

6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit, and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. “**Person**” means a natural person, 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.

8. “**Plaintiffs**” means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. “**Settling Defendant**” means Life Management Services of Orange County, LLC, and its successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. “**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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendant is permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. BAN ON ANY DEBT-RELIEF PRODUCT OR SERVICE

IT IS FURTHER ORDERED that Settling Defendant is permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.
- B. Immediately upon entry of this Order, Settling Defendant shall surrender to

the Receiver all control, title, dominion, and interest Settling Defendant has in any assets in the possession of the Receiver or frozen pursuant to the Preliminary Injunction Order entered by the Court on July 6, 2016. The value of such assets will be applied toward satisfying the Judgment amount identified in Subsection A of this Section.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that its Taxpayer Identification Number or Employer Identification Number, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 (“DACs”). In addition to the obligations set forth in Section V, Plaintiffs and Settling Defendant 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant’s assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as

to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, its 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, are permanently restrained and enjoined from directly or indirectly:

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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, its 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendant, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendant;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendant pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendant shall terminate, and the Receiver shall be discharged as to Settling Defendants only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

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IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

1. Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;

b. Identify all of Settling 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;

d. Describe in detail whether and how Settling 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 Plaintiffs.

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

1. Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff in writing, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. Life Management Services of Orange County, et. al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendant, individually or collectively with any other Defendant, 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. 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;

E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;

F. A copy of each unique advertisement or other marketing material; and

G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's 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 any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate

directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, Settling Defendant or any individual or entity affiliated with Settling Defendant, 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.

XVI. 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.

SO ORDERED, this ____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel

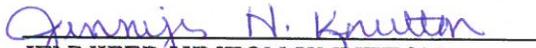


TEJASVI M. SRIMUSHNAM

Dated: August 31, 2017

JOSHUA A. DOAN
Federal Trade Commission
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FEDERAL TRADE COMMISSION



JENNIFER HINTON KNUTTON

Dated: August 30, 2017

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OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:



MARK J. BERNET, Receiver for
LIFE MANAGEMENT SERVICES OF
ORANGE COUNTY, LLC

Dated: 09-28, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY
JUDGMENT AS TO LINDA N. MCNEALY**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Through counsel, having filed a joint motion, Plaintiffs and Defendant Linda N. McNealy (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a), various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.
6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. “**Person**” means a natural person, 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.

8. “**Plaintiffs**” means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. “**Settling Defendant**” means Individual Defendant Linda N. McNealy, and by whatever other names she may be known.

10. “**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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendant is permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. BAN ON ANY DEBT-RELIEF PRODUCT OR SERVICE

IT IS FURTHER ORDERED that Settling Defendant is permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, Settling Defendant's 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:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendant, Settling Defendant's 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:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.
- B. Full payment of the foregoing shall be suspended upon satisfaction of the

obligations set forth in Subsections C and D, and subject to the conditions set forth in Subsections E and F of this Section.

C. Immediately upon entry of this Order, Settling Defendant shall surrender to the Receiver all control, title, dominion, and interest Settling Defendant has in any assets in the possession of the Receiver or frozen pursuant to the Preliminary Injunction Order entered by the Court on June 30, 2016.

D. Settling Defendant is ordered to pay to Plaintiffs the sum of Two Thousand Five Hundred Dollars (\$2,500), by making payment to the Commission, which, as Settling Defendant stipulates, Settling Defendant's undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within sixty (60) 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 Plaintiffs.

E. Plaintiffs' agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendant's sworn financial statements and related documents (collectively "financial representations") submitted to Plaintiffs, namely:

1. Federal Trade Commission Financial Statement of Individual Defendant, signed by Linda N. McNealy on June 20, 2016, including the attachments; and
2. Federal Trade Commission Financial Statement of Individual Defendant, signed by Linda N. McNealy on October 19, 2016, including the attachments.

F. The suspension of part of the judgment will be lifted as to Settling Defendant if, upon motion by any Plaintiff, the Court finds that Settling 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.

G. If the suspension of part of the judgment is lifted, the entire monetary judgment becomes immediately due as to Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that Settling Defendant's Taxpayer Identification Number or Social Security Number, which was previously submitted to

Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and Settling Defendant 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver, or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant's assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, Settling Defendant's 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:

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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, Settling Defendant's 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must provide truthful and complete information, evidence, and testimony. Settling Defendant must appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena. This Section does not preclude Settling Defendant from invoking any Fifth Amendment privilege against self-incrimination.

XI. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant for any business that Settling 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:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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. In any other business, such as one in which Settling Defendant is an employee without any ownership or control, Settling 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.

C. From each individual or entity to which Settling Defendant delivered a copy

of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

1. Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;

b. Identify all of Settling 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 Settling Defendant must describe if Settling Defendant knows or should know due to Settling Defendant's own involvement);

d. Describe in detail whether and how Settling 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 Plaintiffs.

2. Additionally, Settling 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 Settling Defendant performs services whether as an employee or otherwise and any entity in which Settling Defendant has any ownership interest; and

c. Describe in detail Settling 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, Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

2. Additionally, Settling 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 Settling Defendant performs services whether as an employee or otherwise and any entity in which Settling Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. Linda N. McNealy, et. al.*, Matter Number X160047

XIII. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendant, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
- F. A copy of each unique advertisement or other marketing material; and
- G. 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.

XIV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's 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 any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities to Settling Defendant or any individual or entity affiliated with Settling Defendant, 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 any Plaintiff, any consumer

reporting agency must furnish consumer reports concerning Settling Defendant, pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XVI. 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.

SO ORDERED, this _____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



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Dated: August 31, 2017

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

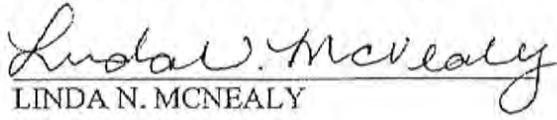


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Dated: August 30, 2017

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:


LINDA N. MCNEALY

Dated: April 7, 2017



Dated: July 25, 2017

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UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION
AND MONETARY JUDGMENT AS TO
LOYAL FINANCIAL & CREDIT SERVICES, LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendant Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.

6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. **“Person”** means a natural person, 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.

8. **“Plaintiffs”** means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. **“Settling Defendant”** means Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services, and its successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. **“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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendant is permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. BAN ON ANY DEBT-RELIEF PRODUCT OR SERVICE

IT IS FURTHER ORDERED that Settling Defendant is permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

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- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.
- B. Payment of the foregoing shall be suspended subject to the conditions set forth

in Subsections C and D of this Section.

C. Plaintiffs' agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendant's sworn financial statement and related documents (collectively, "financial representations") signed and submitted to Plaintiffs, namely Federal Trade Commission Financial Statement of Corporate Defendant, signed on June 18, 2016, including the attachments.

D. The suspension of the judgment will be lifted as to Settling Defendant if, upon motion by any Plaintiff, the Court finds that Settling 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.

E. If the suspension of the judgment is lifted, the entire monetary judgment becomes immediately due as to Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of Plaintiffs, including in a proceeding to

enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that its Taxpayer Identification Number or Employer Identification Number, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and the Settling Defendant 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant's assets pursuant to the Preliminary Injunction Order is hereby dissolved as to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, its 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, are permanently restrained and enjoined from directly or indirectly:

- 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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;
- B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, its 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must cause its officers, employees, representatives, or agents to appear for

interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendant, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary; the liquidation of the assets of Settling Defendant;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendant pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendant shall terminate, and the Receiver shall be discharged as to Settling Defendant only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

I. Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;

b. Identify all of Settling 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;

d. Describe in detail whether and how Settling 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 Plaintiffs.

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

1. Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff in writing, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. Loyal Financial & Credit Services, LLC also d/b/a FOC Credit and Reward Services, LLC, et. al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records

for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendant, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
- F. A copy of each unique advertisement or other marketing material; and
- G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's compliance with this Order, including the financial representations upon which

the judgment was suspended:

A. Within fourteen (14) days of receipt of a written request from a representative of any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, Settling Defendant or any individual or entity affiliated with Settling Defendant, 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.

XVI. 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.

SO ORDERED, this _____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel

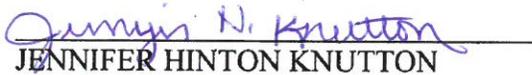


TEJASVI M. SRIMUSHNAM

Dated: August 31, 2017

JOSHUA A. DOAN
Federal Trade Commission
600 Pennsylvania Ave., NW, Mail Stop H-286
Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrimushnam@ftc.gov; jdoan@ftc.gov

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



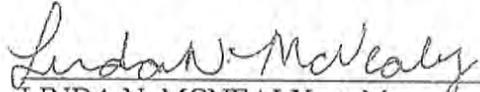
JENNIFER HINTON KNUTTON

Dated: August 30, 2017

DENISE BEAMER
Assistant Attorneys General
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Orlando, Florida 32801
Telephone: (407) 316-4840
Facsimile: (407) 245-0365

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:



LINDA N. MCNEALY, as Manager of Loyal
Financial & Credit Services, LLC also d/b/a
FOC Credit and Reward Services,

Dated: April 7, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO PW&F CONSULTANTS OF FLORIDA LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendant PW&F Consultants of Florida LLC (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.
6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. “**Person**” means a natural person, 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.

8. “**Plaintiffs**” means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. “**Settling Defendant**” means PW&F Consultants of Florida LLC, and its successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. “**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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

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**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or repurchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
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3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.
- B. Payment of the foregoing shall be suspended subject to the conditions set forth

in Subsections C and D of this Section.

C. Plaintiffs' agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendant's sworn financial statement and related documents (collectively, "financial representations") signed and submitted to Plaintiffs, namely Federal Trade Commission Financial Statement of Corporate Defendant, signed on June 18, 2016, including the attachments.

D. The suspension of the judgment will be lifted as to Settling Defendant if, upon motion by any Plaintiff, the Court finds that Settling 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.

E. If the suspension of the judgment is lifted, the entire monetary judgment becomes immediately due as to Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of Plaintiffs, including in a proceeding to

enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that its Taxpayer Identification Number or Employer Identification Numbers, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and Settling Defendant 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant's assets pursuant to the Preliminary Injunction Order is hereby dissolved as to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, its 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, are permanently restrained and enjoined from directly or indirectly:

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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, its 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must cause its officers, employees, representatives, or agents to appear for

interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendant, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendant;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendant pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendant shall terminate, and the Receiver shall be discharged as to Settling Defendant only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

1. Settling Defendant must:
 - a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;
 - b. Identify all of Settling 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;
 - d. Describe in detail whether and how Settling 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 Plaintiffs.

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

1. Settling Defendant must report any change in:
 - a. Any designated point of contact; or
 - b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff in writing, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. PW&F Consultants of Florida LLC, et. al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records

for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendants, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
- F. A copy of each unique advertisement or other marketing material; and
- G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's compliance with this Order, including the financial representations upon which

the judgment was suspended:

A. Within fourteen (14) days of receipt of a written request from a representative of any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, Settling Defendant or any individual or entity affiliated with Settling Defendant, 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.

XVI. 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.

SO ORDERED, this ____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel

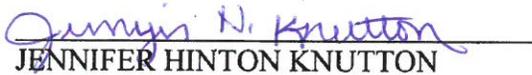


TEJASVI M. SRIMUSHNAM

Dated: August 31, 2017

JOSHUA A. DOAN
Federal Trade Commission
600 Pennsylvania Ave., NW, Mail Stop H-286
Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrivushnam@ftc.gov; jdoan@ftc.gov

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



JENNIFER HINTON KNUTTON

Dated: August 30, 2017

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Consumer Protection Division
135 W. Central Blvd., Suite 670
Orlando, Florida 32801
Telephone: (407) 316-4840
Facsimile: (407) 245-0365

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:



VICTORIA MILLER, as Manager of
PW&F Consultants of Florida LLC

Dated: **3-16**, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY
JUDGMENT AS TO UAD SECURE SERVICES LLC AND
UAD SECURE SERVICE OF FL LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs, Defendants UAD Secure Services LLC and UAD Secure Service of FL LLC (collectively, “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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendants participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling 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 Settling Defendants have sold these services by false guarantees that they will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling 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, Settling Defendants admit the facts necessary to establish jurisdiction.
5. Settling Defendants waive and release any claims that they may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendants agree to bear their own costs and attorneys’ fees.

6. Settling Defendants waive all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. **“Person”** means a natural person, 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.

8. **“Plaintiffs”** means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. **“Settling Defendants”** means Corporate Defendants UAD Secure Services LLC, and UAD Secure Service of FL LLC, and their successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. **“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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. 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, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendants, their 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendants, their 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendants, jointly and severally, as equitable monetary relief.
- B. Full payment of the foregoing shall be suspended upon satisfaction of the

obligations set forth in Subsection C, and subject to the conditions set forth in Subsections D and E of this Section.

C. Immediately upon entry of this Order, each Settling Defendant shall surrender to the Receiver all control, title, dominion, and interest in all assets of any Settling Defendant in the possession of the Receiver or frozen pursuant to the Preliminary Injunction Order entered by the Court on July 6, 2016.

D. Plaintiffs' agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendants' sworn financial statement and related documents (collectively, financial representations") submitted to Plaintiffs, namely Federal Trade Commission Financial Statement of Corporate Defendant, signed by Michael Yager on June 11, 2016, including the attachments.

E. The suspension of part of the judgment will be lifted as to any Settling Defendant if, upon motion by any Plaintiff, the Court finds that such Settling 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.

F. If the suspension of part of the judgment is lifted, the entire monetary judgment becomes immediately due as to that Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendants acknowledge that their Taxpayer Identification Numbers or Employer Identification Numbers, which were previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and the 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 DACS.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendants' assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as to the Settling Defendants. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendants' assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, their 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, are permanently restrained and enjoined from directly or indirectly:

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, Settling Defendants must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendants, their 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendants must fully cooperate with representatives of Plaintiffs 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 cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendants, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendants;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendants pursuant to this Order and the Preliminary

Injunction Order, and a final application for compensation and expenses; and

3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendants, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendants shall terminate, and the Receiver shall be discharged as to Settling Defendants only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Each Settling 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 Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;

2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, that Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

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

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

1. Each Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with such Settling Defendant;

b. Identify all of that Settling 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;

d. Describe in detail whether and how that Settling 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 Plaintiffs.

B. For twenty (20) years after entry of this Order, each Settling Defendant must

submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Each Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW

Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. UAD Secure Services LLC, and UAD Secure Service of FL LLC, et. al.*, Matter Number X160047

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, each Settling Defendant for any business that such Defendant, individually or collectively with any other Defendant, 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. 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;

E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;

F. A copy of each unique advertisement or other marketing material; and

G. 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.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring 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 any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with each Settling Defendant. Each Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities to any Settling Defendant or any individual or entity affiliated with any Settling Defendant, 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.

XVI. 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.

SO ORDERED, this ____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



TEJASVI M. SRIMUSHNAM

Dated: August 31, 2017

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Federal Trade Commission
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Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



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Dated: August 30, 2017

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Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANTS:


MICHAEL L. YAGER JR., as Manager of
UAD Secure Service of FL LLC and Owner
of UAD Secure Services LLC

Dated: 3-16-17, 2017

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO URB MANAGEMENT, LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendant URB Management, LLC (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.
6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. “**Person**” means a natural person, 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.

8. “**Plaintiffs**” means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. “**Settling Defendant**” means URB Management, LLC, and its successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. “**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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendant is permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. BAN ON ANY DEBT-RELIEF PRODUCT OR SERVICE

IT IS FURTHER ORDERED that Settling Defendant is permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.
- B. Payment of the foregoing shall be suspended subject to the conditions set forth

in Subsections C and D of this Section.

C. Plaintiffs' agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendant's sworn financial statement and related documents (collectively, "financial representations") signed and submitted to Plaintiffs, namely Federal Trade Commission Financial Statement of Corporate Defendant, signed on June 18, 2016, including the attachments.

D. The suspension of the judgment will be lifted as to Settling Defendant if, upon motion by any Plaintiff, the Court finds that Settling 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.

E. If the suspension of the judgment is lifted, the entire monetary judgment becomes immediately due as to Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of Plaintiffs, including in a proceeding to

enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that its Taxpayer Identification Number or Employer Identification Number, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and Settling Defendant 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 DACs.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant's assets pursuant to the Preliminary Injunction Order is hereby dissolved as to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, its 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, are permanently restrained and enjoined from directly or indirectly:

- 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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;
- B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, its 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must cause its officers, employees, representatives, or agents to appear for

interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendant, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendant;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendant pursuant to this Order and the Preliminary Injunction Order, and a final application for compensation and expenses; and
3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendant shall terminate, and the Receiver shall be discharged as to Settling Defendant only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;
2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

1. Settling Defendant must:

- a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;
- b. Identify all of Settling 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;
- d. Describe in detail whether and how Settling 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 Plaintiffs.

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

1. Settling Defendant must report any change in:
 - a. Any designated point of contact; or
 - b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff in writing, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. URB Management, LLC, et. al.*

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records

for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendant, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
- F. A copy of each unique advertisement or other marketing material; and
- G. Copies of contracts with, or all documents relating to any sale of any product or service involving, payment processors, list brokers, lead generators, dialers, dialing platforms.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's compliance with this Order, including the financial representations upon which

the judgment was suspended:

A. Within fourteen (14) days of receipt of a written request from a representative of any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, Settling Defendant or any individual or entity affiliated with Settling Defendant, 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.

XVI. 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.

SO ORDERED, this ____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



TEJASVI M. SRIMUSHNAM

Dated: August 31, 2017

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Attorneys for Plaintiff
FEDERAL TRADE COMMISSION



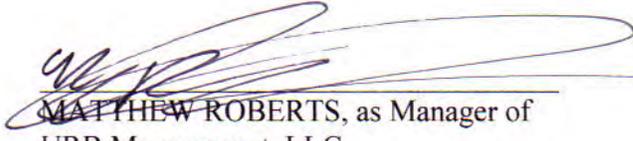
JENNIFER HINTON KNUTTON

Dated: August 30, 2017

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Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:



A handwritten signature in black ink, appearing to read 'M. Roberts', is written over a horizontal line.

Dated: 3/16, 2017

MATTHEW ROBERTS, as Manager of
URB Management, LLC

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION, and
OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

vs.

LIFE MANAGEMENT SERVICES OF ORANGE
COUNTY, LLC, a Florida limited liability
company, *et al.*,

Defendants.

Case No. 6:16-cv-982-Orl-41TBS

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY
JUDGMENT AS TO YCC SOLUTIONS LLC**

Plaintiffs, the Federal Trade Commission (“Commission” or “FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016). Having filed a joint motion, Plaintiffs and Defendant YCC Solutions LLC (hereinafter “Settling Defendant”) 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendant participated in deceptive and unfair acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §45(a); various provisions of the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA.
3. The Complaint charges that since at least January 1, 2013, Settling Defendant has engaged in a telemarketing scheme that sold bogus debt-relief services to consumers struggling with credit-card debt. The Complaint further charges that Settling Defendant has sold these services by false guarantees that Settling Defendant will get consumers substantially and permanently lower interest rates on their credit cards, or access a government fund to pay off consumers’ credit-card debt.
4. Settling Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendant admits the facts necessary to establish jurisdiction.
5. Settling Defendant waives and releases any claims that Settling Defendant may have against Plaintiffs, the Receiver, and their agents that relate to this action. Settling Defendant agrees to bear Settling Defendant’s costs and attorneys’ fees.
6. Settling Defendant waives all rights to appeal or otherwise to challenge or to contest the validity of this Order.

DEFINITIONS

For purposes of this Stipulated Order for Permanent Injunction and Monetary Judgment, the following definitions apply:

1. **“Clearly and Conspicuously”** 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 Life Management Services of Orange County, LLC; Loyal Financial & Credit Services, LLC, also d/b/a FOC Credit and Reward Services; IVD Recovery, LLC; KWP Services, LLC; KWP Services of Florida LLC; LPSOFFLA LLC; LPSOFFLORIDA L.L.C.; PW&F Consultants of Florida LLC; UAD Secure Services LLC; UAD Secure Service of FL LLC; URB Management, LLC; YCC Solutions LLC; YFP Solutions LLC, and their successors and assigns, as well as any subsidiaries, 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;

b. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating;

c. provide, arrange, or assist any consumer in receiving, credit cards, debit cards, or stored-value cards; or

d. stop, prevent, or postpone any mortgage or deed-of-foreclosure sale for a person's dwelling, any other sale of collateral, any repossession of a person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession.

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 Kevin W. Guice; Chase P. Jackowski; Linda N. McNealy a/k/a Linda N. Parker; Clarence H. Wahl a/k/a Harry Wahl; Karen M. Wahl, and by whatever other names each may be known.

7. **“Person”** means a natural person, 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.

8. **“Plaintiffs”** means the Federal Trade Commission (“FTC” or “Commission”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”).

9. **“Settling Defendant”** means YCC Solutions LLC, and its successors and assigns, as well as any subsidiaries, and any fictitious entities or business names created or used by these entities.

10. **“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 Telemarketing Sales Rule.

ORDER

I. BAN ON TELEMARKETING

IT IS ORDERED that Settling Defendant is permanently restrained and enjoined from participating, consulting, brokering, planning, investing, or advising in Telemarketing, whether directly or through an intermediary.

II. BAN ON ANY DEBT-RELIEF PRODUCT OR SERVICE

IT IS FURTHER ORDERED that Settling Defendant is permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promoting, offering for sale, or selling, any Debt-Relief Product or Service.

**III. PROHIBITION AGAINST MISREPRESENTATIONS
AND DECEPTIVE OMISSIONS**

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product, service, plan, or program, are permanently restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. The total cost to purchase, receive, or use the product, service, plan, or program;
2. 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;
3. The expertise, position, or job title of any person who provides the product, service, plan, or program;
4. The terms of any policy about refunds, cancellations, exchanges, or re-purchases;
5. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program; or
6. Any other material fact.

B. Failing to disclose, or assisting others in failing to disclose, Clearly and Conspicuously:

1. The total cost to purchase, receive or use the product, service, plan, or program;
2. The terms of any policy about refunds, cancellations, exchanges, or re-purchases; or
3. Any material aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. PROHIBITED PAYMENT AND BILLING PRACTICES

IT IS FURTHER ORDERED that Settling Defendant, its 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, in connection with promoting or offering for sale any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained consumer's express written consent to submit such billing information for payment.

V. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment is entered in the amount of Twenty-Three Million and Ninety-Nine Thousand Eight Hundred and Seventy-Eight Dollars (\$23,099,878), in favor of Plaintiffs against Settling Defendant, jointly and severally, as equitable monetary relief.
- B. Full payment of the foregoing shall be suspended upon satisfaction of the

obligations set forth in Subsection C, and subject to the conditions set forth in Subsections D and E of this Section.

C. Immediately upon entry of this Order, Settling Defendant shall surrender to the Receiver all control, title, dominion, and interest in all assets of Settling Defendant in the possession of the Receiver or frozen pursuant to the Preliminary Injunction Order entered by the Court on July 6, 2016.

D. Plaintiffs' agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendant's sworn financial statement and related documents (collectively, "financial representations") signed and submitted to Plaintiffs, namely Federal Trade Commission Financial Statement of Corporate Defendant, signed on June 15, 2016, including the attachments.

E. The suspension of part of the judgment will be lifted as to Settling Defendant if, upon motion by any Plaintiff, the Court finds that Settling 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.

F. If the suspension of part of the judgment is lifted, the entire monetary judgment becomes immediately due as to Settling Defendant in the amount specified in Subsection A 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.

VI. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Settling Defendant relinquishes 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.

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

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by Plaintiffs 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.

D. Settling Defendant acknowledges that its Taxpayer Identification Number or Employer Identification Number, which was previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. 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 ("DACs"). In addition to the obligations set forth in Section V, Plaintiffs and Settling Defendant 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 DACS.

F. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of any Plaintiff decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Plaintiffs 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 shall be divided between the Commission and the State of Florida to be deposited to the U.S. Treasury as disgorgement and the State of Florida Department of Legal Affairs Revolving Trust Fund for costs, fees, and future enforcement. Defendants in this proceeding have no right to challenge any actions the Plaintiffs, the Receiver or their representatives may take pursuant to this Subsection.

VII. MODIFICATION OF ASSET FREEZE

IT IS FURTHER ORDERED that the freeze on Settling Defendant's assets pursuant to the Preliminary Injunction Order is hereby modified to permit the payments and transfers identified in Section V of this Order. At such time, the asset freeze is dissolved as to the Settling Defendant. A Financial Institution shall be entitled to rely upon a letter from any Plaintiff that the freeze on Settling Defendant's assets has been lifted.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendant, its 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, are permanently restrained and enjoined from directly or indirectly:

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, Settling Defendant must provide it, in the form prescribed by the Commission, within fourteen (14) days;

B. 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

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 any Plaintiff.

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.

IX. PROHIBITION AGAINST COLLECTING ON ACCOUNTS

IT IS FURTHER ORDERED that Settling Defendant, its 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 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.

X. COOPERATION

IT IS FURTHER ORDERED that Settling Defendant must fully cooperate with representatives of Plaintiffs 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 Defendant must cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission or State of Florida representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Commission or State of Florida representative may designate, without the service of a subpoena.

XI. RECEIVERSHIP TERMINATION

IT IS FURTHER ORDERED that the appointment of Mark Bernet as Receiver over Settling Defendant, as set forth in the Preliminary Injunction Order entered on July 6, 2016, is hereby continued in full force and effect except as modified by this Section.

A. The Receiver is directed and authorized to accomplish the following within sixty (60) days after entry of this Order:

1. Complete, as necessary, the liquidation of the assets of Settling Defendant;
2. Prepare and file with the Court a final report describing the Receiver's activities with respect to Settling Defendant pursuant to this Order and the Preliminary

Injunction Order, and a final application for compensation and expenses; and

3. Upon the Court's approval of the Receiver's final application for compensation and expenses with respect to Settling Defendant, distribute to the Commission any remaining liquid assets at the conclusion of the Receiver's duties.

B. Upon completion of the above tasks, the duties of the Receivership over Settling Defendant shall terminate, and the Receiver shall be discharged as to Settling Defendant only.

XII. ORDER ACKNOWLEDGMENTS

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

A. Settling 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, Settling Defendant must deliver a copy of this Order to:

1. All principals, officers, directors, and LLC managers and members;

2. All employees, agents, representatives, payment processors, and list brokers, who participate in conduct related to the subject matter of this 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 Settling Defendant delivered a copy of this Order, Settling Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XIII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Settling Defendant make timely submissions to the Plaintiffs:

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

1. Settling Defendant must:

a. Identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of any Plaintiff may use to communicate with Settling Defendant;

b. Identify all of Settling 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;

d. Describe in detail whether and how Settling 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 Plaintiffs.

B. For twenty (20) years after entry of this Order, Settling Defendant must

submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following:

1. Settling Defendant must report any change in:

a. Any designated point of contact; or

b. The structure of any Corporate Defendant or any entity 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.

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

D. Any submission to the Plaintiffs 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 representative of any Plaintiff in writing, 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 both:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue NW

Washington, DC 20580;

and

Assistant Attorney General
Office of the Attorney General
Consumer Protection Division
135 West Central Blvd., Suite 670
Orlando, Florida 32801

The subject line must begin: *FTC v. YCC Solutions LLC, et. al.*, Matter Number X160047

XIV. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendant must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendant, for any business that Settling Defendant, individually or collectively with any other Defendant, 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. 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;
- E. All records necessary to demonstrate full compliance with each provision of

this Order, including all submissions to the Commission;

- F. A copy of each unique advertisement or other marketing material; and
- G. 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.

XV. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendant's 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 any Plaintiff, 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. Plaintiffs are 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, Plaintiffs are authorized to communicate directly with Settling Defendant. Settling Defendant must permit representatives of any Plaintiff 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. Plaintiffs may use all other lawful means, including posing, through its

representatives, as consumers, suppliers, or other individuals or entities to Settling Defendant or any individual or entity affiliated with Settling Defendant, 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.

XVI. 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.

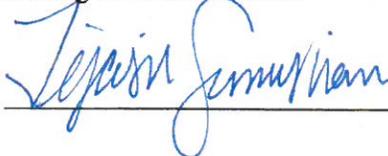
SO ORDERED, this _____ day of _____, 2017.

Carlos E. Mendoza
United States District Judge

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

DAVID C. SHONKA
Acting General Counsel



Dated: August 31, 2017

TEJASVI M. SRIMUSHNAM
JOSHUA A. DOAN
Federal Trade Commission
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Washington, DC 20580
Telephone: (202) 326-2969; (202) 326-3187
Facsimile: (202) 326-3395
Email: tsrimushnam@ftc.gov; jdoan@ftc.gov

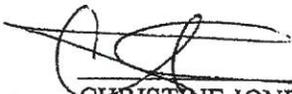
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Dated: August 30, 2017

Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

FOR SETTLING DEFENDANT:


CHRISTINE JONES, as Manager of
YCC Solutions LLC

Dated: March 20, 2017