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20 Federal Trade Commission

21 **UNITED STATES DISTRICT COURT**
22 **CENTRAL DISTRICT OF CALIFORNIA**

23 _____
24 FEDERAL TRADE COMMISSION,)

25 Plaintiff,)

26 v.)

27 KATRINA MOORE,)
28 individually and also d/b/a)
Innovative Paycheck Solutions)

_____)
and FakePayStubOnline.com,)

Case No. 5:18-CV-1960-MWF-SP

**STIPULATED ORDER FOR
PERMANENT INJUNCTION
AND MONETARY JUDGMENT**

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Defendant.)
_____)

Plaintiff the Federal Trade Commission (“Commission”), filed its Complaint for Permanent Injunction and Monetary Judgement (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b). The Commission and Defendant stipulate to the entry of this Stipulated Order for Permanent Injunction and Other Equitable Relief (“Order”) to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendant participated in unfair and deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, in connection with the Defendant’s marketing and sale of fake pay stubs, fake bank statements, fake tax forms, and a service for falsifying real bank statements.
3. Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendant admits the facts necessary to establish jurisdiction.

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

5 5. Defendant and the Commission waive all rights to appeal or otherwise
6 challenge or contest the validity of this Order.
7

8 **DEFINITIONS**

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

10 A. **“Defendant”** means Katrina Moore, individually and doing business as
11 Innovative Paycheck Solutions and FakePayStubOnline.com.
12

13 B. **“Fake Document”** means any document, in paper or electronic form, that
14 misrepresents any person’s identity, residency, finances, taxes, or employment, or
15 otherwise misrepresents the document’s source, provenance, authenticity, or
16 accuracy.
17

18 **ORDER**

19 **I. PROHIBITION AGAINST FAKE DOCUMENTS**

20 IT IS ORDERED that Defendant is permanently restrained and enjoined
21 from advertising, marketing, promoting, or offering for sale, or assisting in the
22 advertising, marketing, promoting, or offering for sale any Fake Document or any
23 service, template, or mechanism for creating any Fake Document.
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1 **II. PROHIBITION AGAINST PROVIDING THE MEANS AND**
2 **INSTRUMENTALITIES TO DECEIVE CONSUMERS**

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4 IT IS FURTHER ORDERED that Defendant, Defendant’s officers, agents,
5 employees and attorneys, and all other persons in active concert or participation
6 with any of them, who receive actual notice of this Order, whether acting directly
7 or indirectly, are permanently restrained and enjoined from providing to others the
8 means and instrumentalities with which to make, expressly or by implication, any
9 statement or representation of material fact that misrepresents:
10

- 11
- 12 A. any person’s identity, residency, finances, taxes, or employment; or
 - 13 B. the source, provenance, authenticity, or accuracy of any document related
14 to identity, residency, finances, taxes, or employment.
- 15

16 **III. MONETARY JUDGMENT**

17 IT IS FURTHER ORDERED that:

- 18
- 19 A. Judgment in the amount of one hundred sixty-nine thousand Dollars
20 (\$169,000) is entered in favor of the Commission against Defendant as equitable
21 monetary relief.
 - 22
 - 23 B. The judgment is suspended subject to the Subsections below.
 - 24 C. The Commission’s agreement to the suspension of the judgment is expressly
25 premised upon the truthfulness, accuracy, and completeness of Defendants’ sworn
26
- 27

1 financial statements and related documents (collectively, “financial
2 representations”) submitted to the Commission, namely:

- 3
4 1. the Financial Statement of Defendant Katrina Moore signed on April 1,
5 2018, including the attachments; and
6
7 2. the additional documentation submitted by Defendant’s counsel Eric
8 Anderson, which is described in the April 12, 2018, letter from Commission
9 counsel Katherine White to Defendant’s counsel Eric Anderson.

10 D. The suspension of the judgment will be lifted as to Defendant if, upon
11 motion by the Commission, the Court finds that Defendant failed to disclose any
12 material asset, materially misstated the value of any asset, or made any other
13 material misstatement or omission in the financial representations identified above.

14
15 E. If the suspension of the judgment is lifted, the judgment becomes
16 immediately due as to Defendant in the amount specified in Subsection A. above
17 (which the parties stipulate only for purposes of this Section represents the unjust
18 enrichment alleged in the Complaint), less any payment previously made pursuant
19 to this Section, plus interest computed from the date of entry of this Order.
20
21

22 **IV. ADDITIONAL MONETARY PROVISIONS**

23
24 IT IS FURTHER ORDERED that:

1 A. Defendant relinquishes dominion and all legal and equitable right, title, and
2 interest in all assets transferred pursuant to this Order and may not seek the return
3 of any assets.
4

5 B. The facts alleged in the Complaint will be taken as true, without further
6 proof, in any subsequent civil litigation by or on behalf of the Commission,
7 including in a proceeding to enforce its rights to any payment or monetary
8 judgment pursuant to this Order, such as a nondischargeability complaint in any
9 bankruptcy case.
10

11 C. The facts alleged in the Complaint establish all elements necessary to sustain
12 and action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy
13 Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect
14 for such purposes.
15

16 D. Defendant acknowledges that her Taxpayer Identification Numbers (Social
17 Security Numbers or Employer Identification Numbers), which Defendant
18 previously submitted to the Commission, may be used for collecting and reporting
19 on any delinquent amount arising out of this Order, in accordance with 31 U.S.C.
20 §7701.
21

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

11 **V. ORDER ACKNOWLEDGMENTS**

12
13 IT IS FURTHER ORDERED that Defendant obtains acknowledgments of
14 receipt of this Order:
15

16 A. Defendant, within 7 days of entry of this Order, must submit to the
17 Commission an acknowledgment of receipt of this Order sworn under penalty of
18 perjury.
19

20 B. For 5 years after entry of this Order, Defendant for any business that
21 Defendant is the majority owner or controls directly or indirectly, must deliver a
22 copy of this Order to: (1) all principals, officers, directors, and LLC managers and
23 members; (2) all employees having managerial responsibilities for conduct related
24 to the subject matter of the Order and all agents and representatives who participate
25 in conduct related to the subject matter of the Order; and (3) any business entity
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1 resulting from any change in structure as set forth in the Section titled Compliance
2 Reporting. Delivery must occur within 7 days of entry of this Order for current
3 personnel. For all others, delivery must occur before they assume their
4 responsibilities.
5

6 C. From each individual or entity to which Defendant delivered a copy of this
7 Order, Defendant must obtain, within 30 days, a signed and dated acknowledgment
8 of receipt of this Order.
9

10 VI. COMPLIANCE REPORTING

11
12 IT IS FURTHER ORDERED that Defendant make timely submissions to
13 the Commission:

14 A. One year after entry of this Order, Defendant must submit a compliance
15 report, sworn under penalty of perjury, Defendant must:
16

17 1. identify all telephone numbers and all physical, postal, email and Internet
18 addresses, including all residences;
19

20 2. identify all business activities, including any business for which Defendant
21 performs services whether as an employee or otherwise and any entity in which
22 Defendant has any ownership interest;
23

24 3. describe in detail Defendant's involvement in each such business, including
25 title, role, responsibilities, participation, authority, control, and any ownership;
26
27

1 4. identify the primary physical, postal, and email address and telephone
2 number, as designated points of contact, which representatives of the Commission
3 may use to communicate with Defendant;
4

5 5. identify all of Defendant's businesses by all of their names, telephone
6 numbers, and physical, postal, email, and Internet addresses;
7

8 6. describe the activities of each business, including the goods and services
9 offered, the means of advertising, marketing, and sales;
10

11 7. describe in detail whether and how Defendant is in compliance with each
12 Section of this Order; and

13 8. provide a copy of each Order Acknowledgment obtained pursuant to this
14 Order, unless previously submitted to the Commission.
15

16 B. For 20 years after entry of this Order, Defendant must submit a compliance
17 notice, sworn under penalty of perjury, within 14 days of any change in the
18 following:
19

20 1. name, including aliases or fictitious name, or residence address;

21 2. title or role in any business activity, including any business for which
22 Defendant performs services whether as an employee or otherwise and any entity
23 in which Defendant has any ownership interest, and identify the name, physical
24 address, and any Internet address of the business or entity;
25

26 3. any designated point of contact; or
27

1 4. the structure of any entity that Defendant has any ownership interest in or
2 controls directly or indirectly that may affect compliance obligations arising under
3 this Order, including: creation, merger, sale, or dissolution of the entity or any
4 subsidiary, parent, or affiliate that engages in any acts or practices subject to this
5 Order.
6

7
8 C. Defendant must submit to the Commission notice of the filing of any
9 bankruptcy petition, insolvency proceeding, or similar proceeding by or against
10 Defendant within 14 days of its filing.
11

12 D. Any submission to the Commission required by this Order to be sworn under
13 penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746,
14 such as by concluding: “I declare under penalty of perjury under the laws of the
15 United States of America that the foregoing is true and correct. Executed on:
16 _____” and supplying the date, signatory’s full name, title (if applicable), and
17 signature.
18

19
20 E. Unless otherwise directed by a Commission representative in writing, all
21 submissions to the Commission pursuant to this Order must be emailed to
22 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:
23 Associate Director for Enforcement, Bureau of Consumer Protection, Federal
24 Trade Commission, 600 Pennsylvania Avenue N.W., Washington, DC 20580. The
25 subject line must begin: FTC v. Katrina Moore, FTC Matter No. 1723111.
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VII. RECORDKEEPING

IT IS FURTHER ORDERED that Defendant must create certain records for 20 years after entry of the Order, and retain each such record for 5 years.

Specifically, Defendant for any business that Defendant is a majority owner or controls directly or indirectly, must create and retain the following records:

- A. accounting records showing the revenues from all goods or services sold;
- B. personnel records showing, for each person providing services, whether as an employee or otherwise, that person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response; and
- D. all records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission.

VIII. COMPLIANCE MONITORING

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

- A. Within 14 days of receipt of a written request from a representative of the Commission, Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Commission

1 is also authorized to obtain discovery, without further leave of court, using any of
2 the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including
3 telephonic depositions), 31, 33, 34, 36, 45, and 69.
4

5 B. For matters concerning this Order, the Commission is authorized to
6 communicate directly with Defendant. Defendant must permit representatives of
7 the Commission to interview any employee or other person affiliated with
8 Defendant who has agreed to such an interview. The person interviewed may have
9 counsel present.
10

11 C. The Commission may use all other lawful means, including posing, through
12 its representatives as consumers, suppliers, or other individuals or entities, to
13 Defendant or any individual or entity affiliated with Defendants, without the
14 necessity of identification or prior notice. Nothing in this Order limits the
15 Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of
16 the FTC Act, 15 U.S.C. §§ 49, 57b-1.
17

18 D. Upon written request from a representative of the Commission, any
19 consumer reporting agency must furnish consumer reports concerning Defendant,
20 pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C.
21 §1681b(a)(1).
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IX. RETENTION OF JURISDICTION

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

SO STIPULATED AND AGREED:

FOR PLAINTIFF:

FEDERAL TRADE COMMISSION

Kate White

Date: 7/13/18

KATHERINE WHITE, VA Bar No. 68779

Email: kwhite@ftc.gov

Tel: (202) 326-2878

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6 Los Angeles, CA 90024
7 Tel: (310) 824-4313 / Fax: (310) 824-4380

8 **FOR DEFENDANT:**

9 

Date: 6-27-18

10 ERIC D. ANDERSON, CA Bar No. 243797
11 Email: ericanderson@edalaw.com
12 ERIC D. ANDERSON LAW
13 300 E. State Street, Suite 520
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15 Tel: (909) 283-5494 / Fax: (909) 801-7204
16 COUNSEL

17 **DEFENDANT:**

18 

Date: 6-27-18

19 KATRINA MOORE, individually
20 and also d/b/a Innovative Paycheck Solutions
21 and FakePayStubOnline.com
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Stipulation

[5:18-cv-01960-MWF-SP Federal Trade Commission v. Katrina Moore](#)

ACCO,(SPx),DISCOVERY,MANADR

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

Notice of Electronic Filing

The following transaction was entered by Abbe, Kenneth on 9/17/2018 at 11:23 AM PDT and filed on 9/17/2018

Case Name: Federal Trade Commission v. Katrina Moore
Case Number: [5:18-cv-01960-MWF-SP](#)
Filer: Federal Trade Commission
Document Number: [8](#)

Docket Text:

STIPULATION for Permanent Injunction as to defendant filed by plaintiff Federal Trade Commission. (Attachments: # (1) Proposed Order)(Abbe, Kenneth)

5:18-cv-01960-MWF-SP Notice has been electronically mailed to:

Kenneth H Abbe kabbe@ftc.gov

5:18-cv-01960-MWF-SP Notice has been delivered by First Class U. S. Mail or by other means BY THE FILER to :

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Document description:Main Document

Original filename:C:\fakepath\CAC.EC18CV01960.KA.StipOrder.pdf

Electronic document Stamp:

[STAMP cacdStamp_ID=1020290914 [Date=9/17/2018] [FileNumber=26278232-0] [3ea3a7a4efb3ea29a340857ab3472c5223fc12a9b5d09cc9f6a998c4688208501d67ae6a672fa484944ff964ed3b9d09c9ebd38891ab7dd611043c0b770dec25]]

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