

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
Case No. 06-61851-CIV-UNGARO/O'SULLIVAN

FILED by \_\_\_\_\_ D.C.  
MAY 05 2008  
STEVEN M. LARMORE  
CLERK U. S. DIST. CT.  
S. D. of FLA. - MIAMI

FEDERAL TRADE COMMISSION,  
  
Plaintiff,  
  
v.  
  
RANDALL L. LESHIN,  
RANDALL L. LESHIN, P.A., also d/b/a EXPRESS CONSOLIDATION,  
EXPRESS CONSOLIDATION, INC.,  
CHARLES FERDON,  
CONSUMER CREDIT CONSOLIDATION, INC.,  
and MAUREEN A. GAVIOLA,  
  
Defendants.

**STIPULATED INJUNCTION AND JUDGMENT AS TO DEFENDANTS CONSUMER CREDIT CONSOLIDATION, INC. AND MAUREEN GAVIOLA**

This matter comes before the Court on the stipulation of Plaintiff Federal Trade Commission ("FTC" or "Commission") and Defendants Consumer Credit Consolidation, Inc. and Maureen Gaviola (hereinafter "Defendants").<sup>1</sup>

The Commission and Defendants submit the following Stipulated Judgment to resolve this action with respect to Consumer Credit Consolidation, Inc. and Maureen Gaviola. The

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<sup>1</sup> The remaining four defendants named in the Amended Complaint, Randall L. Leshin, Randall L. Leshin, P.A., Express Consolidation, Inc., and Charles Ferdon, are not parties to this Stipulated Injunction and Order and, with the exception of the caption, references to Defendants herein do not include these parties.

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Commission and Defendants consent to the entry of this Stipulated Injunction and Judgment (“Stipulated Judgment”) as a settlement of this action, and agree that entry of this Stipulated Judgment shall constitute a full, complete and final settlement of all claims that were or could have been brought by the Commission against Defendants Consumer Credit Consolidation, Inc. and Maureen Gaviola arising from the conduct alleged in the Amended Complaint. Defendants deny any wrongdoing or liability.

Upon the joint motion of the Commission and Defendants Consumer Credit Consolidation, Inc. and Maureen Gaviola, the Court makes the following findings and enters judgment in this action as follows:

**FINDINGS OF FACT**

1. This Court has jurisdiction over the subject matter of this case and Defendants Consumer Credit Consolidation, Inc. and Maureen Gaviola admit that this Court has subject matter jurisdiction of this action.
2. The activities of Defendants, as alleged in the Amended Complaint, are in or affecting commerce within the meaning of the FTC Act, 15 U.S.C. §§ 44, 45.
3. The Amended Complaint states a claim upon which relief may be granted against Defendants under Sections 5(a), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b), and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6101-6108.
4. No provision of this Stipulated Judgment should be construed as an admission that any Defendant engaged in unlawful or deceptive conduct alleged in the Amended Complaint or that Defendants’ conduct violated the FTC Act, 15 U.S.C. §§ 45(a), or the

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Telemarketing Sales Rule, 16 C.F.R. Part 310. No provision of this Stipulated Judgment should be construed as an admission by the Commission that Defendants Consumer Credit Consolidation, Inc., Maureen Gaviola, Randall L. Leshin, Randall L. Leshin, P.A., Express Consolidation, Inc., or Charles Ferdon are qualified to provide debt consolidation services under state law, that Express Consolidation, Inc. has been operated as a not-for-profit corporation or that it qualifies as a tax-exempt organization under 26 U.S.C. § 501(c)(3), or that any of the claims alleged in the Amended Complaint lack merit.

5. Defendants acknowledge that they have read and understand the provisions of this Stipulated Judgment, and are prepared to abide by them. At all times, Defendants have been represented by counsel, including during the negotiations that led to this Stipulated Judgment. Defendants voluntarily consent to entry of this Stipulated Judgment in the interest of settling this litigation.
6. The Commission and Defendants waive all rights to seek appellate review or otherwise challenge or contest the validity of this Stipulated Judgment.
7. Defendants waive and release any claim they may have against the Commission and its employees, representatives or agents arising from this action to date. The Commission waives and releases any claim it may have against the Defendants and their employees, representatives or agents arising from this action to date.
8. Each party shall bear its own costs and attorneys' fees. Defendants waive all rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, arising from the Amended Complaint.

9. This Stipulated Judgment should not be construed as payment of a fine, penalty, punitive assessment or forfeiture, and the monetary judgment the Commission would have sought as restitution for consumers if the parties had not stipulated to this Stipulated Injunction and Judgment exceeds the monetary judgment provided herein.
10. Entry of this Stipulated Judgment is in the public interest.

**DEFINITIONS**

For the purpose of this Stipulated Judgment, the following definitions shall apply:

- A. "Assets" means all real and personal property of any Defendant, or held for the benefit of any Defendant, including, but not limited to, "goods," "instruments," "equipment," "fixtures," "general intangibles," "inventory," "checks," "notes," and "securities" (as these terms are defined in the Uniform Commercial Code), lines of credit, and all cash, wherever located.
- B. "Assisting others" means providing any of the following goods or services to another person: (i) serving as an officer, director, or consultant; (ii) performing customer service functions, including, but not limited to, receiving or responding to customer complaints; (iii) formulating or providing, or arranging for the formulation or provision of, any script or any other material for communicating with customers or potential customers; (iv) providing names of, or assisting in the generation of contacts to, potential customers, including, but not limited to, arranging for the automated delivery of messages to potential customers; (v) performing marketing services of any kind; or (vi) providing any other substantial help or aid, while knowing or consciously avoiding knowing that the

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person receiving assistance is engaged in an act or practice that is prohibited by this Stipulated Judgment.

- C. "Billing information" means any data that enables any person to access a customer's or donor's account, such as a credit card, checking, savings, share or similar account, utility bill, mortgage loan account, or debit card account.
- D. "Clear and conspicuous" means the required disclosures are:
- (1) not accompanied by other communications that are contrary to, are inconsistent with, or mitigate the required disclosures;
  - (2) made in the same language as that principally used in any accompanying advertisement;
  - (3) readily noticeable and, if conveyed through an interactive medium, not conveyed through avoidable hyperlinks or similar methods; and
  - (4)
    - (a) if conveyed through text (e.g., printed publications or words displayed on the screen of an electronic device), in a type of a size, weight, and color that contrasts with the background, is readable and draws attention to the disclosures;
    - (b) if conveyed through oral or audio communications (e.g., telephone, radio or streaming audio), delivered at a cadence and audible level that is intelligible to the receiving audience and, in any event, is no faster than the cadence principally used in the accompanying oral or audio communications and at least the same audible level as that principally used in the accompanying oral or audio communications;
    - (c) if conveyed through video communications (e.g., television, streaming video,

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online services), in text that is consistent with Subparagraph (4)(a) of this definition and appears on the screen for a duration sufficient for an ordinary consumer to read and comprehend the disclosures.

E. "Debt consolidation service" means:

- (1) receiving money from a consumer for the purpose of distributing one or more payments to or among one or more creditors of the consumer in full or partial payment of the consumer's obligation;
- (2) arranging or assisting a consumer to arrange for the distribution of one or more payments to or among one or more creditors of the consumer in full or partial payment of the consumer's obligation;
- (3) exercising direct or indirect control, or arranging for the exercise of such control, over funds of a consumer for the purpose of distributing payments to or among one or more creditors of the consumer in full or partial payment of the consumer's obligation; or
- (4) acting or offering to act as an intermediary between a consumer and one or more creditors of the consumer for the purpose of altering the terms of payment of the consumer's obligation.

F. "Defendants" means Maureen Gaviola and Consumer Credit Consolidation, Inc.

G. "Defendants' Financial Statements" means the document entitled Attachment "A", Federal Trade Commission Financial Statement of Individual Defendant, signed by Maureen Gaviola and dated March 27, 2008; the document entitled Attachment "B", Federal Trade Commission Financial Statements of Corporate Defendant signed by

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Maureen Gaviola and dated March 27, 2008; all documents that are identified as addendums or attachments to those Financial Statements; the Statement of Assets, Liabilities and Stockholders' Equity and Statement of Revenues and Expenses for Consumer Credit Consolidation, Inc., for the two (2) Months that ended February 29, 2008, and the Statement of Income and Balance Sheet for Travel Opportunities Surfside, Inc. for the two (2) Months that ended February 29, 2008.

- H. "Document" means writings, drawings, charts, graphs, photographs, audio and video recordings, computer records, and any other data compilations from which information can be obtained and is equal in scope and synonymous in meaning to the usage of the term in Federal Rule of Civil Procedure 34(a).
- I. "National Do Not Call Registry" means the National Do Not Call Registry maintained by the Federal Trade Commission pursuant to 16 C.F.R. § 310.4(b)(1)(iii)(B).
- J. "Nonprofit entity" means an entity that does not distribute any part of its income or profit to members, directors, or officers, or is described as being "nonprofit," "not-for-profit" or dedicated primarily or exclusively to charitable, religious or educational purposes. This definition shall be construed consistent with applicable state law where the nonprofit entity is incorporated or organized.
- K. "Outbound telephone call" means a telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.
- L. "Person" means any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.

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- M. "Representatives" means Defendants' successors, assigns, officers, agents, servants, employees and those persons in active concert or participation with Defendants who receive actual notice of this Stipulated Judgment by personal service or otherwise.
- N. "Savings or estimated savings" means a representation, directly or by implication, that agreeing to purchase services will save a consumer time or money, including but not limited to a representation that purports to describe the difference or estimated difference between the cost or duration of payments if services are purchased and the cost or duration of payments if the purchaser adopts an alternative to the services that is identified directly or by implication.
- O. "Seller" means any person who, in connection with a telemarketing transaction, provides, offers to provide, or arranges for others to provide goods or services to the customer in exchange for consideration.
- P. "Telemarketer" means any person who, in connection with telemarketing, initiates or receives telephone calls to or from a customer or donor.
- Q. "Telemarketing" is defined by the Telemarketing Sales Rule, 16 C.F.R. § 310.2(cc), and means a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call. The term does not include the solicitation of sales through the mailing of a catalog which contains a written description or illustration of the goods or services offered for sale; includes the business address of the seller; includes multiple pages of written material or illustrations; and has been issued not less frequently than once a year, when the person making the solicitation does not

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solicit customers by telephone but only receives calls initiated by customers in response to the catalog and during those calls takes orders only without further solicitation. For purposes of the previous sentence, the term "further solicitation" does not include providing the customer with information about, or attempting to sell, any other item included in the same catalog which prompted the customer's call or in a substantially similar catalog.

- R. "Telemarketing Sales Rule" or "Rule" means the FTC Rule entitled "Telemarketing Sales Rule," 16 C.F.R. Part 310, the text of which is included as an Appendix to this Stipulated Judgment.

**ORDER**

**I.**

**PROHIBITED PRACTICES IN MARKETING DEBT CONSOLIDATION SERVICES**

**IT IS HEREBY ORDERED** that, in connection with the advertising, promotion, offering, or sale of debt consolidation services, the Defendants and their Representatives are hereby restrained and enjoined from:

- A. Falsely representing or assisting others in falsely representing that Defendants offer, sell or provide contracts for debt consolidation services with a nonprofit entity; that the debt consolidation services that Defendants offer, sell or provide are services of a nonprofit entity; or that fees for the debt consolidation services that Defendants offer, sell or provide are collected or controlled by a nonprofit entity;
- B. Falsely representing or assisting others in falsely representing that the only fee charged for debt consolidation services is an administrative fee or a monthly fee;



- C. Falsely representing or assisting others in falsely representing that fees for debt consolidation services represent a deposit or are refunded upon completion of the debt consolidation services;
- D. Falsely representing or assisting others in falsely representing the costs of or fees for debt consolidation services;
- E. Falsely representing or assisting others in falsely representing that debt consolidation services will lower a consumer's monthly payment or total debt;
- F. Falsely representing or assisting others in falsely representing that purchasing debt consolidation services will result in savings or estimated savings to the purchaser;
- G. Falsely representing or assisting others in falsely representing that interest charges will be reduced to as low as zero percent;
- H. Falsely representing or assisting others in falsely representing that debt consolidation services include services that will improve a consumer's credit record, history, or rating;
- I. Falsely representing or assisting others in falsely representing that debt consolidation services include services that will protect against deterioration of a consumer's credit rating, against negative credit history or against derogatory credit information;
- J. Falsely representing or assisting others in falsely representing the benefits that consumers will receive from debt consolidation services;
- K. Falsely representing or assisting others in falsely representing that Defendants or any entity on whose behalf Defendants offer debt consolidation services adjusts or has adjusted fees for the debt consolidation services they offer to comply with state requirements; and

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L. Making or assisting others in making any other express or implied representation or omission of material fact that is false or misleading, in any manner, orally or in writing, to any consumer or entity.

For purposes of this Paragraph, "material" means likely to affect a person's choice of, or conduct regarding, goods or services or a charitable contribution.

## II.

### PROHIBITION AGAINST DECEPTIVE TELEMARKETING PRACTICES

**IT IS FURTHER ORDERED** that, in connection with telemarketing, Defendants and their Representatives are hereby restrained and enjoined from engaging in, or assisting others in engaging in:

- A. Falsely representing, expressly or by implication, that Defendants offer, sell or provide contracts with a nonprofit entity; that the services that Defendants offer, sell or provide are services of a nonprofit entity; or that fees for the services that Defendants offer, sell or provide are collected or controlled by a nonprofit entity;
- B. Falsely representing, expressly or by implication, that fees represent a deposit or are refunded upon completion of a payment schedule;
- C. Falsely representing, expressly or by implication, the costs of or fees for services;
- D. Falsely representing, expressly or by implication, that purchasing services will result in savings or estimated savings to the purchaser;
- E. Falsely representing, expressly or by implication, that Defendants or any entity on whose behalf Defendants offer services adjusts or has adjusted fees for the services they offer to comply with state requirements; and

F. Making any other false or misleading statements to induce consumers to pay for services or to induce a charitable contribution in violation of the deceptive practices prohibitions of the Telemarketing Sales Rule, 16 C.F.R. § 310.3, including, but not limited to, the misrepresentations listed in Paragraph I.A-K.

**III.  
PROHIBITION ON FAILING TO PROVIDE CLEAR AND CONSPICUOUS DISCLOSURES IN  
TELEMARKETING SALES**

**IT IS FURTHER ORDERED** that

In connection with telemarketing, Defendants and their Representatives are hereby restrained and enjoined from directly or indirectly receiving payment from a consumer for goods or services, or causing billing information to be submitted for payment, unless and until the following information has been disclosed to the consumer truthfully, in a clear and conspicuous manner:

- A. The total costs to purchase, receive, or use, and the quantity of, any goods or services for which payment is sought;
  - B. All material restrictions, limitations, or conditions to purchase, receive, or use the goods or services that are the subject of the sales offer; and
  - C. If the seller has a policy of not making refunds, cancellations, exchanges, or repurchases, a statement informing the customer that this is the seller's policy;
  - D. If the seller or telemarketer makes a representation about a refund, cancellation, exchange, or repurchase policy, a statement of all material terms and conditions of such policy;
- and

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E. If the seller has a policy of not making refunds to debt consolidation service clients unless the clients complete repayment of debts in a particular manner, a statement of all conditions that a client must satisfy to receive such refunds.

For purposes of this Paragraph, "material" means likely to affect a person's choice of, or conduct regarding, goods or services or a charitable contribution. Under this paragraph, "receiving payment from a consumer for goods or services" includes: (i) requesting that a consumer send full or partial payment by check, money order, wire, cash, or any other means; (ii) asking a consumer for billing information that will or could be used to obtain payment for goods or services; or (iii) sending a courier to pickup payment for goods or services offered, or directing a consumer to have a courier pick up payment or authorization for payment.

#### IV.

##### PROHIBITION AGAINST ABUSIVE TELEMARKETING PRACTICES

**IT IS FURTHER ORDERED** that, in connection with telemarketing, Defendants and their Representatives are hereby permanently restrained and enjoined from engaging in, or causing other persons to engage in, or assisting other persons to engage in, violations of the Telemarketing Sales Rule, including, but not limited to:

A. Delivering recorded messages to persons who answer an outbound telephone call, disconnecting an outbound telephone call when a person answers without connecting the call to a sales representative, or otherwise failing to connect an outbound telephone call answered by a person to a sales representative within two (2) seconds of the person's completed greeting, *provided, however*, that outbound telephone calls that deliver recorded messages do not violate this provision if the following four (4) conditions are met:

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1. The person who initiates the calls employs technology that ensures that no more than three (3) percent of all calls answered by a person are not connected to a sales representative within two (2) seconds of the person's completed greeting, measured per day per calling campaign;
2. The person who initiates the calls allows the telephone to ring for at least fifteen (15) seconds or four (4) rings before disconnecting an unanswered call;
3. Whenever a sales representative is not available to speak with the individual who answers the call within two (2) seconds after the individual's completed greeting, the seller or telemarketer promptly plays a recorded message that states the name and telephone number of the seller on whose behalf the call was placed; and
4. Defendants and their Representatives retain records, in accordance with 16 C.F.R. § 310.5 (b)-(d), establishing compliance with the preceding three conditions.

B. Initiating any outbound telephone call to a person's telephone number on the National Do Not Call Registry, unless the telephone call is:

1. a solicitation to induce charitable contributions;
2. to a business;
3. to a person who has expressly consented to receive outbound telemarketing calls from the seller on whose behalf the call is made and Defendants can prove that (a) the person's consent is recorded in a written agreement that clearly evidences such person's authorization that calls made by or on behalf of the seller may be placed to that person, and (b) such agreement includes the telephone number to which the calls may be placed and the signature of that person; or

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4. to a person who has not stated that he or she does not wish to receive outbound telephone calls from the seller on whose behalf the call is made and Defendants can prove that the person (a) purchased, rented, or leased the seller's goods or services, or engaged in a financial transaction with the seller, within the eighteen (18) months immediately preceding the date of the telephone call; or (b) submitted an inquiry or application regarding a product or service offered by the seller, within the three (3) months immediately preceding the date of a telemarketing call;

C. Initiating any outbound telephone call to a person who has previously stated that he or she does not wish to receive an outbound telephone call made by or on behalf of the seller whose goods or services are being offered or made by or on behalf of the charitable organization for which a charitable contribution is being solicited; or

D. Initiating any outbound telephone call to a telephone number within a given area code when the applicable annual fee, if any, for access to the telephone numbers within that area code that are on the National Do Not Call Registry has not been paid by or on behalf of the seller on whose behalf the telephone call is made, unless the telephone call is:

1. a solicitation to induce charitable contributions;
2. to businesses, or
3. on behalf of a seller who initiates, or causes others to initiate, telephone calls solely to persons that satisfy the conditions in Subparagraphs IV.B.3 and IV.B.4 of this Stipulated Judgment, and does not access the National Do Not Call Registry for any other purpose.

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*Provided, however*, if the Commission promulgates rules that, in whole or part, modify or supersede the Telemarketing Sales Rule, on or after the effective date of any such rules, (i) Defendants shall comply fully and completely with all applicable requirements of such rules and (ii) telephone calls that are permitted by such rules do not constitute a violation of this Stipulated Judgment if Defendants satisfy all the applicable requirements of such rules.

**V.**

**DEFENDANTS' OBLIGATION TO MONITOR TELEMARKETING PERSONNEL**

**IT IS FURTHER ORDERED** that any business engaged in telemarketing that Maureen Gaviola controls, directly or indirectly, or in which Maureen Gaviola has a majority ownership interest, is hereby permanently restrained and enjoined from:

- A. Failing promptly to investigate fully any consumer complaint received by any business to which this Paragraph applies; and
- B. Failing to take corrective action with respect to any telemarketer or sales representative that is not complying with this Stipulated Judgment, which may include training, disciplining, and/or terminating such sales person.
- C. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged in telemarketing comply with Paragraphs I to IV of this Stipulated Judgment. Such steps shall include:
  - 1. Monitoring to ensure that lists of phone numbers used to contact customers include only numbers that are authorized to be called under the Telemarketing Sales Rule;
  - 2. Establishing a procedure for receiving and responding to consumer complaints of violations of the Telemarketing Sales Rule;





3. Ascertaining the number and nature of consumer complaints regarding potentially violative telephone calls or sales practices in which each employee or independent contractor is involved;
4. Examining the initial and rebuttal scripts, training materials, notices, contracts and sales materials used by all employees and independent contractors to ascertain whether they comply with Telemarketing Sales Rule; and
5. Monitoring a sample of telemarketing calls by having non-commissioned employees or contractors listen to telemarketers' oral presentations and keep records regarding any misrepresentations.

*Provided, however*, that this Paragraph does not authorize or require Maureen Gaviola to take any action that violates any federal, state, or local law.

**VI.**

**BAN ON COLLECTING PAYMENTS FROM SALE OF CONSOLIDATION SERVICES AGREEMENTS MARKETED FOR DEFENDANTS RANDALL L. LESHIN, RANDALL L. LESHIN, P.A., AND EXPRESS CONSOLIDATION**

**IT IS FURTHER ORDERED** that upon entry of this Stipulated Judgment, Defendants are permanently restrained and enjoined from collecting, receiving, or taking possession of any residual payments from Defendant's sale of the debt consolidation services of Randall L. Leshin, Randall L. Leshin, P.A., and Express Consolidation, Inc. prior to the date of entry of this Stipulated Judgment, *provided*, however, that it shall not be a violation of this Stipulated Judgment for Defendants to seek recovery or legal recourse based on misconduct by Randall L. Leshin, Randall L. Leshin, P.A., and/or Express Consolidation, Inc., or to claim that unpaid

residuals may be considered in assessing or measuring the liability of Randall L. Leshin, Randall L. Leshin, P.A., or Express Consolidation, Inc. to Defendants.

**VII.  
MONETARY JUDGMENT**

**IT IS FURTHER ORDERED** that

- A. Defendants CCC and Maureen Gaviola are jointly and severally liable to the FTC for eight hundred fifty-thousand dollars (\$850,000) and no cents which amount was paid by consumers as fees, and the FTC is awarded a monetary judgment in that amount against Defendants CCC and Maureen Gaviola.
- B. The monetary judgment set forth in Subparagraph VII.A is stayed upon Defendants paying the Commission or its designated agent the sum of fifty-thousand (\$50,000) by wire transfer to the Commission or its designee or agent, in accordance with wiring instructions to be provided by the Commission. If Defendants fail to complete the transfer of this sum within five (5) days, the entire judgment is due and payable.
- C. The stay of the monetary judgment shall be lifted if, upon motion by the Commission, the Court finds that Maureen Gaviola, in executing one or more of the Defendants' Financial Statements, has (i) materially misstated the value of any asset that should have been disclosed in the statements; (ii) materially misstated Defendants' financial condition by failing to disclose any asset that should have been disclosed in the statements; or (iii) has made any other material misstatement or omission in the Defendants' Financial Statements. Upon lifting the stay, the full amount of the judgment, less any amount previously collected to pay the judgment, shall become

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immediately due and payable with interest computed at the rate prescribed under 28 U.S.C. § 1961, as amended, on the unpaid balance.

D. Defendants agree that the facts as alleged in the Amended Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Commission to enforce its rights pursuant to this Stipulated Injunction and Judgment, including but not limited to a nondischargeability complaint in any bankruptcy case. Defendants further stipulate and agree that the facts alleged in the Complaint establish all elements necessary to sustain an action pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S. C. § 523(a)(2)(A).

E. Defendants acknowledge and agree that (1) this monetary judgment is equitable monetary relief, solely remedial in nature, and not a fine, penalty, punitive assessment or forfeiture; and (2) any proceedings to lift the stay of the monetary judgment would be in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings that the FTC may initiate to enforce this Stipulated Judgment; (3) all money paid to satisfy the monetary judgment is irrevocably paid for purposes of settlement between the parties and Defendants relinquish all interests, rights and title to such money to the fullest extent permitted by law.

F. In the event that the stay of monetary judgment is lifted with respect to one or more of the Defendants, the Defendants must (1) provide the Commission with their federal and, if applicable, state tax returns for the preceding two years, and complete new financial disclosure forms fully and accurately within ten business days of receiving a request from the Commission

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to do so; and (2) cooperate fully with the Commission and its agents in all attempts to collect the judgment.

G. Funds paid to the Commission or its designated agent to satisfy the monetary judgment shall be deposited into a fund, administered by the Commission to be used for equitable relief, including, but not limited to, consumer redress and any attendant expenses for the administration of any redress fund. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the FTC may apply any remaining funds to such other equitable relief (including consumer education remedies) as it determines to be reasonably related to the purposes of this settlement. Funds not so used for such equitable relief shall be paid to the United States Treasury. Defendants shall have no right to challenge the Commission's choice of remedies under this Stipulated Judgment.

**VIII.**  
**COMPLIANCE MONITORING BY THE FTC**

**IT IS FURTHER ORDERED** that, for the purpose of monitoring and investigating compliance with any provision of this Stipulated Judgment,

A. Within fifteen (15) days of receipt of written notice from a representative of the Commission, each Defendant shall submit additional written reports, sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in such Defendant's possession or direct or indirect control to inspect the business operation *provided that* the Defendants, after attempting to resolve a dispute without court action and for good cause shown, may file a motion

with this Court seeking an order including one or more of the protections set forth in Fed. R. Civ.

P. 26(c);

B. In addition, the Commission is authorized to monitor compliance with this Stipulated Judgment by all other lawful means, including but not limited to the following:

1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, and 45;
2. posing as consumers and suppliers to: Defendants, Defendants' employees, or any other entity managed or controlled in whole or in part by Defendants without the necessity of identification or prior notice; and

C. Defendants shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Stipulated Judgment. The person interviewed may have counsel present.

*Provided, however,* that nothing in this Stipulated Judgment shall limit 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, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

#### **IX.**

#### **COMPLIANCE REPORTING BY DEFENDANTS**

**IT IS FURTHER ORDERED** that, in order that compliance with the provisions of this Stipulated Judgment may be monitored:



- A. For a period of three (3) years from the date of entry of this Stipulated Judgment,
1. Maureen Gaviola shall notify the Commission of the following:
    - (a) Any changes in Maureen Gaviola's residence, mailing addresses, and telephone numbers within ten (10) days of the date of such change;
    - (b) Any changes in Maureen Gaviola's employment status (including self-employment), and any change in the ownership of Maureen Gaviola in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that Maureen Gaviola is affiliated with, employed by, creates or forms, or performs services for; a statement of the nature of the business; and a statement of Maureen Gaviola's duties and responsibilities in connection with the business or employment; and
    - (c) Any changes in Maureen Gaviola's name or use of any aliases or fictitious names; and
  2. Defendants shall notify the Commission of any changes in corporate structure of Consumer Credit Consolidation, Inc. or any business entity that Maureen Gaviola directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Stipulated Judgment, including, but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Stipulated Judgment; the filing of a bankruptcy petition; or a change in the corporate name or address, at least thirty (30) days prior to such change, *provided*

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that, with respect to any proposed change in the corporation about which the Defendants learn less than thirty (30) days prior to the date such action is to take place, Defendants shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Stipulated Judgment, each Defendant shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Stipulated Judgment. This report shall include, but not be limited to:

1. For Maureen Gaviola:
  - (a) Maureen Gaviola's then-current residence address, mailing addresses, and telephone numbers;
  - (b) Maureen Gaviola's then-current employment and business addresses and telephone numbers, a description of the business activities of each such employer or business, and Maureen Gaviola's title and responsibilities for each such employer or business; and
  - (c) Any other changes required to be reported under subparagraph A of this Section.
2. For all Defendants:
  - (a) A copy of each acknowledgment of receipt of this Stipulated Judgment, obtained pursuant to Paragraph XI;
  - (b) Any other changes required to be reported under subparagraph A of this Section.

A handwritten signature in black ink, appearing to be the name 'Lacy'.

C. For the purposes of this Stipulated Judgment, Defendants shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Associate Director for Enforcement  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
Re: FTC v. Leshin, S.D. Fla. Civil Action No. 06-61851

D. For purposes of the compliance reporting and monitoring required by this Stipulated Judgment, Defendants authorize Richard J. Capriola of Weinstock & Scavo to act as their representative receive notices and communications as their representative, and the service by mail or delivery of any communication from the Commission to Richard J. Capriola is communication with Defendants.

**X.**  
**RECORD KEEPING PROVISIONS**

**IT IS FURTHER ORDERED** that, for a period of six (6) years from the date of entry of this Stipulated Judgment, Defendants and their agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with one or more Defendants who receive actual notice of this Stipulated Judgment by personal service or otherwise, are hereby restrained and enjoined from failing to create and retain the following records in connection with the sale of debt consolidation services or telemarketing:

A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;





- B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;
- C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;
- D. Complaints and refund requests (whether received directly, indirectly or through any third party) and any responses to those complaints or requests;
- E. Copies of all sales scripts, training materials, advertisements, recorded messages or other marketing materials; and
- F. All records and documents necessary to demonstrate full compliance with each provision of this Stipulated Judgment, including, but not limited to, copies of acknowledgments of receipt of this Stipulated Judgment, required by Paragraph XI, and all reports submitted to the FTC pursuant to Paragraph IX.

**XI.**  
**DISTRIBUTION OF ORDER BY DEFENDANTS**

**IT IS FURTHER ORDERED** that, for a period of three (3) years from the date of entry of this Stipulated Judgment, Defendants shall deliver copies of the Stipulated Judgment as directed below:

- A. *Consumer Credit Consolidation, Inc.*: Consumer Credit Consolidation, Inc. must deliver a copy of this Stipulated Judgment to all of its principals, officers, directors, and managers.

*lag*

