



1 16 C.F.R. Part 310, in the operation of a telemarketing scheme offering consumers  
2 purported money-making opportunities.

3 3. Settling Defendant neither admits nor denies the allegations in the  
4 Complaint.

5 4. Settling Defendant waives any claim that she may have under the Equal  
6 Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action  
7 through the date of this Order, and agrees to bear her own costs and attorney fees.

8 5. Settling Defendant and the Commission waive all rights to appeal or  
9 otherwise challenge or contest the validity of this Order.

#### 10 **DEFINITIONS**

11 1. **“Assists” or “assisting”** includes, but is not limited to: (a) performing  
12 customer service functions, including receiving or responding to consumer complaints;  
13 (b) formulating or providing, or arranging for the formulation or provision of, (i) any  
14 advertising or marketing material, including but not limited to any telephone sales script;  
15 or (ii) advertising or marketing services; (c) providing names of, or assisting in the  
16 generation of, potential customers; (d) advising on, arranging for, or brokering consumer  
17 payment processing services; or (e) establishing corporate entities.

18 2. **“Business Opportunity”** means a commercial arrangement in which: (a) a  
19 seller solicits a prospective purchaser to enter into a new business; and (b) the prospective  
20 purchaser makes a required payment; and (c) the seller, expressly or by implication,  
21 orally or in writing, represents that the seller or one or more designated persons will: (i)  
22 provide locations for the use or operation of equipment, displays, vending machines, or  
23 similar devices, owned, leased, controlled, or paid for by the purchaser; or (ii) provide  
24 outlets, accounts, or customers, including, but not limited to internet outlets, accounts, or  
25 customers, for the purchaser’s goods or services; or (iii) buy back any or all of the goods  
26 or services that the purchaser makes, produces, fabricates, grows, breeds, modifies, or  
27 provides, including but not limited to providing payment for such services as, for  
28 example, stuffing envelopes from the purchaser’s home.

1           3.       **“Corporate Defendants”** means Blue Saguaro Marketing, LLC;  
2 Marketing Ways.com, LLC; Max Results Marketing, LLC; Oro Canyon Marketing II,  
3 LLC; Paramount Business Services, LLC, individually, collectively, and in any  
4 combination doing business as Amazon Associates, Amazon Associates Program,  
5 Amazon Affiliates, Amazon Affiliate Program, Gera Grant, Grant Strategy Solutions,  
6 GSS, Grant Assistance Center, Grant Babylon, Hydra Grant, Cenex Worldwide, Grant(s)  
7 Community United, Paramount Business Resources, and their successors and assigns.

8           4.       **“Defendants”** means Corporate Defendants, Settling Defendant, Carl E.  
9 Morris, Jr., and Stacey A. Vela, individually, collectively, or in any combination.

10          5.       **“Designated person”** means any person, other than the seller, whose goods  
11 or services the seller suggests, recommends, or requires that the purchaser use in  
12 establishing a new business.

13          6.       **“Document”** is synonymous in meaning and equal in scope to the usage of  
14 the term in Federal Rule of Civil Procedure 34(a), and includes writing, drawings, graphs,  
15 charts, photographs, sound and video recordings, images, Internet sites, Web pages, Web  
16 sites, electronic correspondence, including e-mail and instant messages, contracts,  
17 accounting data, advertisements (including advertisements placed on the World Wide  
18 Web), FTP Logs, Server Access Logs, USENET Newsgroup postings, World Wide Web  
19 pages, books, written or printed records, handwritten notes, telephone logs, telephone  
20 scripts, receipt books, ledgers, personal and business canceled checks and check registers,  
21 bank statements, appointment books, computer records, and any other electronically  
22 stored information, and other data or data compilations from which information can be  
23 obtained directly or, if necessary, after translation into a reasonably usable form. A draft  
24 or non-identical copy is a separate document within the meaning of the term.

25          7.       **“FTC”** or **“Commission”** means the Federal Trade Commission.

26          8.       **“Grant Product or Service”** means any product or service, including a  
27 plan or program, that is represented, expressly or by implication, to assist a consumer in  
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1 any manner in obtaining a grant or similar financial assistance from the government or  
2 any other source.

3 9. **“Person”** means a natural person, organization, or other legal entity,  
4 including a corporation, limited liability company, partnership, proprietorship,  
5 association, cooperative, government or governmental subdivision or agency, or any  
6 other group or combination acting as an entity.

7 10. **“Receiver”** means the receiver appointed in Section XIII of the Preliminary  
8 Injunction Order with Asset Freeze, Appointment of Receiver, and Other Equitable Relief  
9 as to Stephanie A. Bateluna (“Stipulated Preliminary Injunction”) (Dkt. No. 63) and any  
10 deputy receivers that shall be named by the Receiver.

11 11. **“Receivership Estate”** means all the assets that are in the Receiver’s  
12 control or possession pursuant to the Stipulated Preliminary Injunction (Dkt. No. 63).

13 12. **“Related Product or Service”** means any product or service (a) offered  
14 using consumer information obtained in connection with the sale of any Business  
15 Opportunity or Grant Product or Service, and (b) offered to: (i) fulfill a consumer’s order  
16 for a Business Opportunity or Grant Product or Service; (ii) increase the profitability of a  
17 Business Opportunity (including but not limited to search engine optimization and  
18 customer maximization services); (iii) increase the amount of grant money available to a  
19 consumer through the use of a Grant Product or Service; or (iv) improve a consumer’s  
20 ability to use a Business Opportunity or Grant Product or Service.

21 13. **“Seller”** means a person who offers for sale or sells a business opportunity.

22 14. **“Settling Defendant”** means Stephanie A. Bateluna.

23 15. **“Telemarketing”** means any plan, program, or campaign that is conducted  
24 to induce the purchase of goods or services by use of one or more telephones, and which  
25 involves a telephone call, whether or not covered by the TSR.

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1 E. Any fact material to consumers concerning any product, service, plan or  
2 program, such as: the total costs; any material restrictions, limitations, or conditions; or  
3 any material aspect of its performance, efficacy, nature, or central characteristics.

4 **IV.**

5 **MONETARY JUDGMENT, ORDER TO PAY, AND PARTIAL SUSPENSION**

6 **IT IS FURTHER ORDERED** that:

7 A. Judgment in the amount of **eleven million eight hundred ninety-eight**  
8 **thousand five hundred fifty-five dollars and eighty-nine cents (\$11,898,555.89)** is  
9 entered in favor of the Commission against Settling Defendant, jointly and severally, as  
10 equitable monetary relief.

11 B. Settling Defendant is ordered to sell the 2014 Chevrolet Suburban, VIN  
12 1GSNCJE08ER120735 (“Vehicle”), identified in her sworn financial statement dated  
13 October 25, 2016, at fair market value within fourteen (14) days and to transmit the  
14 proceeds to the Commission via electronic fund transfer in accordance with instructions  
15 provided by a representative of the Commission.

16 C. U.S. Bank, N.A. is ordered, within seven (7) days of entry of this Order, to  
17 transfer to the Commission all the funds in Account No. xxxxxxxx0148, held in the name  
18 of Stephanie Bateluna.

19 D. Upon the transfers listed in Sections IV.B and IV.C, above, the remainder of  
20 the judgment is suspended, subject to Sections IV.E-G, below.

21 E. The Commission’s agreement to the suspension of part of the judgment is  
22 expressly premised upon the truthfulness, accuracy, and completeness of Settling  
23 Defendant’s sworn financial statements and related documents (collectively, “financial  
24 representations”):

- 25 1. the Financial Statement of Settling Defendant signed on October 25,  
26 2016;
- 27 2. the Amended Financial Statement of Settling Defendant signed on  
28 May 16, 2017;



1 D. Settling Defendant acknowledges that her Taxpayer Identification Numbers  
2 (Social Security Numbers or Employer Identification Numbers), which Settling  
3 Defendant previously submitted to the Commission may be used for collecting and  
4 reporting on any delinquent amount arising out of this Order, in accordance with 31  
5 U.S.C. §7701.

6 E. All money paid to the Commission pursuant to this Order may be deposited  
7 into a fund administered by the Commission or its designee to be used for equitable  
8 relief, including consumer redress and any attendant expenses for the administration of  
9 any redress fund. If a representative of the Commission decides that direct redress to  
10 consumers is wholly or partially impracticable or money remains after redress is  
11 completed, the Commission may apply any remaining money for such other equitable  
12 relief (including consumer information remedies) as it determines to be reasonably  
13 related to Settling Defendants' practices alleged in the Complaint. Any money not used  
14 for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Settling  
15 Defendant has no right to challenge any actions the Commission or its representatives  
16 may take pursuant to this subsection.

17 **VI.**

18 **LIFTING OF ASSET FREEZE**

19 **IT IS FURTHER ORDERED** that the asset freeze set forth in the Stipulated  
20 Preliminary Injunction (Dkt. 63, Paragraph VI) is modified to permit the payments and  
21 transfers identified in Section IV of this Order. Upon completion of all payments and  
22 transfers required by Section IV of this Order, the asset freeze as to Settling Defendant is  
23 dissolved.

24 **VII.**

25 **CUSTOMER INFORMATION**

26 **IT IS FURTHER ORDERED** that Settling Defendant, her agents, employees,  
27 and attorneys, and all other persons in active concert or participation with any of them,  
28 who receive actual notice of this Order, whether acting directly or indirectly, are

1 **permanently restrained and enjoined from:**

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

6 B. Disclosing, using, or benefitting from customer information, including the  
7 name, address, telephone number, email address, social security number, other identifying  
8 information, or any data that enables access to a customer's account (including a credit  
9 card, bank account, or other financial account), that Settling Defendant obtained prior to  
10 entry of this Order; and

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

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

17 **VIII.**

18 **COOPERATION**

19 **IT IS FURTHER ORDERED** that Settling Defendant must fully cooperate with  
20 representatives of the Receiver and the Commission in this case and in any investigation  
21 related to or associated with the transactions or the occurrences that are the subject of the  
22 Complaint. Settling Defendant must provide truthful and complete information,  
23 evidence, and testimony. Settling Defendant must appear for interviews, discovery,  
24 hearings, trials, and any other proceedings that a representative for the Receiver or for the  
25 Commission may reasonably request upon five (5) days written notice, or other  
26 reasonable notice, at such places and times as the representative may designate, without  
27 the service of a subpoena.

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1 **IX.**

2 **ORDER ACKNOWLEDGMENTS**

3 **IT IS FURTHER ORDERED** that Settling Defendant obtain acknowledgments  
4 of receipt of this Order as follows:

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

8 B. For five (5) years after entry of this Order, Settling Defendant, for any  
9 business that she, individually or collectively with any other Defendants, is the majority  
10 owner or controls directly or indirectly, must deliver a copy of this Order to: (1) all  
11 principals, officers, directors, and LLC managers and members; (2) all employees,  
12 agents, and representatives who participate in conduct related to the subject matter of the  
13 Order; and (3) any business entity resulting from any change in structure as set forth in  
14 the Section titled Compliance Reporting. Delivery must occur within seven (7) days of  
15 entry of this Order for current personnel. For all others, delivery must occur before they  
16 assume their responsibilities.

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

20 **X.**

21 **COMPLIANCE REPORTING**

22 **IT IS FURTHER ORDERED** that Settling Defendant make timely submissions  
23 to the Commission:

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

26 Settling Defendant must: (1) identify the primary physical, postal, and email  
27 address and telephone number, as designated points of contact, which representatives of  
28 the Commission may use to communicate with Settling Defendant; (2) identify all of

1 Settling Defendant's businesses by all of their names, telephone numbers, and physical,  
2 postal, email, and Internet addresses; (3) describe the activities of each business,  
3 including the goods and services offered, the means of advertising, marketing, and sales,  
4 and the involvement of any other Defendant (which Settling Defendant must describe if  
5 she knows or should know due to her own involvement); (4) describe in detail whether  
6 and how Settling Defendant is in compliance with each Section of this Order; and (5)  
7 provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless  
8 previously submitted to the Commission.

9         Additionally, Settling Defendant must: (1) identify all telephone numbers and all  
10 physical, postal, email and Internet addresses, including all residences; (2) identify all  
11 business activities, including any business for which Settling Defendant performs  
12 services whether as an employee or otherwise and any entity in which Settling Defendant  
13 has any ownership interest; and (3) describe in detail Settling Defendant's involvement in  
14 each such business, including title, role, responsibilities, participation, authority, control,  
15 and any ownership.

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

19         Settling Defendant must report any change in: (1) any designated point of contact;  
20 or (2) the structure of any Corporate Defendant or any entity that Settling Defendant has  
21 any ownership interest in or controls directly or indirectly that may affect compliance  
22 obligations arising under this Order, including: creation, merger, sale, or dissolution of  
23 the entity or any subsidiary, parent, or affiliate that engages in any acts or practices  
24 subject to this Order.

25         Additionally, Settling Defendant must report any change in: (1) name, including  
26 aliases or fictitious name, or residence address; or (2) title or role in any business activity,  
27 including any business for which Settling Defendant performs services whether as an  
28 employee or otherwise and any entity in which Settling Defendant has any ownership

1 interest, and identify the name, physical address, and any Internet address of the business  
2 or entity.

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

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

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

14 Associate Director for Enforcement  
15 Bureau of Consumer Protection  
16 Federal Trade Commission  
17 600 Pennsylvania Avenue NW  
18 Washington, DC 20580

19 The subject line must begin: FTC v. Stephanie A. Bateluna, *et al.*, X170003.

## 20 XI.

### 21 RECORDKEEPING

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

27 A. Accounting records showing the revenues from all goods or services sold;

28 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;

1 C. Records of all consumer complaints and refund requests, whether received  
2 directly or indirectly, such as through a third party, and any response;

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

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

6 F. Records of payment transactions, sufficient to show all payments from and  
7 credits to consumers.

8 **XII.**

9 **COMPLIANCE MONITORING**

10 **IT IS FURTHER ORDERED** that, for the purpose of monitoring Settling  
11 Defendant's compliance with this Order, including the financial representations upon  
12 which part of the judgment was suspended and any failure to transfer any assets as  
13 required by this Order:

14 A. Within 14 days of receipt of a written request from a representative of the  
15 Commission, Settling Defendant must: submit additional compliance reports or other  
16 requested information, which must be sworn under penalty of perjury; appear for  
17 depositions; and produce documents for inspection and copying. The Commission is also  
18 authorized to obtain discovery, without further leave of court, using any of the procedures  
19 prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions),  
20 31, 33, 34, 36, 45, and 69.

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

26 C. The Commission may use all other lawful means, including posing, through  
27 its representatives, as consumers, suppliers, or other individuals or entities, to Settling  
28 Defendant or any individual or entity affiliated with Settling Defendant, without the

1 necessity of identification or prior notice. Nothing in this Order limits the Commission's  
2 lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15  
3 U.S.C. §§ 49, 57b-1.

4 D. Upon written request from a representative of the Commission, any  
5 consumer reporting agency must furnish consumer reports concerning Settling  
6 Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C.  
7 §1681b(a)(1).

8 **XIII.**

9 **RETENTION OF JURISDICTION**

10 **IT IS FURTHER ORDERED** that this Court retains jurisdiction of this matter  
11 for purposes of construction, modification, and enforcement of this Order.

12 Dated this 10th day of August, 2017.

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14 \_\_\_\_\_  
15 Honorable Steven P. Logan  
16 United States District Judge  
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