

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 17-60907-CIV-Moreno

FEDERAL TRADE COMMISSION, and

STATE OF FLORIDA,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants and Relief Defendants.

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY
JUDGMENT AGAINST DEFENDANTS CRAIG DAVIS SMITH AND YISBET SEGREA**

Plaintiffs, the Federal Trade Commission (“Commission”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida” and collectively “Plaintiffs”), filed their Complaint for Permanent Injunction and Other Equitable Relief, subsequently amended as Plaintiffs’ First Amended Complaint for Permanent Injunction and Other Equitable Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016), against Defendants Jeremy Lee Marcus; Craig Davis Smith; Yisbet Segrea; Financial Freedom National, Inc., f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc., also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health

Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321Loans, Inc., f/k/a 321 Loans, Inc., also d/b/a 321Financial, Inc.; Instahelp America, Inc., f/k/a Helping America Team, Inc., also d/b/a Helping America Group; Helping America Group, LLC, f/k/a Helping America Group, Inc.; Breeze Financial Solutions, Inc., also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC, f/k/a Active Debt Solutions, Inc., also d/b/a Guardian Legal Center; Guardian LG, LLC, also d/b/a Guardian Legal Group; American Credit Security, LLC, f/k/a American Credit Shield, LLC; Paralegal Support Group LLC, f/k/a Paralegal Staff Support LLC; Associated Administrative Services, LLC, also d/b/a Jobfax; Viking Management Services LLC, Cockburn and Associate LLC; Omni Management Partners LLC; HP Media, Inc., White Light Media LLC; and Discount Marketing USA S.A. (“Defendants”); and Relief Defendants JLMJP Pompano, LLC; 1609 Belmont Place LLC; 16 S H Street Lake Worth, LLC; 17866 Lake Azure Way Boca, LLC; 114 Southwest 2nd Street DBF, LLC; 110 Gloucester St., LLC; 72 SE 6th Ave., LLC; Fast Pace 69 LLC; Strategic Acquisitions Two, LLC; Halfpay International, LLC, also d/b/a 16 H.S. Street 12Plex LLC, 311 SE 3rd St., LLC, 412 Bayfront Drive, LLC, 110 Gloucester St., LLC, 72 SE 6th Ave., LLC, 114 SW 2nd Street JM, LLC, 8209 Desmond Drive, LLC, and HLFP, LLC; Halfpay NV LLC, also d/b/a Halfpay International LLC; Nantucket Cove of Illinois, LLC; Jack Marcus; Teresa Duda; and James Marcus (“Relief Defendants”).

Plaintiffs and Settling Defendants Craig Davis Smith and Yisbet Segrea now stipulate to the entry of this Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendants participated in deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a); the FTC's Trade Regulation Rule entitled the "Telemarketing Sales Rule" ("TSR"), 16 C.F.R. Part 310; and Section 501.204 of FDUTPA in connection with the marketing, offering for sale, and sale of phony debt relief services, including fake loans.
3. Settling Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. For purposes of this action, Settling Defendants admit the facts necessary to establish jurisdiction.
4. Settling Defendants waive and release any claims they may have against the Plaintiffs, the Receiver, and their agents that relate to this action including, but not limited to, any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action, and agree to bear their own costs and attorney's fees.
5. Settling Defendants waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

For purposes of this Order, the following definitions shall apply:

1. **"Corporate Defendants"** or **"Receivership Defendants"** means Financial Freedom National, Inc., f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc., also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan,

Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321Loans, Inc., f/k/a 321 Loans, Inc., also d/b/a 321Financial, Inc.; Instahelp America, Inc., f/k/a Helping America Team, Inc., also d/b/a Helping America Group; Helping America Group, LLC, f/k/a Helping America Group, Inc.; Breeze Financial Solutions, Inc., also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC, f/k/a Active Debt Solutions, Inc., also d/b/a Guardian Legal Center; Guardian LG, LLC, also d/b/a Guardian Legal Group; American Credit Security, LLC, f/k/a American Credit Shield, LLC; Paralegal Support Group LLC, f/k/a Paralegal Staff Support LLC; Associated Administrative Services, LLC, also d/b/a Jobfax; Viking Management Services LLC, Cockburn and Associate LLC; Omni Management Partners LLC; HP Media, Inc., White Light Media LLC; and Discount Marketing USA S.A., and their divisions, subsidiaries, affiliates, predecessors, successors, assigns, and any fictitious business entities or business names created or used by these entities, or any of them.

2. **“Credit repair product or service”** means any product, service, plan, or program represented, expressly or by implication, to improve a consumer’s credit record, credit history, or credit rating; or to provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit record, credit history, or credit rating.

3. **“Debt relief product or service”** means any product, service, plan, or program represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of a debt or obligation between a person and one or more creditors or debt collectors, including a reduction in the balance, interest rate, or fees owed by a person to a creditor or debt collector.

4. **“Defendants”** means all of the Individual Defendants and Corporate Defendants, individually, collectively, or in any combination, and each of them by whatever names each might be known.
5. **“Financial product or service”** means any product, service, plan, or program represented, expressly or by implication to provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit.
6. **“Individual Defendants”** means Jeremy Lee Marcus, Craig Davis Smith, and Yisbet Segrea, and by whatever other names each may be known.
7. **“Person”** means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.
8. **“Relief Defendant(s)”** means JLMJP Pompano, LLC; 1609 Belmont Place LLC; 16 S H Street Lake Worth, LLC; 17866 Lake Azure Way Boca, LLC; 114 Southwest 2nd Street DBF, LLC; 110 Gloucester St., LLC; 72 SE 6th Ave., LLC; Fast Pace 69 LLC; Strategic Acquisitions Two, LLC; Halfpay International, LLC, also d/b/a 16 H.S. Street 12Plex LLC, 311 SE 3rd St., LLC, 412 Bayfront Drive, LLC, 110 Gloucester St., LLC, 72 SE 6th Ave., LLC, 114 SW 2nd Street JM, LLC, 8209 Desmond Drive, LLC, and HLFP, LLC; Halfpay NV LLC, also d/b/a Halfpay International LLC; Nantucket Cove of Illinois, LLC; Jack Marcus; Teresa Duda; and James Marcus, as well as any successors, assigns, subsidiaries, fictitious business entities, or business names created or used by these entities, or any of them.
9. **“Settling Defendants”** means Craig Davis Smith and Yisbet Segrea, and by whatever other names each may be known.
10. **“Telemarketer”** means any Person who, in connection with Telemarketing, initiates or

receives telephone calls to or from a customer or donor.

11. “**Telemarketing**” means any plan, program, or campaign that is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones.

I. BAN ON CREDIT REPAIR PRODUCTS OR SERVICES

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promotion, offering for sale, or selling of any credit repair product or service.

II. BAN ON DEBT RELIEF PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that Settling Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promotion, offering for sale, or selling of any debt relief product or service.

III. BAN ON FINANCIAL PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that Settling Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promotion, offering for sale, or selling of any financial product or service.

IV. BAN ON TELEMARKETING

IT IS FURTHER ORDERED that Settling Defendants are permanently restrained and enjoined from engaging in telemarketing or assisting others engaged in telemarketing.

V. PROHIBITION AGAINST MISREPRESENTATIONS RELATING TO ANY PRODUCT, SERVICE, PLAN OR PROGRAM

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' 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, promotion, offering for sale, or sale of any product, service, plan or program, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication:

A. That Settling Defendants are part of or affiliated with a non-profit entity or that it operates as such;

B. That any person is affiliated with, endorsed or approved by, or otherwise connected to any other person; government entity; public; non-profit; or other non-commercial program; or any other program;

C. That a consumer will receive legal representation;

D. The person who will provide any product, service, plan, or program to any consumer;

E. That any person providing a testimonial has purchased, received, or used the product, service, plan, or program;

F. That the experience represented in a testimonial of the product, service, plan, or program represents the person's actual experience resulting from the use of the product, service, plan, or program under the circumstances depicted in the advertisement; or

G. Any other fact material to consumers concerning any product, service, plan or program, such as: the total cost; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature or central characteristic.

VI. PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS

IT IS FURTHER ORDERED THAT Settling Defendants, Settling Defendants' 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, promotion, offering for sale, or sale of any product, or service, are permanently restrained and enjoined from making any representation or assisting others in making any representation, expressly or by implication, about the benefits, performance, or efficacy of any product or service, unless the representation is non-misleading, and, at the time such representation is made, Settling Defendants possess and rely upon competent and reliable evidence that is sufficient in quality and quantity based on standards generally accepted in the relevant fields, when considered in light of the entire body of relevant and reliable evidence, to substantiate that the representation is true.

VII. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment is entered in favor of Plaintiffs and against Settling Defendants, jointly and severally with any other Defendant in this action against whom judgment may be entered, as equitable monetary relief, in the amount of eighty-five million, three hundred twenty-six thousand, six hundred forty-eight dollars and forty-five cents (\$85,326,648.45), with post-judgment interest at the legal rate.

B. The monetary judgment set forth in this Section VII shall be reduced by any amounts paid to the Plaintiffs pursuant to judgments in this action relating to other Defendants or Relief Defendants.

C. In partial satisfaction of the judgment against Settling Defendant Smith:

1. Settling Defendant Smith shall transfer all legal and equitable right, title and interest to the real property located at 7399 Brunswick Circle, Boynton Beach, Florida 33472, Lot 155 of Aberdeen- Plat No. 24, according to the Plat thereof as recorded in Plat Book 77, Page 174, of the Public Records of Palm Beach County, Florida (the "Real Property") to the Receiver or his designated agent within seven (7) days of the date of entry of this Order. Settling Defendant Smith shall deliver all keys and security codes, if any, to the Receiver along with written notice that possession is surrendered. Until Settling Defendant Smith transfers title of the Real Property, he will: (a) maintain the Real Property in good working order, including taking no action to diminish the value of the property, including any structures, fixtures, and appurtenances, thereto; (b) not add any encumbrance to the Real Property; and (c) shall pay all expenses associated with the Real Property incurred prior to the transfer, including but not limited to all taxes, insurance, association or building fees or dues, utilities, mortgage payments, reasonable and necessary maintenance, and similar fees unless otherwise agreed by the Receiver. The Receiver or his designated agent shall sell the Real Property and add the proceeds from the sale to the receivership estate. Any fees, taxes or other payments mandated by law from the sale will be paid from the proceeds of the sale.

2. Settling Defendant Smith shall deliver to the Receiver, or his designated agent, within seven (7) days of entry of this Order, unless otherwise agreed by the Receiver or to the extent that Smith has not already done so, possession of the following personal property:

- a. 2014 Tesla Model S P85 +;
- b. Rolex and Movado watches;
- c. gun collection containing approximately 25 guns, one C.E. Gun Safe and 20,000 rounds of ammunition;

- d. model train collection;
- e. assorted designer handbags; and
- f. Club Car golf cart.

3. Within ten (10) business days from receipt of this order, Settling Defendant Smith shall cause the transfer to the Commission or its designated agent all assets held in the accounts described:

- a. all funds held in the trust account of Jones Walker, LLP (approximately \$17,000);
- b. all funds held in Bank of America, Checking Account xxxx2482 (approximately \$2,900); and
- c. all funds held on account for Defendant Smith's minor children, C. Smith and H. Smith, in the Florida Prepaid College Program (approximately \$56,000), with the understanding that the Florida Prepaid College Program may require additional time to process the transfer.

D. In partial satisfaction of the judgment against Settling Defendant Segrea:

1. Settling Defendant Segrea shall transfer all right, title and interest to the real property located at 366 Lake Monterey Circle, Boynton Beach, Florida 33426, Lot 6 Block 27, Monterey Bay – Tract C-1, according to the Plat recorded in Plat Book 113, Page 15, as recorded in Public Records of Palm Brach County, Florida (the "Real Property") to the Receiver or his designated agent within seven (7) days of the date of entry of this Order. Settling Defendant Segrea shall vacate the Real Property and deliver all keys and security codes, if any, to the Receiver along with written notice that possession is surrendered. Until Settling Defendant Segrea transfers title of the Real Property, she will: (a) maintain the Real Property,

including taking no action to diminish the value of the property, including any structures, fixtures, and appurtenances, thereto; (b) not add any encumbrance to the Real Property; and (c) shall pay all expenses associated with the Real Property incurred prior to the transfer, including but not limited to all taxes, insurance, association or building fees or dues, utilities, mortgage payments, reasonable and necessary maintenance, and similar fees unless otherwise agreed by the Receiver. The Receiver or his designated agent shall sell the Real Property and add the proceeds from the sale to the receivership estate. Any fees, taxes or other payments mandated from the sale by law will be paid from the proceeds of the sale.

2. Settling Defendant Segrea shall deliver to the Receiver, or his designated agent, within seven (7) days of entry of this Order, to the extent that she has not already done so, possession of one Tag Heuer wrist watch.

3. Within ten (10) business days from receipt of this order, Settling Defendant Segrea shall cause the transfer to the Commission or its designated agent all assets in the accounts described:

- a. all funds in Bank of America Account xxx8333 (approximately \$17,000) and Bank of America Account xxxx1364 (approximately \$2,000);
- b. all funds in TD Bank Account xxx4477 (approximately \$5,300);
- c. all funds in Merrill Edge Roth IRA xxxx7368 (approximately \$20,000); and

4. Within forty-five (45) days from entry of this order, Settling Defendant Segrea shall cause the transfer to the Commission or its designated agent six thousand dollars, cash (\$6,000).

E. Settling Defendants shall cooperate fully with the Plaintiffs and the Receiver and shall take such steps as any of them may require to transfer possession of the assets listed in this Subsection and to assist in the final liquidation of the assets, including executing any documents, procuring the signatures of any person or entity under their control, providing access to the assets, providing any necessary information, and turning over the assets.

F. Upon completion of such asset transfers and payments described in this Section, the remainder of the judgment is suspended as to the Settling Defendants, subject to the Subsections below.

G. The Plaintiffs' agreement to the suspension of the remainder of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of the Settling Defendants' testimony under oath during asset depositions conducted by Plaintiffs on December 19 and 20, 2017.

H. The Plaintiffs' agreement to the suspension of the remainder of the judgment against the Settling Defendants is also expressly premised upon the truthfulness, accuracy, and completeness of the Settling Defendants' sworn financial statements and related documents submitted to the Plaintiffs (collectively with the Settling Defendants testimony under oath during the asset depositions described in Paragraph F above "financial representations"), namely:

1. the Financial Statement of Individual Defendant Craig Davis Smith executed on February 2, 2018, including any attachments;
2. the Financial Statement of Individual Defendant Yisbet Segrea executed on January 29, 2018, including any attachments; and
3. the documents listed in and submitted with their Financial Statements.

I. The suspension of the judgment will be lifted as to any Settling Defendant if, upon motion by either of the Plaintiffs, the Court finds that the 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 deposition testimony or financial representations identified above.

J. 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 for purposes of this Order represents the consumer injury alleged in the Complaint, less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

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

L. 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 Plaintiffs, including in a proceeding to enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

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

N. Settling Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers), which Settling Defendants previously submitted to the Plaintiffs,

may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

O. All money paid to the Plaintiffs pursuant to this Order (“joint monies”) shall be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including but not limited to redress to consumers, and any attendant expenses for the administration of any such equitable relief. In the event that the Commission determines that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, Plaintiffs may, in their discretion, apply any remaining money for such other equitable relief (including consumer information remedies) as they determine to be reasonably related to Defendants’ practices alleged in the Complaint.

P. All joint funds not used for the equitable relief described in Paragraph O of this Section shall be divided equally between the Commission and the State of Florida, with half to be deposited to the U.S. Treasury as disgorgement, and half to be deposited to the State of Florida Department of Legal Affairs’ Trust Fund, which may be applied as costs and fees.

Q. Settling Defendants have no right to challenge any actions the Plaintiffs or their representatives may take pursuant to this Section.

R. The Plaintiffs may request any tax-related information, including tax returns, amended tax returns and any other filings, that Settling Defendants have the authority to release. Within fourteen (14) days of receipt of a written request from either Plaintiff, Settling Defendants must take all necessary steps (such as filing a completed IRS Form 4506 or 8821) to cause the Internal Revenue Service or other tax authority to provide the information directly to the Plaintiffs.

S. Pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1), any consumer reporting agency may furnish a consumer report concerning Settling Defendants to the Plaintiffs, which shall be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.

T. The asset freeze imposed by the Court's Preliminary Injunction Order (D.E. 21) is modified to permit the asset transfers and payments identified in Subsections VII. C-D, above.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' 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, 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 fourteen (14) days.

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 Settling Defendant obtained prior to entry of this Order in connection with the advertising, marketing, promotion, offering for sale, or sale of any debt relief, credit repair or financial product or service; and

C. Failing to destroy such customer information in all forms in their possession, custody, or control within thirty (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.

IX. COMPLIANCE REPORTING

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

A. Six months 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 Plaintiffs may use to communicate with the 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 (which the Settling Defendant must describe if he or she knows or should know due to his or her own involvement); and (d) describe in detail whether and how that Settling Defendant is in compliance with each Section of this Order.

2. Additionally, each Settling Defendant 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 such Settling Defendant

performs services whether as an employee or otherwise and any entity in which such Settling Defendant has any ownership interest; and (c) describe in detail such Settling Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For twenty (20) years after entry of this Order, each Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen (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 Corporate Defendant or any entity that the 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, the Settling Defendant must report any change in: (a) name, including alias or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which such Settling Defendant performs services whether as an employee or otherwise and any entity in which such Settling Defendant 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 fourteen (14) days of its filing.

D. Any submission to the Plaintiffs 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’s 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. Jeremy Lee Marcus, et al.*, X170037.

F. Unless otherwise directed by the State of Florida’s representatives, all submissions to the State of Florida Office of the Attorney General must be sent to Ryann Flack, Assistant Attorney General, Consumer Protection Division, Office of the Attorney General State of Florida, SunTrust International Center, 1 SE 3rd Avenue, Suite 900, Miami, Florida 33131.

X. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Settling Defendants, for any business in which such Settling Defendant individually or collectively with any other 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 Plaintiffs; and

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

XI. 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 fourteen (14) days of receipt of a written request from a representative of a Plaintiff, 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 Plaintiffs are 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 Plaintiffs are authorized to communicate directly with each Settling Defendant. Settling Defendant must permit representatives of the Plaintiffs to interview any employee or other person affiliated with any Settling Defendant who has agreed to such an interview. The person interviewed may have counsel present.

C. The Plaintiffs 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 a Plaintiff, any consumer reporting agency must furnish consumer reports concerning a Settling Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XII. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED THAT this Court shall retain jurisdiction of this matter for all purposes.

SO ORDERED, this _____ day of _____, 2018, at _____m.

THE HONORABLE FEDERICO A. MORENO
United States District Court Judge
Southern District of Florida

SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

Dated: 4.12.18



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**ATTORNEYS FOR PLAINTIFF
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SO STIPULATED AND AGREED:

FOR PLAINTIFFS:

Dated: _____

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Dated: 4/10/18

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FOR DEFENDANTS CRAIG DAVIS SMITH and YISBET SEGREA:

Dated: 2/10/2018


By **DEFENDANT CRAIG DAVIS SMITH**, individually

Dated: _____

By **DEFENDANT YISBET SEGREA**, individually

Dated: _____

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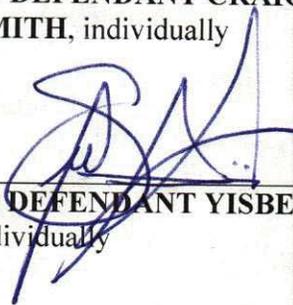


FOR DEFENDANTS CRAIG DAVIS SMITH and YISBET SEGREA:

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Dated: _____

By **DEFENDANT CRAIG DAVIS SMITH**, individually

Dated: _____

By **DEFENDANT YISBET SEGREA**, individually

Dated: 2/12/2018



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