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UNITED STATES DISTRICT COURT  
FOR CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

vs.

ITMEDIA SOLUTIONS LLC,  
DEV.XYZ LLC, TEAM.XYZ LLC,  
123 LLC, XYZ LLC, GREAT LLC,  
General LLC, MEDIA LLC,  
ADV MARKET DIRECT LLC,  
Direct Ad Sales LLC,  
MARKETING SOLUTIONS 33 LLC,  
DEC MKT LLC, Ads Full3 LLC,  
Sunset Marketing Services LLC,  
Arrow Eagle, LLC, Arrow Hawk, LLC,  
Gen Ads, LLC, Michael Ambrose,  
Daniel Negari, Jason Ramin,  
Grant Carpenter, Anisha Hancock,  
and Sione Kaufusi.

Defendants.

Case No. 2:22-cv-00073 DSF

**STIPULATED ORDER FOR  
PERMANENT INJUNCTION  
AND JUDGMENT**

1 Plaintiff, the Federal Trade Commission (“Commission” or “Plaintiff”), filed  
2 its Complaint for Civil Penalties, Permanent Injunction, and Other Equitable Relief  
3 (“Complaint”), for a permanent injunction, civil penalties, and other equitable  
4 relief in this matter, pursuant to Sections 13(b) and 16(a)(1) of the Federal Trade  
5 Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 56(a)(1). Plaintiff and  
6 Defendants stipulated to the entry of this Stipulated Order for Permanent  
7 Injunction and Judgment (“Order”) to resolve all matters in dispute in this action  
8 between them.

9 THEREFORE, IT IS ORDERED as follows:

10 **FINDINGS**

- 11 1. This Court has jurisdiction over this matter.
- 12 2. The Complaint charges that Defendants participated in deceptive, unfair, and  
13 unlawful acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C.  
14 § 45(a); and Sections 604 and 607 of the Fair Credit Reporting Act, 15 U.S.C.  
15 §§ 1681b and 1681e, in the course of their lead generation activities.
- 16 3. Defendants neither admit nor deny any of the allegations in the Complaint,  
17 except as specifically stated in this Order. Only for purposes of this action,  
18 Defendants admit the facts necessary to establish jurisdiction.
- 19 4. Defendants waive any claim that they may have under the Equal Access to  
20 Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through  
21 the date of this Order, and agree to bear their own costs and attorney fees.
- 22 5. Defendants and Plaintiff waive all rights to appeal or otherwise challenge or  
23 contest the validity of this Order.
- 24

**DEFINITIONS**

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

A. **“Consumer Report”** means any written, oral, or other communication of any information by a Consumer Reporting Agency bearing on a consumer’s credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer’s eligibility for

- 1. credit or insurance to be used primarily for personal, family, or household purposes;
- 2. employment purposes; or
- 3. any other Permissible Purpose.

B. **“Consumer Reporting Agency”** means any Person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing Consumer Reports to third parties, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing Consumer Reports.

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

- 1. **“Corporate Defendants”** means ITMEDIA SOLUTIONS LLC, DEV.XYZ LLC, TEAM.XYZ LLC, 123 LLC, XYZ LLC, GREAT LLC, General LLC, MEDIA LLC, ADV MARKET DIRECT LLC, Direct Ad Sales LLC, MARKETING SOLUTIONS 33 LLC, DEC

1 MKT LLC, Ads Full3 LLC, Sunset Marketing Services LLC, Arrow  
2 Eagle, LLC, Arrow Hawk, LLC, Gen Ads, LLC, and their successors  
3 and assigns.

4 2. **“Individual Defendants”** means Michael Ambrose, Daniel Negari,  
5 Grant Carpenter, Jason Ramin, Anisha Hancock, and Sione Kaufusi.

6 D. **“Financial Product or Service”** means any product, service, plan, or  
7 program represented, expressly or by implication, to

8 1. provide any consumer, arrange for any consumer to receive, or assist  
9 any consumer in receiving a loan or other extension of credit;

10 2. provide any consumer, arrange for any consumer to receive, or assist  
11 any consumer in receiving credit, debit, or stored value cards;

12 3. improve, repair, or arrange to improve or repair any consumer’s credit  
13 record, credit history, or credit rating; or

14 4. provide information about or provide assistance to improve any  
15 consumer’s credit record, credit history, or credit rating.

16 E. **“Person”** means a natural person, organization, or other legal entity,  
17 including a corporation, partnership, proprietorship, association, cooperative, or  
18 any other group or combination acting as an entity.

19 F. **“Permissible Purpose”** means

20 1. in connection with a credit transaction involving the consumer on  
21 whom the information is to be furnished and involving the extension  
22 of credit to, or review or collection of an account of, the consumer; or

23 2. for employment purposes; or  
24

- 1           3.     in connection with the underwriting of insurance involving the
- 2                 consumer; or
- 3           4.     in connection with a determination of the consumer’s eligibility for a
- 4                 license or other benefit granted by a governmental instrumentality
- 5                 required by law to consider an applicant’s financial responsibility or
- 6                 status; or
- 7           5.     in connection with a valuation of, or an assessment of the credit or
- 8                 prepayment risks associated with, an existing credit obligation; or
- 9           6.     otherwise in connection with a legitimate business need for the
- 10                information
- 11                i.     in connection with a business transaction that is initiated by the
- 12                        consumer; or
- 13                ii.    to review an account to determine whether the consumer
- 14                        continues to meet the terms of the account.

15   G.     **“Personal Information”** means information from or about an individual  
16   consumer including but not limited to the following: (1) a first name and last  
17   name; (2) a home or other physical address, including street name and name of city  
18   or town; (3) an email address or other online contact information; (4) a telephone  
19   number; (5) a Social Security number; (6) a driver’s license number or other  
20   government-issued identification number; (7) a financial institution account  
21   number; (8) credit or debit card information; (9) precise geolocation data of an  
22   individual or mobile device, including but not limited to GPS-based, WiFi-based,  
23   or cell-based location information; or (10) an authentication credential, such as a  
24   username and password.

1 H. **“Sensitive Personal Information”** means any of the following about a  
 2 consumer: (1) a Social Security number; (2) financial institution account number;  
 3 (3) credit or debit card information; (4) taxpayer identification number;  
 4 (5) passport number; (6) a driver’s license number or other government-issued  
 5 identification number; (7) date of birth (other than year); (8) any other information  
 6 by which a consumer’s financial account can be accessed, or by which a consumer  
 7 might be charged for goods or services, including through third parties such as  
 8 telecommunications carriers.

9 **ORDER**

10 **I. PROHIBITED MISREPRESENTATIONS**

11 IT IS ORDERED that Defendants, Defendants’ officers, agents, employees,  
 12 and attorneys, and all other persons in active concert or participation with any of  
 13 them, who receive actual notice of this Order, whether acting directly or indirectly,  
 14 in connection with the advertising, marketing, promotion, offering for sale, or  
 15 selling of any product or service, are permanently restrained and enjoined from:

- 16 A. misrepresenting or assisting others in misrepresenting, expressly or by  
 17 implication,
- 18 1. the entities and types of entities with which Defendants will share
  - 19 consumers’ Personal Information, and for what purpose;
  - 20 2. that Defendants will assist consumers in obtaining a loan;
  - 21 3. that a product or service is available without regard for a consumer’s
  - 22 credit score or history; or

1           4.     any other fact material to consumers, such as the total costs; any  
2                   material restrictions, limitations, or conditions; or any material aspect  
3                   of the product or service’s performance, efficacy, nature, or central  
4                   characteristics; and

5     B.     making any representation, expressly or by implication, unless the  
6     representation is non-misleading, and, at the time such representation is made,  
7     Defendants possess and rely upon competent and reliable evidence that is sufficient  
8     to substantiate that the representation is true.

9           **II. INJUNCTION CONCERNING THE SALE, TRANSFER, OR**  
10           **DISCLOSURE OF SENSITIVE PERSONAL INFORMATION**

11           IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,  
12     employees, and attorneys, and all other persons or entities in active concert or  
13     participation with any of them, who receive actual notice of this Order, whether  
14     acting directly or indirectly, are permanently restrained and enjoined from, or  
15     assisting others in, selling, transferring, or otherwise disclosing a consumer’s  
16     Sensitive Personal Information to any Person, *unless* the consumer has requested a  
17     Financial Product or Service; and

18     A.     the sale, transfer, or disclosure is necessary for a third party to provide the  
19     requested Financial Product or Service;

20     B.     Defendants have the consumer’s express, informed consent for the sale,  
21     transfer, or disclosure; and

22     C.     Defendants have complied with Section III.A and Section III.B for that  
23     Person.

1 *Provided*, however, that this Section II shall not place conditions on Defendants  
2 transferring or otherwise disclosing a consumer’s Sensitive Personal Information to  
3 the extent necessary to process payment for any product or service sold by  
4 Defendants directly to that consumer and for which Defendants have the  
5 consumer’s express, informed consent for that sale.

6 **III. REQUIRED SCREENING OF RECIPIENTS OF**  
7 **SENSITIVE PERSONAL INFORMATION**

8 IT IS FURTHER ORDERED that Defendants shall establish, implement,  
9 and maintain procedures to verify the legitimate need for and monitor the use of  
10 consumers’ Sensitive Personal Information by any Person to whom Defendants  
11 sell, transfer, or disclose such information, including:

- 12 A. Obtaining from each Person a signed and dated certification stating
  - 13 1. the name and nature of the Person’s business(es), including the
  - 14 purpose(s) for obtaining consumers’ Sensitive Personal Information;
  - 15 the Person’s physical address(es) for conducting business; trade
  - 16 names; online sites and profiles; and licenses or registrations;
  - 17 2. a confirmation that the Person will not use, sell, transfer, or otherwise
  - 18 disclose the Sensitive Personal Information it receives from
  - 19 Defendants for any purpose other than to provide the Financial
  - 20 Product or Service requested by the consumer;
  - 21 3. a description of any individuals or entities to which the Person will or
  - 22 may sell, transfer, or otherwise disclose consumers’ Sensitive
  - 23 Personal Information that includes: (i) any and all purposes for which
  - 24 those individuals or entities may use the such information; and



1 (ii) measures implemented by those individuals or entities for  
2 safeguarding Sensitive Personal Information, including secure  
3 transmission and storage.

4 Defendants must obtain from each Person a new certification annually and  
5 upon any material change in the nature of the Person's business or of the  
6 purpose(s) for which the Person would use consumers' Sensitive Personal  
7 Information.

8 B. Conducting reasonable procedures to verify the information provided in the  
9 certification described in Subsection A, including reviewing and confirming the  
10 Person's physical addresses, online sites and profiles, and licenses and  
11 registrations; and that the Person's identity, advertising, lines(s) of business, and  
12 purpose(s) for obtaining consumers' Sensitive Personal Information relate to  
13 providing Financial Products or Services.

14 C. Conducting reasonable ongoing procedures to monitor that each Person to  
15 whom Defendants sell, transfer, or disclose a consumer's Sensitive Personal  
16 Information is using it solely to provide the consumer with a Financial Product or  
17 Service, including by conducting periodic audits that involve examining  
18 information and documents from the Person and third parties to which the Person  
19 will or may sell, transfer, or otherwise disclose consumers' Sensitive Personal  
20 Information to verify the ongoing accuracy of the certification described in  
21 Subsection A, and investigating any legal actions, complaints, or reports of which  
22 Defendants have notice and that indicate misuse of Sensitive Personal Information.  
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1 D. Immediately desisting from disclosing any consumer's Sensitive Personal  
2 Information to the Person if Defendants receive information, pursuant to  
3 procedures required by this Order, or otherwise, indicating that:

- 4 1. a certification provided by the Person was false, misleading, or  
5 materially erroneous;
- 6 2. the Person has used Sensitive Personal Information for any purpose  
7 other than to provide a consumer with a Financial Product or Service;  
8 or
- 9 3. the Person will not use the Sensitive Personal Information solely to  
10 provide the consumer with a Financial Product or Service.

11 *Provided*, however, that this Section III does not apply to Persons to whom  
12 Defendants disclose a consumer's Sensitive Personal Information solely for the  
13 purpose of processing a payment for a product or service sold by the Defendants  
14 directly to that consumer and for which the Defendants have the consumer's  
15 express, informed consent for that sale.

16 *Provided further* that Section III.D does not prohibit Defendants from resuming  
17 disclosure of Sensitive Personal Information to a Person if a reasonable  
18 investigation determines (i) the information that required Defendants to  
19 immediately desist disclosure was inaccurate or (ii) the Person used Sensitive  
20 Personal Information for any purpose other than to provide a consumer with a  
21 Financial Product or Service because of (a) an inadvertent error that the Person has  
22 demonstrated was unintentional and occurred notwithstanding the maintenance of  
23 procedures reasonably designed to avoid such errors and prevent the recurrence of  
24 similar errors; or (b) the conduct of an individual acting without the Person's

1 authorization and the Person has implemented reasonable and appropriate  
2 procedures to prevent a similar unauthorized action from recurring.

3 **IV. PROHIBITIONS CONCERNING**  
4 **CONSUMER REPORTS**

5 IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents,  
6 employees, and attorneys, and all other persons or entities in active concert or  
7 participation with any of them, who receive actual notice of this Order, whether  
8 acting directly or indirectly, are permanently restrained and enjoined from:

9 A. using or obtaining a Consumer Report for a purpose other than a Permissible  
10 Purpose;

11 B. for any Consumer Report that Defendants procure for purposes of reselling  
12 the Consumer Report or any information in the Consumer Report, failing to  
13 disclose to the Consumer Reporting Agency that originally furnishes the Consumer  
14 Report:

- 15 1. the identity of the end-user of the Consumer Report (or information);
- 16 and
- 17 2. each Permissible Purpose for which the Consumer Report (or  
18 information) is furnished to the end-user of the Consumer Report (or  
19 information);

20 C. failing to establish and comply with reasonable procedures designed to  
21 ensure that a Consumer Report or any information in the Consumer Report is  
22 resold only for a Permissible Purpose including by requiring that each person to  
23 which the Consumer Report or any information in the Consumer Report is resold:  
24 (i) identifies each end user of the resold Consumer Report (or information);

1 (ii) certifies each purpose for which the Consumer Report (or information) will be  
2 used; (iii) certifies that the Consumer Report (or information) will be used for no  
3 other purpose; and

4 D. before reselling any Consumer Report or any information in the Consumer  
5 Report, failing to make reasonable efforts to verify the identifications and  
6 certifications described in Paragraph IV.C including, if the Consumer Report or  
7 information is sold to a Person to provide a Financial Product or Service to the  
8 Consumer, failing to conduct the procedures described in Section III.A and  
9 Section III.B for that identified end user.

10 *Provided*, however, that this Section IV does not apply to a consumer's self-  
11 reported account of the consumer's credit score or score range.

12 **V. MONETARY JUDGMENT FOR CIVIL PENALTY**

13 IT IS FURTHER ORDERED that:

14 A. Judgment in the amount of One Million Five Hundred Thousand Dollars  
15 (\$1,500,000) is entered in favor of the Plaintiff against Individual Defendants and  
16 Corporate Defendants, jointly and severally.

17 B. Defendants are ordered to pay to Plaintiff One Million Five Hundred  
18 Thousand Dollars (\$1,500,000), which, as Defendants stipulate, their undersigned  
19 counsel holds in escrow for no purpose other than payment to Plaintiff. Such  
20 payment must be made within 7 days of entry of this Order by electronic fund  
21 transfer in accordance with instructions previously provided by a representative of  
22 Plaintiff.

1 **VI. ADDITIONAL MONETARY PROVISIONS**

2 IT IS FURTHER ORDERED that:

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

6 B. The facts alleged in the Complaint will be taken as true, without further  
7 proof, in any subsequent civil litigation by or on behalf of the Commission in a  
8 proceeding to enforce its rights to any payment or monetary judgment pursuant to  
9 this Order.

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

14 D. Defendants agree that the judgment represents a civil penalty owed to the  
15 government of the United States, is not compensation for actual pecuniary loss,  
16 and, therefore, as to the Individual Defendants, it is not subject to discharge under  
17 the Bankruptcy Code pursuant to 11 U.S.C. § 523(a)(7).

18 E. Defendants acknowledge that their Taxpayer Identification Numbers (Social  
19 Security Numbers or Employer Identification Numbers), which Defendants must  
20 submit to the Commission, may be used for collecting and reporting on any  
21 delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

22 **VII. CUSTOMER INFORMATION**

23 IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents,  
24 employees, and attorneys, and all other persons or entities in active concert or

1 participation with any of them, who receive actual notice of this Order, are  
2 permanently restrained and enjoined from directly or indirectly:

3 A. disclosing, using, or benefitting from Personal Information of any Person  
4 that any Defendant obtained prior to entry of this Order in connection with lead  
5 generation activities; and

6 B. failing to destroy such Personal Information in all forms in their possession,  
7 custody, or control within 30 days after entry of this Order. The information shall  
8 be destroyed by a means that protects against the unauthorized access to the  
9 information, such as by burning, pulverizing, or shredding any papers, and by  
10 erasing or destroying any electronic media, to ensure that the information cannot  
11 practicably be read or reconstructed;

12 C. failing, within 30 days after entry of this Order, to instruct each entity that  
13 received Personal Information that Defendants distributed in connection with lead  
14 generation activities prior to entry of this Order to (i) destroy any such Personal  
15 Information in the entity's possession, custody, or control by a means that protects  
16 against the unauthorized access to the information; and (ii) notify Defendants  
17 within 30 days after receiving such instruction that such Personal Information was  
18 destroyed or explain why the entity did not destroy the Personal Information.  
19 *Provided*, however, that customer information need not be disposed of, and may be  
20 disclosed, to the extent requested by a government agency or required by law,  
21 regulation, or court order.

22 **VIII. ORDER ACKNOWLEDGMENTS**

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

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

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

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

## 18 **IX. COMPLIANCE REPORTING**

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

21 A. Ninety days after entry of this Order, Defendants must submit a compliance  
22 report, sworn under penalty of perjury, describing in detail their compliance with  
23 the Section titled Customer Information. The report shall include the identity of  
24 each entity that Defendants instructed to delete Personal Information in accordance

1 with Section VIII.C, and a statement setting forth in detail such entity's response to  
2 Defendants, if any, including, but not limited to, whether such entity deleted the  
3 Personal Information and, if not, any explanation provided for why the entity did  
4 not delete the Personal Information it obtained from Defendants.

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

7 1. Each Defendant must: (a) identify the primary physical, postal, and email  
8 address and telephone number, as designated points of contact, which  
9 representatives of the Commission may use to communicate with Defendant; (b)  
10 identify all of that Defendant's businesses by all of their names, telephone  
11 numbers, and physical, postal, email, and Internet addresses; (c) describe the  
12 activities of each business, including the goods and services offered, the means of  
13 advertising, marketing, and sales, and the involvement of any other Defendant  
14 (which Individual Defendants must describe if they know or should know due to  
15 their own involvement); (d) describe in detail whether and how that Defendant is in  
16 compliance with each Section of this Order; and (e) provide a copy of each Order  
17 Acknowledgment obtained pursuant to this Order, unless previously submitted to  
18 the Commission.

19 2. Additionally, each Individual Defendant must: (a) identify all telephone  
20 numbers and all physical, postal, email, and Internet addresses, including all  
21 residences; (b) identify all business activities, including any business for which  
22 such Defendant performs services whether as an employee or otherwise and any  
23 entity in which such Defendant has any ownership interest; and (c) describe in  
24



1 detail such Defendant’s involvement in each such business, including title, role,  
2 responsibilities, participation, authority, control, and any ownership.

3 C. For 10 years after entry of this Order, each Defendant must submit a  
4 compliance notice, sworn under penalty of perjury, within 14 days of any change  
5 in the following:

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

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

18 D. Each Defendant must submit to the Commission notice of the filing of any  
19 bankruptcy petition, insolvency proceeding, or similar proceeding by or against  
20 such Defendant within 14 days of its filing.

21 E. Any submission to the Commission required by this Order to be sworn under  
22 penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746,  
23 such as by concluding: “I declare under penalty of perjury under the laws of the  
24 United States of America that the foregoing is true and correct. Executed

1 on: \_\_\_\_\_” and supplying the date, signatory’s full name, title (if applicable), and  
2 signature.

3 F. Unless otherwise directed by a Commission representative in writing, all  
4 submissions to the Commission pursuant to this Order must be emailed to  
5 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:  
6 Associate Director for Enforcement, Bureau of Consumer Protection, Federal  
7 Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC, 20580. The  
8 subject line must begin: *FTC v. ITMEDIA SOLUTIONS LLC, et al.*

9 **X. RECORDKEEPING**

10 IT IS FURTHER ORDERED that Defendants must create certain records for  
11 10 years after entry of the Order, and retain each such record for 5 years.

12 Specifically, Corporate Defendants, in connection with the collection or sale of  
13 Personal Information or providing a Financial Product or Service, and each  
14 Individual Defendant for any business that such Defendant, individually or  
15 collectively with any other Defendants, is a majority owner or controls directly or  
16 indirectly, must create and retain the following records:

17 A. proof of each consumer’s express, informed consent to the sale, transfer, or  
18 disclosure of that consumer’s Sensitive Personal Information, which shows the  
19 consumer’s name and contact information; and the time, place, and method of  
20 consent;

21 B. accounting records showing the revenues from all goods or services sold, all  
22 costs incurred in generating those revenues, and the resulting net profit or loss;

23 C. personnel records showing, for each Person providing services, whether as  
24 an employee or otherwise, that Person’s: name; addresses; telephone numbers;

1 job title or position; dates of service; and (if applicable) the reason for termination;

2 D. complaints and refund requests relating to advertising, marketing,  
3 promotion, offering for sale, or selling of a Financial Product or Service, whether  
4 received directly or indirectly, such as through a third party, and any response;

5 E. all records necessary to demonstrate full compliance with each provision of  
6 this Order, including all certifications and other documentation related to  
7 Section III, and all submissions to the Commission; and

8 F. a copy of each unique advertisement or other marketing material relating to  
9 advertising, marketing, promotion, offering for sale, or selling of a Financial  
10 Product or Service.

## 11 **XI. COMPLIANCE MONITORING**

12 IT IS FURTHER ORDERED that, for the purpose of monitoring  
13 Defendants' compliance with this Order and any failure to transfer any assets as  
14 required by this Order:

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

22 B. For matters concerning this Order, the Commission is authorized to  
23 communicate directly with each Defendant. Defendant must permit  
24 representatives of the Commission to interview any employee or other person

1 affiliated with any Defendant who has agreed to such an interview. The person  
2 interviewed may have counsel present.


3 C. The Commission may use all other lawful means, including posing, through  
4 its representatives as consumers, suppliers, or other individuals or entities, to  
5 Defendants or any individual or entity affiliated with Defendants, without the  
6 necessity of identification or prior notice. Nothing in this Order limits the  
7 Commission’s lawful use of compulsory process, pursuant to Sections 9 and 20 of  
8 the FTC Act, 15 U.S.C. §§ 49, 57b-1.

9 D. Upon written request from a representative of the Commission, any  
10 Consumer Reporting Agency must furnish Consumer Reports concerning  
11 Individual Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act,  
12 15 U.S.C. §1681b(a)(1).

13 **XII. RETENTION OF JURISDICTION**

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

16  
17 DATED: January 10, 2022

18   
Honorable Dale S. Fischer  
UNITED STATES DISTRICT JUDGE

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