

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

FEDERAL TRADE COMMISSION,

Plaintiff

v.

CIVIL NO. 08-1877 (JP)

ZOILO CRUZ,

Defendant

FINAL MONETARY JUDGMENT

Before the Court is Plaintiff Federal Trade Commission's (the "FTC" or "Commission") motion for entry of monetary judgment against Defendant Zoilo Cruz ("Cruz") (**No. 16**). For the reasons stated herein, the FTC's motion is hereby **GRANTED**.

The FTC filed the instant action on August 7, 2008, pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b). The FTC alleges that Defendant Cruz has engaged in deceptive acts or practices in connection with the marking and sale of work-at-home envelope stuffing opportunities, in violation of Section 5 of the FTC Act.

On December 18, 2008, the Court entered an Order for Default Judgment and for a Permanent Injunction (No. 15) against Cruz, enjoining him from engaging in the deceptive marketing of an envelope-stuffing work-at-home opportunity, and finding him liable for monetary relief. Said Judgment authorized the FTC to conduct

CIVIL NO. 08-1877 (JP)

-2-

discovery to determine the appropriate amount of monetary relief. Based on the FTC's discovery results, the Court hereby **ENTERs** the following findings of fact and law:

1. The Court finds that on January 3, 2009, Defendant Cruz was personally served with the Order for Default Judgment and for Permanent Injunction (No. 15) entered by this Court on December 18, 2008.
2. The Court finds that it has the authority under the Federal Trade Commission Act, 15 U.S.C. § 45 *et seq.*, to grant equitable monetary relief in the form of restitution.
3. The Court finds that restitution to consumers of the gross receipts from Defendant Cruz's International Marketing and Universal Wealth envelope-stuffing programs, minus any refunds to consumers, is the appropriate remedy in this action because: (1) Cruz's deceptive marketing practices constituted fraud; and (2) restitution to consumers of the money they paid would restore them to the position they were in before Cruz engaged in said fraud.
4. The Court finds that consumers' reliance on Defendant Cruz's deceptive statements may be presumed because: (1) Defendant Cruz made material misrepresentations likely to deceive consumers; (2) those misrepresentations were

CIVIL NO. 08-1877 (JP)

-3-

widely disseminated; and (3) consumers purchased Defendant Cruz's envelope-stuffing opportunity.

5. The Court therefore finds that Defendant Cruz is liable for equitable monetary relief in the form of restitution to all consumers who purchased an envelope-stuffing work-at-home opportunity from Cruz, using the trade names International Marketing and Universal Wealth, and who did not receive a refund.
6. The Court finds that a hearing to determine the specific amount of restitution to be ordered is not necessary because the amount of restitution is calculable from documents of record.
7. The Court finds that consumer payments for Defendant Cruz's International Marketing and Universal Wealth envelope-stuffing programs can be traced into Eurobank bank accounts held in his name, doing business as International Marketing and Universal Wealth.
8. The Court finds that the FTC's calculation of restitution in the amount of \$64,496.51 from Eurobank account records reasonably approximates the amount of gross receipts minus refunds.
9. The Court finds that Defendant Cruz has not shown that the FTC's calculation is inaccurate.

CIVIL NO. 08-1877 (JP)

-4-

10. The Court therefore finds that Defendant Cruz is liable for restitution to consumers in the amount of \$64,496.51.

Pursuant thereto, the Court hereby **ORDERS** that:

- A. Judgment is hereby entered against Defendant Cruz in the amount of **SIXTY-FOUR THOUSAND, FOUR HUNDRED NINETY-SIX DOLLARS AND FIFTY-ONE CENTS (\$64,496.51)** as equitable monetary relief to redress consumer injury. This Judgment shall become immediately due and payable by Defendant upon entry of this Order, and interest computed at the rate prescribed under 28 U.S.C. § 1961(a), as amended, shall begin immediately to accrue on the unpaid balance.
- B. All payments **SHALL** be made by certified check or other guaranteed funds payable to and delivered to the Commission, or by wire transfer in accordance with directions provided by the Commission.
- C. All funds paid **SHALL** be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to, restitution and any attendant expenses for the administration of such equitable relief. If the Commission determines, in its sole discretion, that direct redress of consumer injury is wholly or partially impracticable, or funds remain after the restitution is completed, the Commission may apply any

CIVIL NO. 08-1877 (JP)

-5-

remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Defendant's practices alleged in the complaint. Any funds not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. Defendant Cruz shall have no right to challenge the Commission's choice of remedies under this Section. This Judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture.

D. Defendant Cruz is hereby required, in accordance with 31 U.S.C. § 7701, to furnish to the FTC his tax identification numbers, which shall be used for purposes of collecting and reporting on any delinquent amount arising out of the Order.

IT IS SO ORDERED.

In San Juan, Puerto Rico, this 3rd day of June, 2009.

s/Jaime Pieras, Jr.

JAIME PIERAS, JR.

U.S. SENIOR DISTRICT JUDGE