

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

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

FEDERAL TRADE COMMISSION,
Plaintiff,

v.

BCO CONSULTING SERVICES,
INC., a California corporation,
SLA CONSULTING SERVICES,
INC., a California corporation,
GIANNA OLILANG, individually and
as an officer of BCO Consulting
Services, Inc., and SLA Consulting
Services, Inc.,
BRANDON CLORES, individually and
as an officer of BCO Consulting
Services, Inc.,
KISHAN BHAKTA, individually and
as an officer of BCO Consulting
Services, Inc.,
ALLAN RADAM, individually and as
an officer of SLA Consulting
Services, Inc.

Defendants.

Case No. 8:23-cv-0699-JWH-ADS

**ORDER ENTERING
STIPULATION FOR PERMANENT
INJUNCTION, MONETARY
RELIEF, AND OTHER RELIEF AS
TO BRANDON CLORES, KISHAN
BHAKTA, AND BCO
CONSULTING SERVICES, INC.**

1 Plaintiff, the Federal Trade Commission (the “FTC”), filed its
2 Complaint for Permanent Injunction, Monetary Relief, and Other Relief
3 (“Complaint”) pursuant to Sections 13(b) and 19 of the Federal Trade
4 Commission Act (the “FTC Act”), 15 U.S.C. §§ 53(b) and 57b, the
5 Telemarketing and Consumer Fraud and Abuse Prevention Act (the
6 “Telemarketing Act”), and Section 522(a) of the Gramm-Leach-Bliley Act (the
7 “GLB Act”), 15 U.S.C. § 6822(a). The FTC and Defendants Brandon Clores,
8 Kishan Bhakta, and BCO Consulting Services, Inc. (collectively, the “Settling
9 Defendants”) stipulate to the entry of the concurrently lodged [Proposed]
10 Stipulated Order for Permanent Injunction, Monetary Relief, and Other Relief
11 (the “Order”) to resolve all matters in dispute in this action between them.

12 I. FINDINGS

13 Therefore, good cause appearing, the Court hereby makes the following
14 **FINDINGS:**

15 A. This Court has jurisdiction over this matter.

16 B. The Complaint charges that Defendants participated in deceptive
17 acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),
18 the Telemarketing Sales Rule (the “TSR”), 16 C.F.R. Part 310, and Section 521
19 of the GLB Act, 15 U.S.C. § 6821, in the deceptive marketing and sale of student
20 loan debt relief services.

21 C. Only for purposes of this action, the Settling Defendants admit the
22 facts necessary to establish jurisdiction.

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

27 E. The Settling Defendants waive all rights to appeal or otherwise
28 challenge or contest the validity of this Order.

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

II. DEFINITIONS

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

A. “Assisting Others” includes:

1. performing customer service functions, including receiving or responding to consumer complaints;
2. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including any telephone sales script, direct mail solicitation, or the design, text, or use of images of any Internet website, email, or other electronic communication;
3. formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services;
4. providing names of, or assisting in the generation of, potential customers;
5. performing marketing, billing, payment processing, or payment services of any kind; or
6. acting or serving as an owner, officer, director, manager, or principal of any entity.

B. “Defendants” means the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.

1. “Corporate Defendant(s)” means BCO Consulting Services, Inc. (“BCO”) and SLA Consulting Services Inc. (“SLA”), and each of their subsidiaries, affiliates, successors, and assigns.

2. “Individual Defendant(s)” means Gianni Olilang, Brandon Clores, Kishan Bhakta, and Allan Radam, individually, collectively, or in any combination.

1 3. “Settling Defendants” means Brandon Clores, Kishan
2 Bhakta, and BCO (along with its subsidiaries, affiliates, successors, and
3 assigns), individually, collectively, or in any combination.

4 4. “Settling Individual Defendant(s)” means Brandon Clores
5 and Kishan Bhakta, individually, collectively, or in any combination.

6 5. “Settling Corporate Defendant(s)” means BCO and each of
7 its subsidiaries, affiliates, successors, and assigns.

8 C. “Person” means a natural person, organization, or other legal
9 entity, including a corporation, partnership, proprietorship, association,
10 cooperative, or any other group or combination acting as an entity.

11 D. “Receiver” means Thomas W. McNamara.

12 E. “Receivership Entity(ies)” means the Settling Corporate
13 Defendant(s), as well as any other entity that has conducted any business related
14 to the Settling Defendants’ student loan debt relief services business, including
15 receipt of assets derived from any activity that is the subject of the Complaint in
16 this matter, and which the Receiver has reason to believe is owned or controlled
17 in whole or in part by any Settling Defendant.

18 F. “Secured or Unsecured Debt Relief Product or Service” means:

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

23 a. to stop, prevent, or postpone any mortgage or deed of
24 foreclosure sale for a person’s dwelling, any other sale of collateral,
25 any repossession of a person’s dwelling or other collateral, or
26 otherwise save a person’s dwelling or other collateral from
27 foreclosure or repossession;

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

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

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

d. to negotiate, obtain, or arrange any extension of the period of time within which a person may:

- i. cure his or her default on the mortgage, loan, debt, or obligation,
- ii. reinstate his or her mortgage, loan, debt, or obligation,
- iii. redeem a dwelling or other collateral, or
- iv. exercise any right to reinstate the mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;

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

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

1 The foregoing shall include any manner of claimed assistance, including
2 auditing or examining a person’s application for the mortgage, loan, debt,
3 or obligation.

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

8 a. to repay one or more unsecured loans, debts, or
9 obligations; or

10 b. to combine unsecured loans, debts, or obligations into
11 one or more new loans, debts, or obligations.

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

16 III. ORDER

17 In view of the foregoing, it is hereby **ORDERED** as follows:

18 1. The Settling Defendants are permanently **RESTRAINED** and
19 **ENJOINED** from advertising, marketing, promoting, offering for sale, selling,
20 or Assisting Others in the advertising, marketing, promoting, offering for sale, or
21 selling, of any Secured or Unsecured Debt Relief Product or Service.

22 2. The Settling Defendants are permanently **RESTRAINED** and
23 **ENJOINED** from participating in Telemarketing, whether directly or through
24 an intermediary, and including by consulting, brokering, planning, investing, or
25 advising others regarding Telemarketing.

26 3. The Settling Defendants and Settling 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

1 directly or indirectly, in connection with the advertising, marketing, promoting,
2 offering for sale, or selling of any product, service, plan, or program are
3 permanently **RESTRAINED** and **ENJOINED** from misrepresenting, or
4 Assisting Others in misrepresenting, expressly or by implication:

5 a. any material aspect of the nature or terms of any refund,
6 cancellation, exchange, or repurchase policy, including the likelihood of a
7 consumer obtaining a full or partial refund, or the circumstances in which
8 a full or partial refund will be granted to the consumer;

9 b. that any Person is affiliated with, endorsed or approved by, or
10 otherwise connected to any other Person; government entity; public, non-
11 profit, or other non-commercial program; or any other program;

12 c. the nature, expertise, position, or job title of any Person who
13 provides any product, service, plan, or program;

14 d. that the ability to improve or otherwise affect a consumer's
15 credit record, credit history, credit rating, or ability to obtain credit,
16 including that a consumer's credit record, credit history, credit rating, or
17 ability to obtain credit can be improved by permanently removing negative
18 information from the consumer's credit record or history, even where
19 such information is accurate and not obsolete;

20 e. That a consumer will save money; or

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

25 4. The Settling Defendants and Settling Defendants' officers, agents,
26 employees, and attorneys, and all other Persons in active concert or participation
27 with any of them, who receive actual notice of this Order, whether acting
28 directly or indirectly, in connection with the advertising, marketing, promoting,

1 offering for sale, or selling of any product, service, plan, or program are
2 permanently **RESTRAINED** and **ENJOINED** from making any representation
3 or Assisting Others in making any misrepresentation, expressly or by
4 implication, about the benefits, performance, or efficacy of any product or
5 service, unless the representation is non-misleading, and, at the time such
6 representation is made, that the Settling Defendant possesses and relies upon
7 competent and reliable evidence that is sufficient in quality and quantity based
8 on standards generally accepted in relevant fields, when considered in light of
9 the entire body of relevant and reliable evidence, to substantiate that the
10 representation is true.

11 5. The Settling Defendants and Settling Defendants' officers, agents,
12 employees, and attorneys, and all other Persons in active concert or participation
13 with any of them, who receive actual notice of this Order, whether acting
14 directly or indirectly are permanently **RESTRAINED** and **ENJOINED** from:

15 a. obtaining, or attempting to obtain customer information of a
16 financial institution (including bank account routing number, account
17 number, or log-in credentials) from a consumer by making false, fictitious,
18 or fraudulent representations to any consumer or financial institution; or

19 b. Violating the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801-
20 6809, §§ 6821-6827, a copy of which is attached as **ATTACHMENT A**.

21 6. Monetary Judgment and Partial Suspension:

22 a. Judgment in the amount of five million, eight hundred
23 eighty-two thousand, seventy-two Dollars and four cents (\$5,882,072.04)
24 is entered in **FAVOR** of the FTC and **AGAINST** the Settling
25 Defendants, jointly and severally, as monetary relief. The liability of the
26 Settling Defendants for the judgment shall be joint and several with
27 judgment against any other Defendants by separate order.
28

1 b. The monetary judgment set out in Paragraph 6(a) above is
2 enforceable against any asset, real or personal, whether located within the
3 United States or outside the United States, owned jointly or singly by, on
4 behalf of, for the benefit of, in trust by or for, or as a deposit for future
5 goods or services to be provided to, any Settling Defendant, whether held
6 as tenants in common, joint tenants with or without the right of
7 survivorship, tenants by the entirety, and/or community property.

8 c. In partial satisfaction of the judgment against the Settling
9 Defendants:

10 i. Defendant Clores shall, within twenty (20) days after
11 the date of entry of this Order, either:

12 (1) transfer to the FTC or its designated agent cash
13 in the amount of \$51,508; or

14 (2) transfer to the Receiver title to the real property
15 located at 7128 Black Sage Street, Las Vegas, NV 89119, in
16 which case Defendant Clores shall cooperate fully with the
17 Receiver and shall execute any instrument or document
18 presented by the Receiver, and do whatever else the Receiver
19 deems necessary or desirable to effect such transfer.

20 Upon such transfer, the real property shall be an asset of the
21 receivership estate, to be governed by Paragraph 10 of this Order.

22 ii. Defendant Clores shall, within twenty (20) days after
23 the date of entry of this Order, either:

24 (1) transfer to the FTC or its designated agent cash
25 in the amount of \$7,238;

26 (2) transfer to the Receiver title to the 2006
27 Porsche Cayman S disclosed on his financial statement, in
28 which case Defendant Clores shall cooperate fully with the

1 Receiver and shall execute any instrument or document
2 presented by the Receiver, and do whatever else the Receiver
3 deems necessary or desirable to effect such transfer.

4 Upon such transfer, the real property shall be an asset of the
5 receivership estate, to be governed by Paragraph 10 of this Order.

6 iii. Defendant Bhakta shall, within twenty (20) days after
7 the date of entry of this Order, either:

8 (1) transfer to the FTC or its designated agent cash
9 in the amount of \$5,682 or

10 (2) transfer to the Receiver title to the 2021 Toyota
11 Rav4 SUV disclosed on his financial statement, in which case
12 Defendant Bhakta shall cooperate fully with the Receiver and
13 shall execute any instrument or document presented by the
14 Receiver, and do whatever else the Receiver deems necessary
15 or desirable to effect such transfer.

16 Upon such transfer, the real property shall be an asset of the
17 receivership estate, to be governed by Paragraph 10 of this Order.

18 iv. Defendant Bhakta shall, within twenty (20) days after
19 the date of entry of this Order, either:

20 (1) transfer to the FTC or its designated agent cash
21 in the amount of \$7,850; or

22 (2) transfer to the Receiver title to the 2015
23 Volkswagen Jetta disclosed on his financial statement, in
24 which case Defendant Bhakta shall cooperate fully with the
25 Receiver and shall execute any instrument or document
26 presented by the Receiver, and do whatever else the Receiver
27 deems necessary or desirable to effect such transfer.

28

1 Upon such transfer, the real property shall be an asset of the
2 receivership estate, to be governed by Paragraph 10 of this Order.

3 v. In addition to the amounts set forth in
4 Paragraphs 6(c)(i)-(iv) above, any financial or brokerage institution,
5 payment processor, escrow agent, title company, commodity
6 trading company, business entity, or person, whether located
7 within the United States or outside the United States, that holds,
8 controls, or maintains accounts or assets of, on behalf of, or for the
9 benefit of, any Receivership Entity, whether real or personal,
10 whether located within the United States or outside the United
11 States, shall, within ten (10) business days from receipt of a copy of
12 this Order, turn over such accounts or assets to the Receiver or his
13 designated agent.

14 vi. In addition to the amounts set forth in
15 Paragraphs 6(c)(i)-(v) above, any financial or brokerage institution,
16 escrow agent, title company, commodity trading company, business
17 entity, or person, whether located within the United States or
18 outside the United States, that holds, controls, or maintains
19 accounts or assets of, on behalf of, or for the benefit of, any Settling
20 Individual Defendant, whether real or personal, whether located
21 within the United States or outside the United States, shall, within
22 ten (10) business days from receipt of a copy of this order, liquidate
23 and turn over such account or asset to the FTC or its designated
24 agent, including, but not limited to:

25 (1) JPMorgan Chase Bank, N.A. (“Chase”) shall,
26 within ten (10) days of receipt of a copy of this Order,
27 transfer to the FTC or its designated agent all holdings in
28 account number xxx8089 in the name of Brandon Clores;

1 (2) Chase shall, within ten (10) days of receipt of a
2 copy of this Order, transfer to the FTC or its designated
3 agent all holdings in account number xxxx3957 in the name of
4 Brandon Clores;

5 (3) Chase shall, within ten (10) days of receipt of a
6 copy of this Order, transfer to the FTC or its designated
7 agent all holdings in account number xxx0392 in the name of
8 Brandon Clores and Palladion LLC;

9 (4) Chase shall, within ten (10) days of receipt of a
10 copy of this Order, transfer to the FTC or its designated
11 agent all holdings in account number xxxx7772 in the name of
12 Kishan Bhakta;

13 (5) Chase shall, within ten (10) days of receipt of a
14 copy of this Order, transfer to the FTC or its designated
15 agent all holdings in account number xxxx2437 in the name
16 of Kishan Bhakta;

17 (6) Chase shall, within ten (10) days of receipt of a
18 copy of this Order, transfer to the FTC or its designated
19 agent all holdings in account number xxxx7772 in the name of
20 Kishan Bhakta;

21 (7) Bank of America, NA (“Bank of America”)
22 shall, within ten (10) days of receipt of a copy of this Order,
23 transfer to the FTC or its designated agent all holdings in
24 account number xxxx9144 in the name of Brandon Clores;

25 (8) Bank of America shall, within ten (10) days of
26 receipt of a copy of this Order, transfer to the FTC or its
27 designated agent all holdings in account number xxxx1992 in
28 the name of Kishan Bhakta;

1 (9) Bank of America shall, within ten (10) days of
2 receipt of a copy of this Order, transfer to the FTC or its
3 designated agent all holdings in account number xxxx6655 in
4 the name of Kishan Bhakta;

5 (10) Navy Federal Credit Union (“Navy Federal”)
6 shall, within ten (10) days of receipt of a copy of this Order,
7 transfer to the FTC or its designated agent all holdings in
8 account number xxxx3187 in the name of Kishan Bhakta;

9 (11) Navy Federal shall, within ten (10) days of
10 receipt of a copy of this Order, transfer to the FTC or its
11 designated agent all holdings in account number xxxx4111 in
12 the name of Brandon Clores;

13 (12) Navy Federal shall, within ten (10) days of
14 receipt of a copy of this Order, transfer to the FTC or its
15 designated agent all holdings in account number xxxx1642 in
16 the name of Brandon Clores;

17 (13) TD AmeriTrade shall, within ten (10) days of
18 receipt of a copy of this Order, liquidate and transfer to the
19 FTC or its designated agent all holdings in account number
20 xxx6822 in the name of Brandon Clores;

21 (14) TD AmeriTrade shall, within ten (10) days of
22 receipt of a copy of this Order, liquidate and transfer to the
23 FTC or its designated agent all holdings in account number
24 xxxx9011 in the name of Kishan Bhakta;

25 (15) TD AmeriTrade shall, within ten (10) days of
26 receipt of a copy of this Order, liquidate and transfer to the
27 FTC or its designated agent all holdings in account number
28 xxxx1620 in the name of Kishan Bhakta;

1 (16) Webull Financial LLC (“Webull”) shall, within
2 ten (10) days of receipt of a copy of this Order, liquidate and
3 transfer to the FTC or its designated agent all holdings in
4 account number xxxx5717 in the name of Kishan Bhakta; and

5 (17) Webull shall, within ten (10) days of receipt of a
6 copy of this Order, liquidate and transfer to the FTC or its
7 designated agent all holdings in account number xxxx1247 in
8 the name of Brandon Clores.

9 d. Upon such payment and all other asset transfers, as set forth
10 in Paragraph 6(c) above and Paragraph 7 below, the remainder of the
11 judgment is suspended, subject to the Paragraphs below.

12 e. The asset freeze is modified to permit the transfers and
13 liquidations identified in this Paragraph. Upon completion of those
14 transfers and liquidations, the asset freeze as to the Settling Defendants is
15 dissolved.

16 f. The FTC’s agreement to the suspension of part of the
17 judgment is expressly premised upon the truthfulness, accuracy, and
18 completeness of the Settling Defendants’ sworn financial statements and
19 related documents (collectively, the “financial representations”)
20 submitted to the FTC, namely:

- 21 i. the Financial Statement of Individual Defendant
- 22 Brandon Clores signed on May 9, 2023, including the attachments;
- 23 ii. the Financial Statement of Individual Defendant
- 24 Kishan Bhakta signed on May 11, 2023, including the attachments;
- 25 iii. the Financial Statement of Corporate Defendant BCO
- 26 Consulting Services, Inc. signed by Kishan Bhakta on July 24, 2023,
- 27 including the attachments;
- 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

iv. the additional documentation submitted by email from Settling Defendants’ counsel Brent Phillips to FTC counsel Katherine Aizpuru dated May 11, 2023, and enclosing:

(1) the Addendum to Brandon Clores’ Disclosures signed May 11, 2023; and

(2) account statements associated with Chase accounts in the name of Brandon Clores;

v. the additional documentation submitted by email from Settling Defendants’ counsel Brent Phillips to FTC counsel Katherine Aizpuru dated May 26, 2023, regarding transactions in a Bank of America account ending in xxxx7772 in the name of Kishan Bhakta;

vi. the additional documentation submitted by email from Settling Defendants’ counsel Brent Phillips to FTC counsel Katherine Aizpuru dated June 4, 2023, and attaching:

(1) bank statements associated with a Bank of America account in the name of Kishan Bhakta; and

(2) account statements associated with a Webull Financial account in the name of Kishan Bhakta;

vii. the additional documentation submitted by email from Settling Defendants’ counsel Brent Phillips to FTC counsel Katherine Aizpuru dated June 11, 2023, and enclosing account statements associated with a TD Ameritrade account in the name of Kishan Bhakta;

viii. the additional documentation submitted by email from Settling Defendants’ counsel Brent Phillips to FTC counsel Katherine Aizpuru dated June 25, 2023, and enclosing:

- 1 (1) a supplemental financial disclosure form for
2 Brandon Clores bearing a date of May 9, 2023; and
3 (2) account statements associated with Navy
4 Federal Credit Union accounts in the name of Brandon
5 Clores;
- 6 ix. the additional documentation submitted by email from
7 Settling Defendants' counsel Brent Phillips to FTC counsel
8 Katherine Aizpuru dated July 25, 2023, and enclosing a statement
9 from Navy Federal Credit Union associated with an account in the
10 name of Brandon Clores; and
- 11 x. the additional documentation submitted by email from
12 Settling Defendants' counsel Brent Phillips to FTC counsel
13 Katherine Aizpuru dated July 30, 2023, and enclosing statements
14 from BMW Financial Services associated with an account in the
15 name of Kishan Bhakta.
- 16 g. The suspension of the judgment will be lifted as to any
17 Settling Defendant if, upon motion by the FTC, the Court finds that
18 Settling Defendant failed to disclose any material asset, materially
19 misstated the value of any asset, or made any other material misstatement
20 or omission in the financial representations identified above.
- 21 h. If the suspension of the judgment is lifted, the judgment
22 becomes immediately due as to that Settling Defendant in the amount
23 specified in Paragraph 6(a) above (which the parties stipulate, only for
24 purposes of this Paragraph, represents the consumer injury alleged in the
25 Complaint), less any payment previously made pursuant to this
26 Paragraph, plus interest computed from the date of entry of this Order.

27 7. Additional Monetary Provisions:
28

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

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

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

13 d. The Settling Defendants acknowledge that their Taxpayer
14 Identification Numbers (Social Security Numbers or Employer
15 Identification Numbers), which the Settling Defendants previously
16 submitted to the FTC, may be used for collecting and reporting on any
17 delinquent amount arising out of this Order, in accordance with 31 U.S.C.
18 § 7701.

19 e. All money received by the FTC pursuant to this Order may
20 be deposited into a fund administered by the FTC or its designee to be
21 used for consumer relief, such as redress and any attendant expenses for
22 the administration of any redress fund. If a representative of the FTC
23 decides that direct redress to consumers is wholly or partially
24 impracticable or money remains after such redress is completed, the FTC
25 may apply any remaining money for such related relief (including
26 consumer information remedies) as it determines to be reasonably related
27 to the Settling Defendants' practices alleged in the Complaint. Any
28 money not used for relief is to be deposited to the U.S. Treasury. The

1 Settling Defendants have no right to challenge any actions the FTC or its
2 representatives may take pursuant to this Subparagraph.

3 8. The Settling Defendants, Settling Defendants' officers, agents,
4 employees, attorneys, and all other Persons in active concert or participation
5 with any of them, who receive actual notice of this Order, are permanently
6 **RESTRAINED** and **ENJOINED** from directly or indirectly:

7 a. Failing to provide sufficient customer information to enable
8 the FTC to efficiently administer consumer redress. The Settling
9 Defendants represent that they have provided this redress information to
10 the FTC. If a representative of the FTC requests in writing any
11 information related to redress, the Settling Defendants must provide it, in
12 the form prescribed by the FTC, within fourteen (14) days.

13 b. Disclosing, using, or benefitting from customer information,
14 including the name, address, telephone number, email address, social
15 security number, FSA ID, other identifying information, or any data that
16 enables access to a customer's account (including a student loan account,
17 credit card, bank account, or other financial account) that any Settling
18 Defendant obtained prior to entry of this Order in connection with the
19 marketing or sale of Secured or Unsecured Debt Relief Products or
20 Services; and

21 c. Failing to destroy such customer information in all forms in
22 their possession, custody, or control within thirty (30) days after receipt
23 of written direction to do so from a representative of the FTC.

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

27 9. The Settling Defendants must fully cooperate with representatives
28 of the FTC in this case and in any investigation related to or associated with the

1 transactions or the occurrences that are the subject of the Complaint. The
2 Settling Defendants must provide truthful and complete information, evidence,
3 and testimony. Settling Individual Defendants must appear and Settling
4 Corporate Defendants must cause the Settling Defendants' officers, employees,
5 representatives, or agents to appear for interviews, discovery, hearings, trials,
6 and any other proceedings that a FTC representative may reasonably request
7 upon five (5) days written notice, or other reasonable notice, at such places and
8 times as a FTC representative may designate, without the service of a subpoena.

9 10. Thomas McNamara, Esq., shall continue as a permanent receiver
10 over the Receivership Entities with full powers of a permanent receiver,
11 including but not limited to those powers set forth in the Preliminary Injunction
12 [ECF No. 55]. The Receiver is directed to wind up the Receivership Entities
13 and liquidate all assets within 180 days after entry of this Order. Any party or
14 the Receiver may request that the Court extend the Receiver's term for good
15 cause. Upon termination of the receivership and final payment to the Receiver
16 of all approved fees, costs, and expenses, the Receiver shall turn over to the
17 FTC or its designated agent all remaining assets in the receivership estate.

18 11. The Settling Defendants shall obtain acknowledgments of receipt of
19 this Order, as follows:

20 a. Each Settling Defendant, within seven (7) days of entry of
21 this Order, must submit to the FTC an acknowledgment of receipt of this
22 Order sworn under penalty of perjury.

23 b. For twenty (20) years after entry of this Order, each Settling
24 Individual Defendant for any business that such Settling Defendant,
25 individually or collectively with any other Defendants, is the majority
26 owner or controls directly or indirectly, and each Settling Corporate
27 Defendant, must deliver a copy of this Order to:
28

1 i. all principals, officers, directors, and LLC managers
2 and members;

3 ii. all employees having managerial responsibilities for
4 Secured or Unsecured Debt Relief Products or Services, and all
5 agents and representatives who participate in the Secured or
6 Unsecured Debt Relief Products or Services; and

7 iii. any business entity resulting from any change in
8 structure as set forth in Paragraph 12. Delivery must occur within
9 seven (7) days of entry of this Order for current personnel. For all
10 others, delivery must occur before they assume their
11 responsibilities.

12 c. From each individual or entity to which a Settling Defendant
13 delivered a copy of this Order, that Settling Defendant must obtain,
14 within thirty (30) days, a signed and dated acknowledgment of receipt of
15 this Order.

16 12. The Settling Defendants shall make timely submissions to the
17 FTC, as follows:

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

20 i. Each Settling Defendant must:

21 (1) identify the primary physical, postal, and email
22 address and telephone number, as designated points of
23 contact, which representatives of the FTC may use to
24 communicate with the Settling Defendant;

25 (2) identify all of that Settling Defendant's
26 businesses by all of their names, telephone numbers, and
27 physical, postal, email, and Internet addresses;

28

1 (3) describe the activities of each business,
2 including the goods and services offered, the means of
3 advertising, marketing, and sales, and the involvement of any
4 other Settling Defendant (which the Settling Individual
5 Defendants must describe if they know or should know due
6 to their own involvement);

7 (4) describe in detail whether and how that Settling
8 Defendant is in compliance with each Paragraph of this
9 Order; and

10 (5) provide a copy of each Order Acknowledgment
11 obtained pursuant to this Order, unless previously submitted
12 to the FTC.

13 ii. Additionally, each Settling Individual Defendant must:

14 (1) identify all telephone numbers and all physical,
15 postal, email and Internet addresses, including all residences;

16 (2) identify all business activities, including any
17 business for which such Settling Defendant performs
18 services whether as an employee or otherwise and any entity
19 in which such Settling Defendant has any ownership interest;
20 and

21 (3) describe in detail such Settling Defendant's
22 involvement in each such business, including title, role,
23 responsibilities, participation, authority, control, and any
24 ownership.

25 b. For twenty (20) years after entry of this Order, each Settling
26 Defendant must submit a compliance notice, sworn under penalty of
27 perjury, within fourteen (14) days of any change in the following:

28 i. Each Settling Defendant must report any change in:

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

8 ii. Additionally, each Settling Individual Defendant must
9 report any change in:

- 10 (1) name, including aliases or fictitious name, or
11 residence address; or
12 (2) title or role in any business activity, including
13 any business for which such Settling Defendant performs
14 services whether as an employee or otherwise and any entity
15 in which such Settling Defendant has any ownership interest,
16 and identify the name, physical address, and any Internet
17 address of the business or entity.

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

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

1 e. Unless otherwise directed by a FTC representative in
2 writing, all submissions to the FTC pursuant to this Order must be
3 emailed to DEbrief@ftc.gov or sent by overnight courier (not the
4 U.S. Postal Service) to: Associate Director for Enforcement, Bureau of
5 Consumer Protection, Federal Trade Commission, 600 Pennsylvania
6 Avenue NW, Washington, DC 20580. The subject line must begin:
7 FTC v. BCO Consulting Services, Inc., *et al.*, X230027.

8 13. The Settling Defendants must create certain records for twenty
9 (20) years after entry of the Order, and retain each such record for five (5) years.
10 Specifically, each Settling Defendant for any business that such Settling
11 Defendant, individually or collectively with any other Settling Defendants, is a
12 majority owner or controls directly or indirectly, must create and retain the
13 following records:

14 a. accounting records showing the revenues from all goods or
15 services sold;

16 b. personnel records showing, for each Person providing
17 services, whether as an employee or otherwise, that Person's: name;
18 addresses; telephone numbers; job title or position; dates of service; and
19 (if applicable) the reason for termination;

20 c. records of all consumer complaints and refund requests,
21 whether received directly or indirectly, such as through a third party, and
22 any response;

23 d. all records necessary to demonstrate full compliance with
24 each provision of this Order, including all submissions to the FTC; and

25 e. a copy of each unique advertisement or other marketing
26 material.

27 14. For the purpose of monitoring the Settling Defendants' compliance
28 with this Order, including the financial representations upon which part of the

1 judgment was suspended and any failure to transfer any assets as required by this
2 Order:

3 a. Within fourteen (14) days of receipt of a written request from
4 a representative of the FTC, each Settling Defendant must: submit
5 additional compliance reports or other requested information, which must
6 be sworn under penalty of perjury; appear for depositions; and produce
7 documents for inspection and copying. The FTC is also authorized to
8 obtain discovery, without further leave of court, using any of the
9 procedures prescribed by Rules 29, 30 (including telephonic depositions),
10 31, 33, 34, 36, 45, and 69 of the Federal Rules of Civil Procedure.

11 b. For matters concerning this Order, the FTC is authorized to
12 communicate directly with each Settling Defendant. The Settling
13 Defendants must permit representatives of the FTC to interview any
14 employee or other Person affiliated with any Settling Defendant who has
15 agreed to such an interview. The Person interviewed may have counsel
16 present.

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

24 d. Upon written request from a representative of the FTC, any
25 consumer reporting agency must furnish consumer reports concerning
26 Settling Individual Defendants, pursuant to Section 604(1) of the Fair
27 Credit Reporting Act, 15 U.S.C. § 1681b(a)(1).
28

1 15. This Court retains jurisdiction of this matter for purposes of
2 construction, modification, and enforcement of this Order.

3 **IT IS SO ORDERED.**

4
5 Dated: October 24, 2023

6 
7 _____
8 John W. Holcomb
9 UNITED STATES DISTRICT JUDGE
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28