

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
SOUTHERN DIVISION**

FEDERAL TRADE COMMISSION

Plaintiff,

v.

ECOLOGICAL FOX LLC *et al.*

Defendants.

No: 18-cv-3309-PJM

**STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY  
JUDGMENT AGAINST DEFENDANTS FRANK COSTANZO AND ECOLOGICAL  
FOX LLC AND RELIEF DEFENDANT DEBORAH CONNELLY**

Plaintiff the Federal Trade Commission (“Commission” or “FTC”) filed its 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), and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108. On January 11, 2019, the Court granted the FTC’s motion to amend, substituting the Amended Complaint for Permanent Injunction and Other Equitable Relief (“Amended Complaint”) for the Complaint. Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly were served with the Complaint and summons, and subsequently served with the Amended Complaint. The Commission and Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly stipulate to the entry of this Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly (“Order”) to resolve all matters in dispute between them in this action and the related *FTC v. AmeriDebt Inc.*, No. 03-cv-3317 (D. Md.) (“*AmeriDebt*”).

**IT IS THEREFORE ORDERED:**

**FINDINGS**

1. This Court has jurisdiction over this matter.
2. The Amended Complaint charges that Defendants Frank Costanzo and Ecological Fox LLC, along with the other named Defendants, participated in deceptive acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, as well as violations of the Telemarketing Sales Rule, 16 C.F.R. Part 310, in connection with the sale of lots in a development in Belize known variously as Sanctuary Bay, Sanctuary Belize, and The Reserve (for ease, “Sanctuary Belize”). The Amended Complaint further alleges that Relief Defendant Deborah Connelly received proceeds from the conduct alleged in the Amended Complaint to which she is not legally entitled.
3. Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly admit the facts necessary to establish jurisdiction.
4. Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly waive any claims 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.
5. Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly waive all rights to appeal or otherwise challenge or contest the validity of this Order.

**DEFINITIONS**

- A. **“Asset”** means any legal or equitable interest in, right to, or claim to, any property, wherever located and by whomever held, whether tangible, intangible, digital, or

otherwise, including, but not limited to, digital currencies, virtual currencies, digital tokens, and cryptocurrencies.

B. “**Corporate Defendant(s)**” means Global Property Alliance, Inc., Sittee River Wildlife Reserve, Buy Belize, LLC, Buy International, Inc., Foundation Development Management, Inc., Eco-Futures Development, Eco-Futures Belize Limited, Power Haus Marketing, Sanctuary Belize Property Owners’ Association, Prodigy Management Group LLC, Foundation Partners, BG Marketing, LLC, Ecological Fox, LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, Newport Land Group LLC, and Atlantic International Bank Ltd. and each of their subsidiaries, affiliates, successors, and assigns.

C. “**Defendant(s)**” means the Corporate Defendants and Individual Defendants, individually, collectively, or in any combination.

D. “**Individual Defendant(s)**” means Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Rod Kazazi, Brandi Greenfield, Frank Costanzo, and Michael Santos, individually, collectively, or in any combination.

E. “**Real Estate Good or Service**” means any interest in, service related to, or development of, any real estate containing or involving three or more lots or units of any kind.

F. “**Receiver**” means the Receiver appointed in Section VI of this Order and any deputy receivers who shall be named by the Receiver.

G. “**Receivership Asset**” means any and all Assets ordered to be turned over to the Receiver pursuant to this Order.

H. “**Receivership Entities**” means the Corporate Defendants (except Atlantic International Bank, Ltd.), 2729 Bristol LLC, and 3905 Marcus LLC, as well as any other entity that: (1) is located at, registered to, or operated from 3333 Michelson Drive, Suite 500, Irvine, California, and assists, facilitates, or otherwise conducts business related to the sale of real estate in Belize; (2) assists, facilitates, or otherwise conducts business related to the acts identified in the Findings of Fact in this Order, and is owned or controlled by any Defendant; or (3) Assets that are otherwise in the Receivership and that are corporations or other legal entities.

I. **“Relief Defendant(s)”** means Angela Chittenden, Beach Bunny Holdings LLC, the Estate of John Pukke, John Vipulis, and Deborah Connelly.

J. **“Settling Corporate Defendant”** means Ecological Fox LLC and each of its subsidiaries, affiliates, successors, and assigns.

K. **“Settling Defendant(s)”** means the Settling Individual Defendant and Settling Corporate Defendant, individually, collectively, or in any combination, and any subsidiaries, affiliates, successors, and assigns.

L. **“Settling Individual Defendant”** means Frank Costanzo.

M. **“Settling Relief Defendant”** means Deborah Connelly.

N. **“Telemarketing”** means any plan, program, or campaign which is conducted to induce the purchase of goods or services by use of one or more telephones, and which involves a telephone call, whether or not covered by the Telemarketing Sales Rule.

## **ORDER**

### **I. BAN ON TELEMARKETING**

IT IS ORDERED that Settling Defendants are permanently restrained and enjoined from Telemarketing, whether directly or through an intermediary, including by consulting, brokering, planning, investing, or advising.

### **II. BAN ON REAL ESTATE GOODS AND SERVICES**

IT IS FURTHER ORDERED that Settling Defendants are permanently restrained and enjoined from advertising, marketing, promoting, or offering for sale, or assisting in the advertising, marketing, promoting, or offering for sale of any Real Estate Good or Service.

Settling Defendants may provide services limited to compliance with environmental responsibility requirements, the environmental impacts of construction or construction methodologies, and obtaining permits for construction (collectively, “environmental services”); *provided, however*, that Settling Defendants, whether acting directly or indirectly, in connection with advertising, marketing, promoting, or offering for sale, or assisting in the advertising, marketing, promoting, or offering for sale, of any environmental services, are permanently

restrained and enjoined from making any representation, expressly or by implication, or assisting others in making any representation, expressly or by implication, regarding:

- A. whether any product is in whole or part organic;
- B. whether any product is in whole or part natural;
- C. whether any product is in whole or part plant-based;
- D. the content of any product;
- E. the emissions from any product or real estate development; or
- F. the environmental or health benefits of any product, service, or real estate development,

unless the representation is true and non-misleading, including that, at the time such representation is made, Settling Defendants possess and rely upon competent and reliable evidence based on the expertise of professionals in the relevant field to which the representation relates and 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. When appropriate, competent and reliable evidence must include competent and reliable scientific evidence. Any activities of Settling Defendants under this proviso must comply with other provisions of this Order, including but not limited to Section III.

### **III. PROHIBITION AGAINST MISREPRESENTATIONS IN THE SALE OF ANY GOOD OR SERVICE**

IT IS FURTHER ORDERED that Settling Defendants and 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 advertising, marketing, promoting, or offering for sale any good or service, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication:

A. The use of a “no debt” business model makes an investment less risky than one in which an entity or individual must make payments to creditors;

B. Every dollar, or the vast majority of dollars, collected from selling the good or service is used to further the good or service;

C. The good or service will be completed or available within a specified period of time, such as a particular number of weeks, months, or years;

D. The good or service will have specific features or amenities;

E. The good or service will appreciate in value or appreciate in value rapidly, such as a particular rate within a particular period of time;

F. Consumers can realize the appreciation of their good or service because there is a robust resale market through which consumers could easily resell their good or service should they choose to do so;

G. One or more Defendants have no meaningful involvement with the relevant business; and

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

#### **IV. MONETARY JUDGMENT**

IT IS FURTHER ORDERED that:

A. Judgment in the amount of one hundred forty four million dollars (\$144,000,000) is entered in favor of the Commission against Settling Defendants, jointly and severally, as equitable monetary relief.

B. Judgment in the amount of four hundred seventy-eight thousand eight hundred four dollars and ninety three cents (\$478,804.93) is entered in favor of the Commission against Settling Relief Defendant, jointly and severally, as equitable monetary relief.

C. Settling Defendants and Settling Relief Defendant are ordered to pay to the Commission all amounts held by them, or for their benefit, in any financial account as of

November 7, 2018, unless it has previously been released to them by prior order of the Court, including the following: the amounts held in the accounts at Bank of America in the names of Deborah Connelly and Frank Costanzo with the last four digits of 8226 and 9016 and the account held in the name of Icon Fox LLC with the last four digits of 4073. Such payment must be made within fourteen (14) days of entry of this Order by electronic funds transfer in accordance with instructions previously provided by a representative of the Commission. Furthermore, Settling Defendants and Settling Relief Defendant shall permanently transfer, assign, or relinquish to the Receiver, for liquidation and ultimate payment to the Commission, within fourteen (14) days of entry of this Order, all rights they may have in the assets, if any, of Ecological Fox LLC. Upon such payments, transfers, assignments, and relinquishments, the remainder of the judgment is suspended, subject to the Subsections below.

D. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of the statements made and exhibits marked (collectively, the "financial representations") during:

- a. the sworn asset interview of Individual Defendant Frank Costanzo, on his own behalf and that of Corporate Defendant Ecological Fox LLC, that took place on August 8, 2019 at the Federal Trade Commission's offices in Los Angeles, California, the transcript of which he certified as accurate, subject to an errata sheet ("Costanzo Asset Interview"); and
- b. the sworn asset interview of Relief Defendant Deborah Connelly that took place on August 8, 2019 at the Federal Trade Commission's offices in Los Angeles, California, the transcript of which she certified as accurate, subject to an errata sheet ("Connelly Asset Interview").

E. The suspension of the judgment will be lifted as to any Settling Defendant or Settling Relief Defendant if, upon motion by the Commission, the Court finds that Settling Defendant or Settling Relief 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.

F. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Settling Defendant or Settling Relief Defendant in the amount specified in Subsections A. or B. above, which the parties stipulate only for purposes of this Section represents the consumer injury, less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

#### **V. ADDITIONAL MONETARY PROVISIONS**

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

B. 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 Commission, including in a proceeding to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission 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.

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

E. 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. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

F. The asset freeze imposed on Settling Defendants and Settling Relief Defendant in the previously issued Ex Parte Temporary Restraining Order with Asset Freeze, Writs Ne Exeat, Appointment of a Temporary Receiver and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue is modified to permit the transfers identified in the Monetary Judgment Section. Upon the payments, transfers, assignments, and relinquishments required under this Order, the asset freeze is dissolved.

G. Upon the payments, transfers, assignments, and relinquishments required under this Order, the Receiver shall return to the Settling Defendants and Settling Relief Defendant any passports previously turned over to the Receiver in the name of the Settling Defendants and Settling Relief Defendant.

## **VI. RECEIVER**

IT IS FURTHER ORDERED that Robb Evans & Associates LLC is appointed as Receiver for all assets ordered to be turned over to the Receiver pursuant to this Order. He shall have full powers of an equity receiver. The Receiver shall be solely the agent of this Court in acting as Receiver under this Order.

## **VII. DUTIES AND AUTHORITY OF RECEIVER**

IT IS FURTHER ORDERED that the Receiver is directed and authorized to accomplish the following:

- A. Take exclusive control, custody, and possession of all Receivership Assets;
- B. Conserve, hold, manage, and prevent the loss of all Receivership Assets, and perform all acts necessary or advisable to preserve the value of those Assets. The Receiver shall

assume control over the income and profits therefrom and all sums of money now or hereafter due or owing to the Settling Defendants or Settling Relief Defendant as a result of the Receivership Assets. The Receiver shall have full power to sue for, collect, and receive all Receivership Assets. *Provided, however,* that the Receiver shall not attempt to collect any amount from a consumer if the Receiver believes the consumer's debt has resulted from deceptive acts or practices or other violations of law, without prior Court approval;

C. Liquidate, through fair market sales or similar transactions, all Receivership Assets, following a motion and order from the Court approving the sale or liquidation. The Receiver shall take steps to ensure that the full fair market value of any Asset is obtained by the receivership estate in any sale or liquidation;

D. The Receiver shall make periodic disbursements to the Commission of any liquidated Assets and, upon the liquidation of all Receivership Assets, disburse all proceeds to the Commission, less its Court-approved fees and expenses;

E. Choose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order;

F. Make payments and disbursements from the receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order, and to incur, or authorize the making of, such agreements as may be necessary and advisable in discharging his or her duties as Receiver. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred, except payments that the Receiver deems necessary or advisable to secure Receivership Assets, such as rental payments;

G. Enter into and cancel contracts and purchase insurance as advisable or necessary;

H. Prevent the inequitable distribution of Assets and determine, adjust, and protect the interests of consumers who have transacted business with Settling Defendants and the Receivership Entities;

I. Make an accounting, as soon as practicable, of the Receivership Assets and financial condition of the receivership and file the accounting with the Court and deliver copies thereof to all parties;

J. Institute, compromise, adjust, appear in, intervene in, defend, dispose of, or otherwise become party to any legal action in state, federal or foreign courts or arbitration proceedings as the Receiver deems necessary and advisable to preserve or recover the Receivership Assets, or to carry out the Receiver's mandate under this Order, including but not limited to, actions challenging fraudulent or voidable transfers;

K. Demand from any person or entity documents and records pertaining to the Receivership Assets within three (3) days after delivery of the Order by mail, courier, email, or other method by which the recipient receives a copy of this Order, in addition to obtaining discovery pursuant to the Federal Rules of Civil Procedure, including subpoenas seeking documents and/or testimony under Rule 45;

L. Open one or more bank accounts at designated depositories for funds of the receivership estate. The Receiver shall deposit all funds of the receivership estate in such designated accounts and shall make all payments and disbursements from the receivership estate from such accounts. The Receiver shall serve copies of monthly account statements on all parties;

M. Maintain accurate records of all receipts and expenditures incurred as Receiver;

N. Cooperate with reasonable requests for information or assistance from any state or federal civil or criminal law enforcement agency;

O. Suspend business operations of any entity that is a Receivership Asset if in the judgment of the Receiver such operations cannot be continued legally and profitably; and

P. If in the Receiver's judgment the business operations of any Receivership Asset cannot be continued legally and profitably, take all steps necessary to ensure that any of the web pages or websites relating to the activities of the Receivership Asset cannot be accessed by the public, or are modified for consumer education and/or informational purposes, and take all steps

necessary to ensure that any telephone numbers associated with the Receivership Asset cannot be accessed by the public, or are answered solely to provide consumer education or information regarding the status of operations.

### VIII. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership ordered herein, Defendants and Relief Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors, stockholders, lessors, customers and other persons seeking to establish or enforce any claim, right, or interest against or on behalf of Defendants, and all others acting for or on behalf of such persons, are hereby enjoined from taking any action that would interfere with the exclusive jurisdiction of this Court over the Assets within the receivership, including, but not limited to:

A. Filing or assisting in the filing of a petition for relief under the Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, or of any similar insolvency proceeding on behalf of any entity that is a Receivership Asset;

B. Commencing, prosecuting, or continuing a judicial, administrative, or other action or proceeding against any of the Receivership Assets or otherwise seeking an interest in any of the Receivership Assets, including the issuance or employment of process, except that such actions may be commenced if necessary to toll any applicable statute of limitations;

C. Filing or enforcing any lien on any Receivership Asset, taking or attempting to take possession, custody, or control of any Receivership Asset; or attempting to foreclose, forfeit, alter, or terminate any interest in any Receivership Asset, whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise.

*Provided, however,* that this Order does not stay: (1) the commencement or continuation of a criminal action or proceeding; (2) the commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory

power; or (3) the enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power.

#### **IX. COMPENSATION OF RECEIVER**

IT IS FURTHER ORDERED that the Receiver and all personnel hired by the Receiver as herein authorized, including counsel to the Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the Assets now held by, in the possession or control of, or which may be received by, the receivership estate. The Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, with the first such request filed no more than sixty (60) days after the date of entry of this Order. The Receiver shall not increase the hourly rates used as the basis for such fee applications without prior approval of the Court.

#### **X. RECEIVERSHIP TERMINATION**

IT IS FURTHER ORDERED that the Receiver must complete all duties within 270 days after entry of this Order, but any party or the Receiver may request that the Court extend that Receiver's term for good cause.

#### **XI. CUSTOMER INFORMATION**

IT IS FURTHER ORDERED that Settling Defendants and 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;

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 Settling Defendants obtained prior to entry of this Order in connection with the allegations in the Amended Complaint; 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.

## **XII. COOPERATION**

IT IS FURTHER ORDERED that Settling Defendants and Settling Relief Defendant 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 Amended Complaint. Settling Defendants and Settling Relief Defendant must provide truthful and complete information, evidence, and testimony. Settling Defendants and Settling Relief Defendant 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.

## **XIII. ORDER ACKNOWLEDGMENT**

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

A. Each Settling Defendant and Settling Relief Defendant, within seven (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 ten (10) years after entry of this Order, each Settling Defendant must, for itself and any business that such Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for marketing, sales, or operations, and all agents and representatives who participate in marketing or sales; (3) all payment processors as well as all consultants or contractors who perform services in connection with marketing or sales; and (4) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within seven (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 each Settling Defendant delivered a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

#### **XIV. 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 Defendant; (b) identify all of that Defendant's businesses, whether owned or controlled, directly or indirectly, 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 Settling Defendants must describe in detail,

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

B. For ten (10) 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 entity that 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, each Settling Defendant 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 such Defendant performs services whether as an employee or otherwise and any entity in which such 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 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. Ecological Fox LLC, 18-cv-3309 (D. Md.), FTC File No. X040009.

#### **XV. RECORDKEEPING**

IT IS FURTHER ORDERED that each Settling Defendant must create certain records for ten (10) years after entry of the Order, and retain each such record for 5 years. Specifically, for any business that each Settling Defendant, individually or collectively with any other Defendants, 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.

#### **XVI. COMPLIANCE MONITORING**

IT IS FURTHER ORDERED that, for the purpose of monitoring compliance with this Order, including any failure to transfer any assets as required by this Order or otherwise to collect on the judgment entered in this Order:

A. Within 14 days of receipt of a written request from a representative of the Commission each Settling Defendant and Settling Relief 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 and Settling Relief Defendant. Each Settling Defendant and Settling Relief Defendant must permit representatives of the Commission to interview any employee or other person affiliated with any entity any Settling Defendant or Relief Defendant owns or controls, directly or indirectly, 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 communicate with Settling Defendants or Settling Relief Defendant or any individual or entity affiliated with Settling Defendants or Settling Relief Defendant, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process,

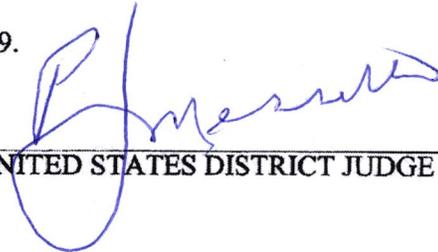
pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

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

**XVII. 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 ORDERED, this 6 day of Nov, 2019.

  
UNITED STATES DISTRICT JUDGE

**SO STIPULATED AND AGREED:  
FOR THE FEDERAL TRADE COMMISSION:**

  
Jonathan Cohen (jcohen2@ftc.gov)  
Benjamin J. Theisman (btheisman@ftc.gov)  
Christopher J. Erickson (cerickson@ftc.gov)  
Federal Trade Commission  
600 Pennsylvania Ave., N.W., CC-9528  
Washington, DC 20580  
202-326-2551 (Cohen); -2223 (Theisman);  
-3671 (Erickson); -3197 (facsimile)

11/1/19  
Date

**FOR DEFENDANTS:**

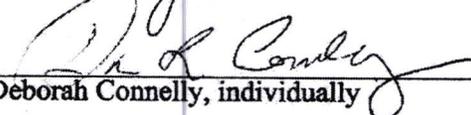
**Ecological Fox LLC**

  
Frank Costanzo, as an officer  
of Ecological Fox LLC

9/23/19  
Date

  
Frank Costanzo, individually

9/23/19  
Date

  
Deborah Connelly, individually

9/23/19  
Date