

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

STEVEN J. BRANSFIELD, et al.,

Defendants.

Case No. _____

**STIPULATED ORDER FOR
PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO
STEVEN J. BRANSFIELD AND
SB&A CORPORATE DEFENDANTS**

Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), filed its Complaint for Permanent Injunction and Other Relief pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §53(b) (“Complaint”). Individual Defendant Steven J. Bransfield (“Bransfield”) has filed a petition for relief under Chapter 11 of the Bankruptcy Code in which the FTC is listed as a creditor. *See In re Steven John Bransfield, Jr.*, No. 1:19-bk-21442 (Bankr. S.D. Fla.) (“Bankruptcy Case”). The FTC, Bransfield, and corporate Defendants SB & A Media, Inc., SB&A Group, LLC, and WeRunAds, LLC (collectively, “SB&A Corporate Defendants”) stipulate to the entry of this Stipulated Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute between them in this action and the Bankruptcy Case.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

A. This Court has jurisdiction over this matter.

B. The Complaint charges that Bransfield and SB&A Corporate Defendants participated in deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45.

C. Bransfield and SB&A Corporate Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Bransfield and SB&A Corporate Defendants admit the facts necessary to establish jurisdiction.

D. Bransfield and SB&A Corporate Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.

E. Bransfield, SB&A Corporate Defendants and the FTC waive all rights to appeal or otherwise challenge or contest the validity of this Order.

F. Entry of this Order is in the public interest.

G. The FTC's prosecution of this action, including entry of a money judgment and the enforcement of a judgment (other than a money judgment) obtained in this action are actions to enforce the Plaintiff's police or regulatory power. As a result, if the Bankruptcy Case is pending as of the date of entry of this Order, this action is excepted from the automatic stay pursuant to 11 U.S.C. § 362(b)(4).

DEFINITIONS

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

A. "**Bankruptcy Case**" means the Chapter 11 Bankruptcy of individual Defendant Steven John Bransfield, Jr., *In re Steven John Bransfield, Jr.*, No. 1:19-bk-21442

(Bankr. S.D. Fla.).

B. “**Bransfield**” means individual Defendant Steven John Bransfield, Jr.

C. “**Business Coaching Program**” means any program, plan, or product, including those related to work-at-home opportunities, that is represented, expressly or by implication, to train or teach a participant or purchaser how to establish a business or earn money or other consideration through a business or other activity.

D. “**Defendant(s)**” means SB&A Corporate Defendants, Alpha Quad Enterprises, Inc., TTZ Media, Inc., Bransfield, Scott A. Zuckman, and Gar Leong Chow a/k/a John Chow, individually, collectively, or in any combination.

E. “**Money-Making Method**” means any method, process, or technique that is offered, offered for sale, or sold, based wholly or in part on representations, either express or implied, that such method, process, or technique is non-generic or not generally available to the public, and will generate income for users or prospective purchasers.

F. “**MOBE Defendant(s)**” means MOBE Ltd., MOBEProcessing.com, Inc., Transaction Management USA, Inc., MOBETraining.com, Inc., 9336-0311 Quebec Inc., MOBE Pro Limited, MOBE Inc., MOBE Online Ltd., Matt Lloyd Publishing.com Pty Ltd., Matthew Lloyd McPhee a/k/a Matt Lloyd, Russell W. Whitney, and Susan Zanghi.

G. “**SB&A Corporate Defendant(s)**” means SB & A Media, Inc., SB&A Group, LLC, and WeRunAds, LLC, and each of their subsidiaries, affiliates, successors, and assigns.

H. “**Settling Defendants**” means Bransfield and SB&A Corporate Defendants, individually, collectively or in any combination.

ORDER

I. BAN ON SALE OR MARKETING OF BUSINESS COACHING PROGRAMS AND MONEY-MAKING METHODS

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from:

A. Creating, advertising, marketing, promoting, offering for sale, or selling, or assisting others in creating, advertising, marketing, promoting, offering for sale, or selling any Business Coaching Program or any Money-Making Method;

B. Holding, directly or through a third-person, any ownership or other financial interest in any business entity that is creating, advertising, marketing, promoting, offering for sale, or selling, or that assists others in creating, advertising, marketing, promoting, offering for sale, or selling any Business Coaching Program, any Money-Making Method, or any product to assist in the creation or development of a Business Coaching Program or a Money-Making Method.

II. PROHIBITION AGAINST MISREPRESENTATIONS

IT IS FURTHER ORDERED that Settling Defendants, their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, marketing, promoting, or offering for sale of any goods or services, are permanently restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication:

A. That consumers who purchase any goods or services will earn or are likely to earn substantial income; or

B. Any other fact material to consumers concerning any good or service, such as: the total costs; any refund policy; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics.

III. MONETARY JUDGMENT AND SUSPENSION

A. Judgment in the amount of four million seven hundred ten thousand one hundred forty-nine dollars (\$4,710,149) is entered in favor of the Commission against the Settling Defendants, jointly and severally, as equitable monetary relief. The judgment is suspended, subject to the Subsections below.

B. Immediately upon entry of this Order, Settling Defendants shall surrender to the Commission all control, title, dominion, and interest they have to the following assets:

1. All funds in any accounts in the name of the MOBE Defendants, the Estate of Russell W. Whitney, the personal representative of the Estate of Russell W. Whitney, or Wealth Building Technologies (formerly known as Expert Media Agency);

2. All cash or funds transferred to and held by the court-appointed receiver, Mark Bernet, Esq., in the district court action titled *FTC v. MOBE Ltd., et al.*, No. 1:18-cv-862-ORL-DCI (M.D. Fla.);

3. All funds in the JPMorgan Chase Bank accounts ending in 9775, 8359, and 2188, held in the name of Wealth Building Technologies, totaling approximately \$338,957, that were transferred to the receiver on or about June 25, 2018; and

4. All reserve funds or any other accounts held, controlled, or serviced by Esquire Bank, N.A. and/or Maverick Bankcard, Inc. and associated with any payments processed by, or on behalf of Wealth Building Technologies, including the merchant

settlement account or merchant reserve account with the MID ending in 0059 (approximately \$102,880 as of Maverick Bankcard Inc.'s receipt of the Court's temporary restraining order).

C. Bransfield agrees that the monetary judgment ordered by Section III.A. is not dischargeable. Specifically,

1. Bransfield agrees that, if the Bankruptcy Case remains pending as of the date of the entry of this Order, he agrees to the filing by the Commission of:

a. The Complaint for Nondischargeability of Debt Owed to Federal Trade Commission, annexed hereto as **Attachment A**; and

b. The Stipulated Judgment for Nondischargeability of Debt Owed to Federal Trade Commission, annexed hereto as **Attachment B**, which Bransfield has executed concurrently with this Order, stipulating that the judgment is excepted from discharge pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A).

2. Bransfield agrees that if the Bankruptcy Case is dismissed as of the date of entry of this Order, and if no bankruptcy petition has been refiled by or against Bransfield as of the date of this Order, the facts as alleged in the 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 to any payment or money judgment pursuant to this Order, including, but not limited to, a nondischargeability complaint in any bankruptcy case. Bransfield further stipulates and agrees that, in the event that the Bankruptcy Case is dismissed as of the date of entry of this Order, the facts alleged in the Complaint establish all elements necessary to sustain an action pursuant to, and that

this Order shall have collateral estoppel effect for purposes of, Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A).

D. For all other purposes and with respect to all other parties, Bransfield's stipulation in Sections III.C.1 and III.C.2 shall have no effect.

E. The FTC's agreement to the suspension of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendants' sworn financial statements and related documents (collectively, "Financial Representations") submitted to the Commission, namely:

1. the Financial Statement of Bransfield signed on June 20, 2019 and sent to FTC counsel on July 12, 2019, including attachments or addendums, and tax returns of Bransfield for the years 2015, 2016 and 2017;

2. the Financial Statement of Corporate Defendant SB&A Group, LLC, signed by Bransfield on July 9, 2019, including attachments or addendums;

3. the Financial Statement of Corporate Defendant SB&A Media, Inc., signed by Bransfield on July 7, 2019, including attachments or addendums, and tax returns, balance sheets and profit and loss statements of SB&A Media, Inc. for the years 2016 and 2017;

4. the Financial Statement of Corporate Defendant WeRunAds, LLC, signed by Bransfield on July 9, 2019, including attachments and addendums, and tax returns, balance sheet and profit and loss statement of WeRunAds for the year 2017;

5. the documentation and information submitted via email from Bransfield's counsel, Wayne Gosnell, to FTC counsel Sung W. Kim and Benjamin R.

Davidson on July 12, 2019 at approximately 11:28 am EDT, including attachment entitled “In-Line Financial Disclosure Matters”;

6. the documentation and information submitted via email from Bransfield’s counsel, Wayne Gosnell, to FTC counsel Sung W. Kim and Benjamin R. Davidson, entitled “Response to FTC re Financial Disclosures,” on July 30, 2019 at approximately 4:52 pm EDT, including the attachment entitled “2019.07.29 – Response to FTC re Financial Disclosures.”

7. the documentation and information submitted via email from Bransfield’s counsel, Wayne Gosnell, to FTC counsel Sung W. Kim and Benjamin R. Davidson on July 31, 2019 at approximately 2:53 pm EDT, including five attachments;

8. the documentation and information submitted via email from Bransfield’s counsel, Wayne Gosnell, to FTC counsel Sung W. Kim and Benjamin R. Davidson on August 26, 2019 at approximately 4:20 pm EDT, attaching two files entitled “ftc reply” and “2017 contractors”; and

9. the amended schedules containing Summary of Assets and Liabilities, Statement of Financial Affairs, and Declaration submitted and filed by Bransfield in the Bankruptcy Case on or about September 26, 2019.

F. The suspension of the judgment will be lifted as to any Settling Defendant if, upon motion by the Commission, the Court finds that Settling Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the Financial Representations identified above.

G. If the suspension of the judgment is lifted, the judgment becomes immediately

due as to that Settling Defendant in the amount specified in Subsection A above (which the parties stipulate only for purposes of this Section represents the unjust enrichment alleged in the Complaint), plus interest computed from the date of entry of this Order.

IV. ADDITIONAL MONETARY PROVISIONS

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

B. Settling Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Settling Defendants previously submitted to the FTC, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

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

V. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order are permanently restrained and enjoined from directly or indirectly:

A. Failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Settling Defendants must provide it, in the form prescribed by the Commission, within 14 days; and

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, Social Security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that any Defendant or any MOBE Defendant obtained prior to entry of this Order in connection with any activity that pertains to the sale of any Business Coaching Program or Money-Making Method; and

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

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

VI. COOPERATION

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

VII. ORDER ACKNOWLEDGMENTS

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

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

B. For 10 years after entry of this Order, Bransfield for any business that he, individually or collectively with any other Defendants or any MOBE Defendant, is the majority owner or controls directly or indirectly, and each SB&A Corporate Defendant must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and all agents and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must

occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

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

VIII. COMPLIANCE REPORTING

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

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

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

2. Additionally, Bransfield must: (a) identify all telephone numbers and

all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which Bransfield performs services whether as an employee or otherwise and any entity in which Bransfield has any ownership interest; and (c) describe in detail his involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For 15 years after entry of this Order, each Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

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

2. Additionally, Bransfield must report any change in: (a) name, including aliases or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which he performs services whether as an employee or otherwise and any entity in which he has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

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

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

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

IX. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for 15 years after entry of the Order, and retain each such record for 5 years. Specifically, SB&A Corporate Defendants and Bransfield for any business that he, individually or collectively with any other Defendants or any MOBE 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;

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

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

X. COMPLIANCE MONITORING

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

A. Within 14 days of receipt of a written request from a representative of the Commission, each Settling 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 is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

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

C. The Commission may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Settling

Defendants or any individual or entity affiliated with Settling Defendants, without the necessity of identification or prior notice. Nothing in this Order limits 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.

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

XI. RETENTION OF JURISDICTION

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

SO ORDERED, this ____ day of _____, 2019.

UNITED STATES DISTRICT COURT JUDGE


SO STIPULATED AND AGREED:

FOR PLAINTIFF:

FEDERAL TRADE COMMISSION

Alden F. Abbott
General Counsel

Date: 3/3/2020

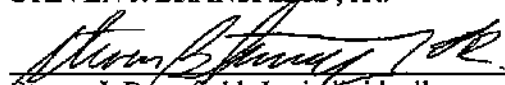

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Attorneys for Federal Trade Commission

FOR INDIVIDUAL DEFENDANT:

STEVEN J. BRANSFIELD, JR.

Date: 12/12/2019


Steven J. Bransfield, Jr., individually

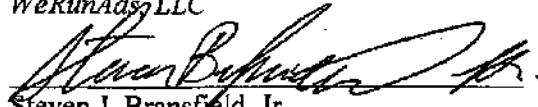
FOR SB&A CORPORATE DEFENDANTS:

Date: _____

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Counsel for Steven J. Bransfield, SB & A Media, Inc., SB&A Group, LLC, and WeRunAds, LLC

Date: 12/12/2019


Steven J. Bransfield, Jr.
Principal Owner and CEO of SB&A Corporate Defendants

SO STIPULATED AND AGREED:

FOR PLAINTIFF:

FEDERAL TRADE COMMISSION

Alden F. Abbott
General Counsel

Date: _____


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Attorneys for Federal Trade Commission

FOR INDIVIDUAL DEFENDANT:


Date: 10/31/2019

STEVEN J. BRANSFIELD, JR.


Steven J. Bransfield, Jr., individually

FOR SB&A CORPORATE DEFENDANTS:

Date: 10/31/2019



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Counsel for Steven J. Bransfield, SB & A Media, Inc., SB&A Group, LLC, and WeRunAds, LLC

Date: _____

Steven J. Bransfield, Jr.
Principal Owner and CEO of SB&A Corporate Defendants

Attachment A

[Complaint for Nondischargeability of Debt Owed to Federal Trade Commission]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

<p>In re: STEVEN JOHN BRANSFIELD, JR.</p> <p style="text-align: center;">Debtor</p>	<p>Case No. 1:19-21442-LMI</p>
<p>FEDERAL TRADE COMMISSION,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>STEVEN JOHN BRANSFIELD, JR.,</p> <p style="text-align: center;">Defendant.</p>	<p>Adv. Proceeding No. 19-_____</p> <p>COMPLAINT FOR NONDISCHARGEABILITY OF DEBT OWED TO FEDERAL TRADE COMMISSION</p>

The Federal Trade Commission (“FTC” or “Commission”) brings this adversary proceeding pursuant to 11 U.S.C. § 523(a)(2)(A) and (c), seeking an order determining that a judgment obtained by the Commission against Defendant Steven John Bransfield, Jr. (“Bransfield” or “Debtor”) is excepted from discharge.

JURISDICTION AND VENUE

1. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. § 523. This Adversary Proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(I). Plaintiff consents to entry of final orders or judgment in this Adversary Proceeding by the Court.

2. Venue in the Southern District of Florida is proper under 28 U.S.C. § 1409(a).

3. This Adversary Proceeding relates to *In re Steven John Bransfield, Jr.*, Case No. 1:19-21442-LMI, now pending in this Court (“Bankruptcy Case”). The FTC is a creditor of the Debtor pursuant to a complaint and proposed final order filed in the District Court in

Federal Trade Commission v. Steven J. Bransfield, et al., M.D. Fla. _____ (filed _____) (“District Court Action”), a deceptive and unfair trade practices case related to the Debtor’s sale and marketing of business coaching programs and money-making methods. Bransfield has stipulated to the entry of a final order for permanent injunction and monetary judgment (the “Proposed Final Order”) against him in the District Court Action.

THE PARTIES

4. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41, *et seq.* The Commission is charged with enforcing Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The Commission is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such other equitable relief as may be appropriate in each case, including rescission of contracts and restitution and disgorgement of unlawfully obtained monies. 15 U.S.C. § 53(b).

5. Defendant is the Debtor in the Bankruptcy Case, now pending before this Court.

COURSE OF PROCEEDINGS AND DEFENDANT’S CONDUCT GIVING RISE TO THE NONDISCHARGEABLE DEBT

6. The Proposed Final Order includes equitable monetary relief in favor of the FTC and against the Debtor and his co-defendants, SB&A Group, LLC, SB & A Media, Inc., and WeRunAds, LLC (the “SB&A Corporate Defendants”), jointly and severally, for \$4,710,149. The judgment conditionally suspends the monetary relief against Debtor and the SB&A Corporate Defendants.

7. In the Proposed Final Order, Debtor further agreed to execute a stipulated judgment that the District Court Judgment is excepted from discharge pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A). The Debtor further stipulated that the facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the FTC to enforce its rights to any payment or monetary judgment under the Order. A copy of the District Court complaint is attached as **Exhibit B** (the “District Court Complaint”).

8. Plaintiff incorporates by reference herein all allegations set forth in the District Court Complaint.

COUNT I
(NONDISCHARGEABLE DEBT FOR MONEY OBTAINED BY
FALSE PRETENSES, FALSE REPRESENTATIONS OR ACTUAL FRAUD)

9. Through the means described and alleged in the District Court Complaint, in numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of MOBE-related products or services, Defendant Bransfield has represented, directly or indirectly, expressly or by implication, that purchasers of those products or services would earn or were likely to earn substantial income.

10. The representations set forth in Paragraph 9 were false and misleading, or were not substantiated at the time the representations were made.

11. Defendant’s representations set forth in Paragraph 9 constitute deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a).

12. Defendant’s activities described above were conducted with knowledge that he was engaged in a fraudulent scheme, and with knowledge of the falsity of the

representations in the course of that scheme, or with reckless disregard of the truth or falsity of the representations.

13. Defendant injured consumers by knowingly engaging in a fraudulent scheme, knowingly making false representations to consumers, and using false pretenses in dealing with consumers.

14. These false representations and false pretenses were material to consumers in the course of deciding whether to purchase MOBE-related products or services. Consumers' reliance on the representations of Defendants and of the SB&A Corporate Defendants was justifiable.

15. The total net amount of sales revenue SB&A Corporate Defendants and Defendant obtained by selling MOBE-related products or services through such false pretenses, false representations or actual fraud, was at least \$4,710,149, the amount of the Proposed Final Order.

16. Consequently, Defendant's judgment debt to the FTC is one for money, property, or services obtained by false pretenses, false representations or actual fraud, and is excepted from discharge pursuant to 11 U.S.C. § 523(a)(2)(A).

WHEREFORE, Plaintiff FTC requests that the Court:

(a) Determine that the amount of \$ \$4,710,149 is nondischargeable pursuant to 11 U.S.C. § 523(a)(2)(A); and

(b) Grant the FTC such other and further relief as this case may require and the Court deems just and proper.

Respectfully submitted,

ALDEN F. ABBOTT
General Counsel

Dated: _____, 2019

/s/

Katherine Johnson
Federal Trade Commission
600 Pennsylvania Ave., NW
Washington, DC 20580
Telephone: (202) 326-2185
Facsimile: (202) 326-3197
Email: kjohnson3@ftc.gov

Attorney for Federal Trade Commission

Exhibit A

[District Court Judgment]

Exhibit B

[District Court Complaint]

Attachment B

[Stipulated Judgment for Nondischargeability of Debt Owed to Federal Trade Commission]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

<p>In re: STEVEN JOHN BRANSFIELD, JR.</p> <p style="text-align: center;">Debtor</p>	<p>Case No. 1:19-21442-LMI</p>
<p>FEDERAL TRADE COMMISSION,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>STEVEN JOHN BRANSFIELD, JR.,</p> <p style="text-align: center;">Defendant.</p>	<p>Adv. Proceeding No. 19-_____</p> <p>STIPULATED JUDGMENT FOR NONDISCHARGEABILITY OF DEBT OWED TO FEDERAL TRADE COMMISSION</p>

Plaintiff, the Federal Trade Commission (“FTC” or “Commission”) filed a Complaint to Determine Nondischargeability of Debt under Section 523 of the Bankruptcy Code, 11 U.S.C. § 523 (the “Complaint”) against Debtor Steven John Bransfield, Jr. (“Debtor”). Debtor waived service of the Summons and Complaint, and agrees to entry of a Stipulated Judgment for Nondischargeability, as set forth herein (see attached Stipulated Judgment executed by the parties).

Findings

1. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. § 523. The parties consent to entry of final orders or judgment in this action by the Court.
2. Venue in the Southern District of Florida is proper under 28 U.S.C. § 1409(a).
3. This Adversary Proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(I).

4. This Adversary Proceeding relates to *In re Steven John Bransfield, Jr.*, Case No. 1:19-21442-LMI, now pending in this Court (“Bankruptcy Case”). The FTC is a creditor of the Debtor pursuant to a Stipulated Final Order (“District Court Judgment”) entered by the District Court in *Federal Trade Commission v. Steven J. Bransfield, et al.*, M.D. Fla., Civ. No. _____ (filed _____) (“District Court Action”), a deceptive and unfair trade practices case related to the Debtor’s sale and marketing of business coaching programs and money-making methods.

5. The District Court Judgment includes equitable monetary relief in favor of the FTC and against the Debtor and his co-defendants in the District Court Action, SB&A Group, LLC, SB & A Media, Inc., and WeRunAds, LLC, jointly and severally, in the amount of \$4,710,149. Based upon financial statements and supporting documents provided by the Debtor’s counsel to the FTC, and subject to satisfaction of certain preconditions, the District Court Judgment conditionally suspended the monetary relief against Debtor and co-defendants SB&A Group, LLC, SB & A Media, Inc., and WeRunAds, LLC. The suspended monetary judgment may be reinstated by the District Court in accordance with Section III of the District Court Judgment. A copy of the District Court Judgment is attached hereto as **Exhibit 1**.

6. In Section III of the District Court Judgment, the Debtor agreed to execute this stipulation that the District Court Judgment is excepted from discharge pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A).

7. Pursuant to the Court’s approval of the Debtor in Possession’s Motion to Compromise pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, as well as

the terms of the District Court Judgment, the Debtor has also been ordered to:

a. Surrender to the Commission all control, title, dominion, and interest he has or may have to:

(i) All funds in any accounts in the name of the MOBE Defendants, the Estate of Russell W. Whitney, the personal representative of the Estate of Russell W. Whitney, or Wealth Building Technologies (formerly known as Expert Media Agency);

(ii) All cash or funds transferred to and held by the court-appointed receiver, Mark Bernet, Esq., in the district court action titled *FTC v. MOBE Ltd., et al.*, No. 1:18-cv-862-ORL-DCI (M.D. Fla.) (the “MOBE Lawsuit”); and

(iii) All funds in the JPMorgan Chase Bank accounts ending in 9775, 8359, and 2188, held in the name of Wealth Building Technologies, totaling approximately \$338,957, that were transferred to the receiver on or about June 25, 2018; and

(iv) All reserve funds or any other accounts held, controlled, or serviced by Esquire Bank, N.A. and/or Maverick Bankcard, Inc. and associated with any payments processed by, or on behalf of Wealth Building Technologies, including the merchant settlement account or merchant reserve account with the MID ending in 0059 (approximately \$102,880 as of Maverick Bankcard Inc.’s receipt of the District Court’s temporary restraining order issued in the MOBE Lawsuit).

8. The FTC and the Debtor hereby agree to resolve this Adversary Proceeding without litigation and they stipulate and agree to entry of an Order or Judgment by this Court providing that the District Court Judgment owing to the FTC by Debtor is nondischargeable

pursuant to 11 U.S.C. § 523(a)(2)(A), as set forth in the proposed Judgment attached hereto as **Exhibit 2**. For all other purposes and with respect to all other parties, Debtor's stipulation shall have no effect.

9. Debtor neither admits nor denies any of the allegations in the Complaint in the District Court Action or this Adversary Proceeding, except as specifically stated in the District Court Judgment or this stipulation. Only for purposes of this action, Debtor admits the facts necessary to establish jurisdiction.

10. Undersigned counsel of record in this action represent that they are fully authorized to execute and enter into this Stipulated Judgment for Nondischargeability on behalf of the respective parties whom they represent and acknowledge they have authority to bind the parties in the Adversary Proceeding.

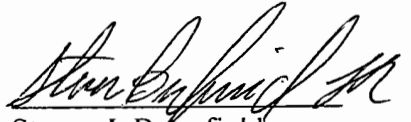
STIPULATED AND AGREED TO AND SUBMITTED BY:

Dated: _____

Katherine Johnson
Federal Trade Commission
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Attorney for Federal Trade Commission

Dated: 2/20/20



Steven J. Byansfield
Debtor/Defendant

Dated: 2/20/20



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Counsel for Debtor/Defendant

EXHIBIT 1

[District Court Order]

EXHIBIT 2

[Proposed Judgment of Nondischargeability]

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**

In re: STEVEN JOHN BRANSFIELD, JR. Debtor	Case No. 1:19-21442-LMI
FEDERAL TRADE COMMISSION, Plaintiff, v. STEVEN JOHN BRANSFIELD, JR., Defendant.	Adv. Proceeding No. 19-_____

**JUDGMENT FOR NONDISCHARGEABILITY OF
DEBT OWED TO FEDERAL TRADE COMMISSION**

This proceeding came before the Court on a Complaint to Determine
Nondischargeability of Debt Owed to the Federal Trade Commission and subsequently filed

Stipulated Judgment for Nondischargeability of Debt Owed to the Federal Trade Commission. Upon the stipulation and agreed to findings of fact and conclusions of law separately filed in this matter, it is:

ORDERED AND ADJUDGED

1. Judgment is hereby entered in favor of the Federal Trade Commission and against the Debtor/Defendant, Steven John Bransfield, Jr., determining that the Stipulated Judgment debt entered in the Enforcement Action, in the amount of Four Million Seven Hundred Ten Thousand One Hundred and Forty-Nine Dollars (\$4,710,149) is nondischargeable pursuant to 11 U.S.C. § 523(a)(2)(A). A copy of the Judgment in the District Court Action is attached hereto as **Exhibit 1**.

2. All other provisions of the District Court Judgment, including the injunctive provisions, remain in full force and effect.

DONE and ORDERED at Miami, Florida, in Chambers on _____.

Attorney Katherine Johnson is directed to serve a copy of this Order on interested parties and file proof of service within 3 days of entry of the Order.

Exhibit 1

[District Court Judgment]