

1 ALDEN F. ABBOTT
GENERAL COUNSEL

2
3 JOANNIE WEI
SAMUEL LEVINE
4 AUDREY AUSTIN

5 jwei@ftc.gov
slevine1@ftc.gov
6 aaustin2@ftc.gov

7 Federal Trade Commission
230 South Dearborn Street, Room 3030
8 Chicago, Illinois 60604
9 Tel: (312) 960-5634; Fax: (312) 960-5600

10 BARBARA CHUN, Local Counsel (Cal. Bar No. 186907)
11 bchun@ftc.gov

12 Federal Trade Commission
10990 Wilshire Boulevard, Suite 400
13 Los Angeles, California 90024
14 Tel: (310) 824-4343; Fax: (310) 824-4380
15 Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

16
17 UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

18
19 FEDERAL TRADE COMMISSION,

20 Plaintiff,

21 v.

22
23 M&T FINANCIAL GROUP, a
corporation, also d/b/a StuDebt, Student
24 Debt Relief Group, SDRG, Student
25 Loan Relief Counselors, SLRC, and
26 Capital Advocates Group,

27 AMERICAN COUNSELING CENTER
CORP., a corporation, also d/b/a
28

Case CV17-06855-ODW(PLAx)

Stipulation for Entry of Stipulated Order
for Permanent Injunction and Monetary
Judgment

1 StuDebt, Student Debt Relief Group,
2 SDRG, Student Loan Relief Counselors,
3 SLRC, and Capital Advocates Group,
4 and

5 SALAR TAHOUR, individually, and as
6 an officer of M&T FINANCIAL
7 GROUP and AMERICAN
8 COUNSELING CENTER CORP.,

9 Defendants.

10 Plaintiff, the Federal Trade Commission (“Commission” or “FTC”) and
11 Defendants M&T Financial Group, American Counseling Center Corp., and Salar
12 Tahour (“Defendants”) stipulate to the entry of a Stipulated Order for Permanent
13 Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute in
14 this action between them. The Order, lodged concurrently with this Stipulation,
15 contains the following terms and provisions:

16 **FINDINGS**

- 17 1. This Court has jurisdiction over this matter.
- 18 2. The Complaint charges that Defendants participated in deceptive acts or
19 practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), and the
20 Telemarketing Sales Rule, 16 C.F.R. § 310, in connection with the marketing and
21 sale of student loan debt relief services.
- 22 3. Defendants neither admit nor deny any of the allegations in the Complaint,
23 except as specifically stated in this Order. Only for purposes of this action,
24 Defendants admit the facts necessary to establish jurisdiction.
- 25 4. Defendants waive any claim that they may have under the Equal Access to
26 Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through
27 the date of this Order, and agree to bear their own costs and attorney fees.
- 28 5. Defendants and the FTC waive all rights to appeal or otherwise challenge or
contest the validity of this Order.

DEFINITIONS

1
2 A. **“Assisting others”** includes:

3 1. performing customer service functions, including receiving or
4 responding to consumer complaints;

5 2. formulating or providing, or arranging for the formulation or
6 provision of, any advertising or marketing material, including any telephone sales
7 script, direct mail solicitation, or the design, text, or use of images of any Internet
8 website, email, or other electronic communication;

9 3. formulating or providing, or arranging for the formulation or
10 provision of, any marketing support material or service, including web or Internet
11 Protocol addresses or domain name registration for any Internet websites, affiliate
12 marketing services, or media placement services;

13 4. providing names of, or assisting in the generation of, potential
14 customers;

15 5. performing marketing, billing, or payment services of any kind; or

16 6. acting or serving as an owner, officer, director, manager, or principal
17 of any entity.

18 B. **“Corporate Defendants”** means M&T Financial Group, also d/b/a StuDebt,
19 Student Debt Relief Group, SDRG, Student Loan Relief Counselors, SLRC,
20 Capital Advocates Group, Student Loan Financial Aid, and SLFAid, and American
21 Counseling Center Corp., also d/b/a StuDebt, Student Debt Relief Group, SDRG,
22 Student Loan Relief Counselors, SLRC, Capital Advocates Group, Student Loan
23 Financial Aid, and SLFAid, and their successors and assigns, as well as any
24 subsidiaries, and any fictitious business entities or business names created or used
25 by these entities, or any of them.

26 C. **“Defendants”** means the Individual Defendant and the Corporate
27 Defendants, individually, collectively, or in any combination.

28 D. **“Financial product or service”** means any product, service, plan, or

1 program represented, expressly or by implication, to:

2 1. provide any consumer, arrange for any consumer to receive, or assist
3 any consumer in receiving, a loan or other extension of credit;

4 2. provide any consumer, arrange for any consumer to receive, or assist
5 any consumer in receiving, credit, debit, or stored value cards;

6 3. improve, repair, or arrange to improve or repair, any consumer's
7 credit record, credit history, or credit rating; or

8 4. provide advice or assistance to improve any consumer's credit record,
9 credit history, or credit rating.

10 E. **"Individual Defendant"** means Salar Tahour, by whatever names he may be
11 known.

12 F. **"National Do Not Call Registry"** means the "do-not-call" registry of
13 telephone numbers maintained by the Commission pursuant to 16 C.F.R. §
14 310.4(b)(1)(iii)(B).

15 G. **"Person"** means any individual, group, unincorporated association, limited
16 or general partnership, corporation, or other business entity.

17 H. **"Receiver"** means Robb Evans and Associates, LLC.

18 I. **"Receivership Defendants"** means Defendants M&T Financial Group, also
19 d/b/a StuDebt, Student Debt Relief Group, SDRG, Student Loan Relief
20 Counselors, SLRC, Capital Advocates Group, Student Loan Financial Aid,
21 SLFAid, and American Counseling Center Corp., also d/b/a StuDebt, Student Debt
22 Relief Group, SDRG, Student Loan Relief Counselors, SLRC, Capital Advocates
23 Group, Student Loan Financial Aid, and SLFAid, and their successors and assigns,
24 as well as any subsidiaries, affiliates, divisions, or sales or customer service
25 operations, and any fictitious business entities or business names created or used
26 by these entities, including Collegiate Financial, Premier Processing Group, AT
27 Financial Advisors, GDL Financial, and Brentwood Parcels LLC.

28 J. **"Secured or unsecured debt relief product or service"** means:

1 1. With respect to any mortgage, loan, debt, or obligation between a
2 person and one or more secured or unsecured creditors or debt collectors, any
3 product, service, plan, or program represented, expressly or by implication, to:

4 a. stop, prevent, or postpone any mortgage or deed of foreclosure
5 sale for a person's dwelling, any other sale of collateral, any repossession of a
6 person's dwelling or other collateral, or otherwise save a person's dwelling or
7 other collateral from foreclosure or repossession;

8 b. negotiate, obtain, or arrange a modification, or renegotiate,
9 settle, or in any way alter any terms of the mortgage, loan, debt, or obligation,
10 including a reduction in the amount of interest, principal balance, monthly
11 payments, or fees owed by a person to a secured or unsecured creditor or debt
12 collector;

13 c. obtain any forbearance or modification in the timing of
14 payments from any secured or unsecured holder or servicer of any mortgage, loan,
15 debt, or obligation;

16 d. negotiate, obtain, or arrange any extension of the period of time
17 within which a person may (i) cure his or her default on the mortgage, loan, debt,
18 or obligation, (ii) reinstate his or her mortgage, loan, debt, or obligation, (iii)
19 redeem a dwelling or other collateral, or (iv) exercise any right to reinstate the
20 mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;

21 e. obtain any waiver of an acceleration clause or balloon payment
22 contained in any promissory note or contract secured by any dwelling or other
23 collateral; or

24 f. negotiate, obtain, or arrange (i) a short sale of a dwelling or
25 other collateral, (ii) a deed-in-lieu of foreclosure, or (iii) any other disposition of a
26 mortgage, loan, debt, or obligation other than a sale to a third party that is not the
27 secured or unsecured loan holder.

28 The foregoing shall include any manner of claimed assistance, including auditing

1 or examining a person’s application for the mortgage, loan, debt, or obligation.

2 2. With respect to any loan, debt, or obligation between a person and one
3 or more unsecured creditors or debt collectors, any product, service, plan, or
4 program represented, expressly or by implication, to:

5 a. repay one or more unsecured loans, debts, or obligations; or

6 b. combine unsecured loans, debts, or obligations into one or more
7 new loans, debts, or obligations.

8 **K. “Seller”** means any person who, in connection with a telemarketing
9 transaction, provides, offers to provide, or arranges for others to provide goods or
10 services to the customer in exchange for consideration, whether or not such person
11 is under the jurisdiction of the Commission.

12 **L. “Telemarketing”** means any plan, program, or campaign which is
13 conducted to induce the purchase of goods or services or a charitable contribution
14 by use of one or more telephones and which involves more than one interstate
15 telephone call.

16 **I.**

17 **BAN ON SECURED AND UNSECURED**
18 **DEBT RELIEF PRODUCTS AND SERVICES**

19 IT IS ORDERED that Defendants are permanently restrained and enjoined
20 from advertising, marketing, promoting, offering for sale, or selling, or assisting
21 others in the advertising, marketing, promoting, offering for sale, or selling, of any
22 secured or unsecured debt relief product or service.

23 **II.**

24 **PROHIBITION AGAINST MISREPRESENTATIONS**
25 **RELATING TO FINANCIAL PRODUCTS AND SERVICES**

26 IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,
27 employees, and attorneys, and all other persons in active concert or participation
28 with any of them, who receive actual notice of this Order, whether acting directly

1 or indirectly, in connection with the advertising, marketing, promoting, offering for
2 sale, or selling of any financial product or service, are permanently restrained and
3 enjoined from misrepresenting, or assisting others in misrepresenting, expressly or
4 by implication:

5 A. the terms or rates that are available for any loan or other extension of credit,
6 including:

- 7 1. closing costs or other fees;
- 8 2. the payment schedule, monthly payment amount(s), any balloon
9 payment, or other payment terms;
- 10 3. the interest rate(s), annual percentage rate(s), or finance charge(s), and
11 whether they are fixed or adjustable;
- 12 4. the loan amount, credit amount, draw amount, or outstanding balance;
13 the loan term, draw period, or maturity; or any other term of credit;
- 14 5. the amount of cash to be disbursed to the borrower out of the
15 proceeds, or the amount of cash to be disbursed on behalf of the borrower to any
16 third parties;
- 17 6. whether any specified minimum payment amount covers both interest
18 and principal, and whether the credit has or can result in negative amortization; or
- 19 7. that the credit does not have a prepayment penalty or whether
20 subsequent refinancing may trigger a prepayment penalty and/or other fees;

21 B. the ability to improve or otherwise affect a consumer's credit record, credit
22 history, credit rating, or ability to obtain credit, including that a consumer's credit
23 record, credit history, credit rating, or ability to obtain credit can be improved by
24 permanently removing current, accurate negative information from the consumer's
25 credit record or history;

26 C. that a consumer will receive legal representation; or
27
28

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

4 **III.**

5 **PROHIBITION AGAINST MISREPRESENTATIONS**
6 **RELATING TO ANY PRODUCTS OR SERVICES**

7 IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents,
8 employees, and attorneys, and all other persons in active concert or participation
9 with any of them, who receive actual notice of this Order, whether acting directly
10 or indirectly, in connection with the advertising, marketing, promoting, offering for
11 sale, or selling of any product, service, plan, or program, are permanently
12 restrained and enjoined from misrepresenting, or assisting others in
13 misrepresenting, expressly or by implication:

14 A. any material aspect of the nature or terms of any refund, cancellation,
15 exchange, or repurchase policy, including the likelihood of a consumer obtaining a
16 full or partial refund, or the circumstances in which a full or partial refund will be
17 granted to the consumer;

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

21 C. the nature, expertise, position, or job title of any person who provides any
22 product, service, plan, or program; or

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

1 **IV.**

2 **PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS**

3 IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,
4 employees, and attorneys, and all other persons in active concert or participation
5 with any of them, who receive actual notice of this Order, whether acting directly
6 or indirectly, in connection with the sale of any financial product or service, are
7 permanently restrained and enjoined from making any representation or assisting
8 others in making any representation, expressly or by implication, about the
9 benefits, performance, or efficacy of any financial product or service, unless the
10 representation is non-misleading, and, at the time such representation is made,
11 Defendants possess and rely upon competent and reliable evidence that is sufficient
12 in quality and quantity based on standards generally accepted in the relevant fields,
13 when considered in light of the entire body of relevant and reliable evidence, to
14 substantiate that the representation is true.

15 **V.**

16 **PROHIBITION AGAINST UNLAWFUL TELEMARKETING PRACTICES**

17 IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,
18 employees, and attorneys, and all other persons in active concert or participation
19 with any of them, who receive actual notice of this Order, whether acting directly
20 or indirectly, in connection with telemarketing, are permanently restrained and
21 enjoined from engaging in, causing others to engage in, or assisting others to
22 engage in, any of the following practices:

- 23 A. making or causing others to make misrepresentations, directly or by
24 implication, regarding a seller’s or telemarketer’s affiliation with, or endorsement
25 or sponsorship by, any person or government entity;
- 26 B. initiating or causing others to initiate outbound telephone calls to consumers
27 who have registered their telephone numbers on the National Do Not Call
28 Registry;

1 C. initiating or causing others to initiate outbound telephone calls to telephone
2 numbers within a given area code without first, either directly or through another
3 person, paying the required annual fee for access to the telephone numbers within
4 that area code that are included in the National Do Not Call Registry; or

5 D. violating the Telemarketing Sales Rule, 16 C.F.R. Part 310, attached as
6 **Appendix A.**

7 **VI.**

8 **MONETARY JUDGMENT AND PARTIAL SUSPENSION**

9 IT IS FURTHER ORDERED that:

10 A. Judgment in the amount of Eleven Million, Six Hundred Ninety-Four
11 Thousand, Three Hundred Forty Seven Dollars and Forty-Nine Cents.
12 (\$11,694,347.49) is entered in favor of the Commission against Individual
13 Defendant and Corporate Defendants, jointly and severally, as equitable monetary
14 relief.

15 B. Individual Defendant is ordered to pay to the Commission Three Hundred
16 Seventy Nine Thousand, Five Hundred Ninety Six Dollars and Sixty-Two Cents
17 (\$379,596.62). Such payment must be made within seven (7) days of entry of this
18 Order by electronic fund transfer in accordance with instructions previously
19 provided by a representative of the Commission.

20 C. Individual Defendant is further ordered to cooperate fully with the Receiver
21 and take such steps as the Receiver may require to sell and effectively convey title
22 to the purchaser of the real property located at 791 N. Bundy Drive, Los Angeles,
23 California 90049-2340, identified in Individual Defendant's financial statement
24 dated October 4, 2017. Such steps shall include but are not limited to providing
25 the Receiver power of attorney with respect to the property within fourteen (14)
26 days of entry of this Order, transferring possession of the property to the Receiver,
27 and signing all documents necessary for the sale and conveyance of the title of the
28 property to the purchaser. Until the Receiver has completed the sale of the

1 property, Individual Defendant shall continue to insure, maintain, and take no
2 action to diminish the value of the property. As part of the sale of the property, the
3 Receiver shall use or assign the proceeds of the sale to satisfy any expenses or
4 obligations which the Receiver believes to be reasonably necessary in order to
5 effectuate the sale.

6 D. Upon the asset transfers and completion of other obligations specified in
7 Subsections VI.B and C above, the remainder of the judgment is suspended,
8 subject to the Subsections below.

9 E. The Commission's agreement to the suspension of part of the judgment is
10 expressly premised upon the truthfulness, accuracy, and completeness of
11 Defendants' sworn financial statements and related documents (collectively,
12 "financial representations") submitted to the Commission, namely:

13 1. the Financial Statement of Individual Defendant Salar Tahour signed
14 on October 4, 2017, including the attachments;

15 2. the Financial Statement of Corporate Defendant M&T Financial
16 Group signed by Salar Tahour, President, on October 4, 2017;

17 3. the Financial Statement of Corporate Defendant American Counseling
18 signed by Salar Tahour, President, on October 4, 2017; and

19 4. Salar Tahour's January 31, 2018 amendment to the Financial
20 Statement of Individual Defendant Salar Tahour.

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

25 G. If the suspension of the judgment is lifted, the judgment becomes
26 immediately due as to that Defendant in the amount specified in Subsection A
27 above (which the parties stipulate only for purposes of this Section represents the
28 consumer injury alleged in the Complaint), less any payment previously made

1 pursuant to this Section, plus interest computed from the date of entry of this
2 Order.

3 **VII.**

4 **ADDITIONAL MONETARY PROVISIONS**

5 IT IS FURTHER ORDERED that:

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

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

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

18 D. Defendants acknowledge that their Taxpayer Identification Numbers and
19 Social Security Number, which Defendants previously submitted to the
20 Commission, may be used for collecting and reporting on any delinquent amount
21 arising out of this Order, in accordance with 31 U.S.C. §7701.

22 E. All money paid to the Commission pursuant to this Order may be deposited
23 into a fund administered by the Commission or its designee to be used for
24 equitable relief, including consumer redress and any attendant expenses for the
25 administration of any redress fund. If a representative of the Commission decides
26 that direct redress to consumers is wholly or partially impracticable or money
27 remains after redress is completed, the Commission may apply any remaining
28 money for such other equitable relief (including consumer information remedies)

1 as it determines to be reasonably related to Defendants’ practices alleged in the
2 Complaint. Any money not used for such equitable relief is to be deposited to the
3 U.S. Treasury as disgorgement. Defendants have no right to challenge any actions
4 the Commission or its representatives may take pursuant to this Subsection.

5 **VIII.**

6 **DISSOLUTION OF ASSET FREEZE**

7 IT IS FURTHER ORDERED that the freeze on personal assets of Individual
8 Defendant imposed pursuant to the Stipulated Preliminary Injunction entered on
9 October 10, 2017 (Dkt. No. 42) is modified to permit the payments and other
10 transfers identified in Section VI above. The freeze on the Receivership
11 Defendants’ assets shall remain in effect until such time as the Receiver receives
12 payment of all Court-approved fees and expenses of the Receiver and the Receiver
13 is discharged pursuant to Section X of this Order. Upon completion of all
14 payments and other obligations identified in in Sections VI and X, the asset freeze
15 is dissolved as to Defendants. A financial institution shall be entitled to rely upon
16 a letter from a representative of the Commission stating that the freeze on a
17 Defendant’s assets has been lifted.

18 **IX.**

19 **CUSTOMER INFORMATION**

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

24 A. failing to provide sufficient customer information to enable the Commission
25 to efficiently administer consumer redress. If a representative of the Commission
26 requests in writing any information related to redress, Defendants must provide it,
27 in the form prescribed by the Commission, within 14 days.

1 B. disclosing, using, or benefitting from customer information, including the
2 name, address, telephone number, email address, social security number, FSA ID,
3 other identifying information, or any data that enables access to a customer's
4 account (including a student loan account, credit card, bank account, or other
5 financial account), that any Defendant obtained prior to entry of this Order in
6 connection with the marketing and sale of student loan debt relief services; and

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

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

13 **X.**

14 **RECEIVERSHIP TERMINATION**

15 IT IS FURTHER ORDERED that the appointment of Robb Evans & Robb
16 Evans and Associates, LLC as Permanent Equity Receiver pursuant to Section VIII
17 of the Preliminary Injunction (Dkt. No. 42) is hereby continued in full force and
18 effect except as modified by this Section.

19 A. The Receiver is directed and authorized to accomplish the following:

20 1. Within 60 days of entry of this Order:

21 a. Complete, as necessary, the liquidation of the assets of
22 the Receivership Defendants;

23 b. Prepare and file with the Court an application for fees
24 and expenses relating to the liquidation of Receivership Defendants' assets; and

25 c. Upon the Court's approval of the Receiver's application
26 for fees and expenses, distribute to the Commission any remaining liquid assets;

27 2. Within 120 days after entry of this Order:

28 a. Complete the sale of the real property

1 structure as set forth in the Section titled Compliance Reporting. Delivery must
2 occur within 7 days of entry of this Order for current personnel. For all others,
3 delivery must occur before they assume their responsibilities.

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

7 **XII.**

8 **COMPLIANCE REPORTING**

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

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

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

25 2. Additionally, Individual Defendant must: (a) identify all telephone
26 numbers and all physical, postal, email and Internet addresses, including all
27 residences; (b) identify all business activities, including any business for which
28 such Defendant performs services whether as an employee or otherwise and any

1 entity in which such Defendant has any ownership interest; and (c) describe in
2 detail such Defendant's involvement in each such business, including title, role,
3 responsibilities, participation, authority, control, and any ownership.

4 B. For 10 years after entry of this Order, each Defendant must submit a
5 compliance notice, sworn under penalty of perjury, within 14 days of any change
6 in the following:

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

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

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

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

1 E. Unless otherwise directed by a Commission representative in writing, all
2 submissions to the Commission pursuant to this Order must be emailed to
3 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:
4 Associate Director for Enforcement, Bureau of Consumer Protection, Federal
5 Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The
6 subject line must begin: FTC v. M&T Financial Group, *et al.*, X 170051.

7 **XIII.**

8 **RECORDKEEPING**

9 IT IS FURTHER ORDERED that Defendants must create certain records for
10 10 years after entry of the Order, and retain each such records for 5 years.
11 Specifically, Corporate Defendants and Individual Defendant for any business that
12 such Defendant, individually or collectively with any other Defendants, is a
13 majority owner or controls directly or indirectly, must create and retain the
14 following records:

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

24 **XIV.**

25 **COMPLIANCE MONITORING**

26 IT IS FURTHER ORDERED that, for the purpose of monitoring
27 Defendants' compliance with this Order, including any failure to transfer any
28 assets as required by this Order:

1 A. Within 14 days of receipt of a written request from a representative of the
2 Commission, each Defendant must: submit additional compliance reports or other
3 requested information, which must be sworn under penalty of perjury; appear for
4 depositions; and produce documents for inspection and copying. The Commission
5 is also authorized to obtain discovery, without further leave of court, using any of
6 the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including
7 telephonic depositions), 31, 33, 34, 36, 45, and 69.

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

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

19 D. Upon written request from a representative of the Commission, any
20 consumer reporting agency must furnish consumer reports concerning Individual
21 Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C.
22 §1681b(a)(1).

23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

XV.

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 _____ day of _____, 2018, at _____ o'clock a.m./p.m.

Hon. Otis D. Wright II
United States District Judge
Central District of California

1 **So Stipulated and Agreed:**

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

For Plaintiff :

Joan T. Wei

Joanne Wei, IL Bar #6276144
Samuel Levine, IL Bar #6309543
Audrey Austin, IL Bar #6307653
Federal Trade Commission
230 South Dearborn Street, Suite 3030
Chicago, Illinois 60604
Telephone: (312) 960-5634
jwei@ftc.gov

Attorneys for Plaintiff Federal Trade Commission

Barbara Chun, Local Counsel
CA Bar #186907
Federal Trade Commission
10990 Wilshire Boulevard, Suite 400
Los Angeles, California 90024
Tel: (310) 824-4343
bchun@ftc.gov

Dated: June 6, 2018

For Defendants:

Salar Tahour

Salar Tahour, individually, and on behalf
of M&T Financial Group and American
Counseling Center Corp.

Richard B. Newman

Richard B. Newman
CA Bar #195191
Hinch Newman LLP
20 Wall Street, 35th Floor
New York, NY 10005
(212) 756-8777
rnewman@hinchnewman.com
*Attorney for Defendants Salar
Tahour, M&T Financial Group, and
American Counseling Center Corp.*

Dated: April 3rd, 2018