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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**

10 **FEDERAL TRADE**
11 **COMMISSION,**

12 Plaintiff,

13 v.
14

15 **PANDA BENEFIT SERVICES,**
16 **LLC, *et al.*,**

17 Defendants.
18

Case No. 8:24-cv-01386-CAS-RAOx

**ORDER FOR PERMANENT
INJUNCTION AND MONETARY
JUDGMENT AS TO
DEFENDANTS SELECT
STUDENT SERVICES, LLC AND
EDUARDO MARTINEZ**

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20 Plaintiff, the Federal Trade Commission (“FTC”), commenced this civil
21 action on June 24, 2024, pursuant to Sections 13(b) and 19 of the Federal Trade
22 Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, Section 6(b) of the
23 Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing
24 Act”), 15 U.S.C. § 6105(b), and Section 522(a) of the Gramm-Leach-Bliley Act
25 (“GLB Act”), 15 U.S.C. § 6822(a). (ECF No. 1.) On June 24, 2024, on motion by
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1 the FTC, the Court entered an ex parte temporary restraining order, asset freeze,
2 appointment of a receiver, and other equitable relief against Defendants (“TRO”).
3 (ECF No. 29.) On July 8, 2024, after a hearing on an order to show cause, the
4 Court entered a Preliminary Injunction (“PI”) against Defendants. (ECF No. 48.)
5

6 Now, the FTC and Defendants Select Student Services, LLC and Eduardo
7 Martinez, by and through their undersigned counsel, hereby stipulate, agree, and
8 move the Court for entry of a Stipulated Order for Permanent Injunction and
9 Monetary Judgment (“Order”) to resolve all matters in dispute in this action
10 between them.
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13 FINDINGS

14 By stipulation of the parties, the Court finds that:

- 15
16 A. This Court has jurisdiction over this matter.
- 17 B. The Complaint charges that Settling Defendants participated in deceptive and
18 unlawful acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §
19 45(a), multiple provisions of the FTC’s Telemarketing Sales Rule (“TSR”), 16
20 C.F.R. Part 310, Section 521 of the GLB Act, 15 U.S.C. § 6821, and Section
21 461.2(b) of the FTC’s Trade Regulation Rule on Impersonation of Government
22 and Businesses (“Impersonation Rule”), 16 C.F.R. Part 461.2(b), in connection
23 with Defendants’ marketing and sale of student loan debt relief services.
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1 C. Settling Defendants neither admit nor deny any of the allegations in the
2 Complaint, except as specifically stated in this Order. Only for purposes of this
3 action, Settling Defendants admit the facts necessary to establish jurisdiction.
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5 D. Settling Defendants waive any claim that they may have under the Equal
6 Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this
7 action through the date of this Order, and agree to bear their own costs and
8 attorney fees.
9

10 E. Settling Defendants and the FTC waive all rights to appeal or otherwise
11 challenge or contest the validity of this Order.
12

13 F. Entry of this Order is in the public interest.
14

15 DEFINITIONS

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

17 A. **“Clearly and Conspicuously”** means that a required disclosure is easily
18 noticeable (*i.e.*, difficult to miss) and easily understandable by ordinary
19 consumers, including in all of the following ways:
20

- 21 1. In any communication that is solely visual or solely audible, the disclosure
22 must be made through the same means through which the communication is
23 presented. In any communication made through both visual and audible
24 means, such as a television advertisement, the disclosure must be presented
25 simultaneously in both the visual and audible portions of the communication
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1 even if the representation requiring the disclosure is made in only one
2 means.

- 3 2. A visual disclosure, by its size, contrast, location, the length of time it
4 appears, and other characteristics, must stand out from any accompanying
5 text or other visual elements so that it is easily noticed, read, and understood.
6
7 3. An audible disclosure, including by telephone or streaming video, must be
8 delivered in a volume, speed, and cadence sufficient for ordinary consumers
9 to easily hear and understand it.
10
11 4. In any communication using an interactive electronic medium, such as the
12 Internet or software, the disclosure must be unavoidable.
13
14 5. The disclosure must use diction and syntax understandable to ordinary
15 consumers and must appear in each language in which the representation
16 that requires the disclosure appears.
17
18 6. The disclosure must comply with these requirements in each medium
19 through which it is received, including all electronic devices and face-to-face
20 communications.
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22 7. The disclosure must not be contradicted or mitigated by, or inconsistent
23 with, anything else in the communication.
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1 8. When the representation or sales practice targets a specific audience, such as
2 children, the elderly, or the terminally ill, “ordinary consumers” includes
3 reasonable members of that group.
4

5 B. “**Consumer**” means any Person.

6 C. “**Defendants**” means Panda Benefit Services, LLC, Clarity Support Services,
7 LLC, Pacific Quest Services, Prosperity Loan Services, LLC, Public Processing
8 Services, LLC, Quick Start Services, LLC, Select Student Services, LLC,
9 Signature Processing Services, Inc., Eduardo Avalos Martinez, Emiliano
10 Salinas, Christopher Michael Hanson, and Melissa Salinas, individually,
11 collectively, or in any combination.
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14 D. “**Person**” means a natural person, an organization or other legal entity,
15 including a corporation, partnership, sole proprietorship, limited liability
16 company, association, cooperative, or any other group or combination acting as
17 an entity.
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19 E. “**Receiver**” means Thomas W. McNamara.
20

21 F. “**Receivership Entity**” means the Corporate Settling Defendant, as well as any
22 other entity that has conducted any business related to Defendants’ student loan
23 debt relief services business, including receipt of assets derived from any
24 activity that is the subject of the Complaint in this matter, and which the
25 Receiver has reason to believe is owned or controlled in whole or in part by
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1 either Settling Defendant, including, but not limited to, Clarity Tax Relief,
2 LLC, Docs Done Right, Inc., and Docs Done Right, LLC.

3 G. **“Settling Defendants”** means Corporate Settling Defendant and Individual
4 Settling Defendant, individually, collectively, or in any combination.
5

6 **“Corporate Settling Defendant”** means Select Student Services, LLC and
7 each of its subsidiaries, affiliates, successors, and assigns, individually,
8 collectively, or in any combination. **“Individual Settling Defendant”** means
9 Eduardo Martinez.
10

11 H. **“Secured or Unsecured Debt Relief Product or Service”** means:
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13 1. With respect to any mortgage, loan, debt, or obligation between a person and
14 one or more secured or unsecured creditors or debt collectors, any product,
15 service, plan, or program represented, expressly or by implication, to:
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17 a. stop, prevent, or postpone any mortgage or deed of foreclosure sale for a
18 person’s dwelling, any other sale of collateral, any repossession of a
19 person’s dwelling or other collateral, or otherwise save a person’s
20 dwelling or other collateral from foreclosure or repossession;
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22 b. negotiate, obtain, or arrange a modification, or renegotiate, settle, reduce,
23 or in any way alter any terms of the mortgage, loan, debt, or obligation,
24 including a reduction in the amount of interest, principal balance,
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- 1 monthly payments, or fees owed by a person to a secured or unsecured
2 creditor or debt collector;
- 3 c. obtain any forbearance or modification in the timing of payments from
4 any secured or unsecured holder or servicer of any mortgage, loan, debt,
5 or obligation;
- 6
7 d. negotiate, obtain, or arrange any extension of the period of time within
8 which a person may (i) cure his or her default on the mortgage, loan,
9 debt, or obligation, (ii) reinstate his or her mortgage, loan, debt, or
10 obligation, (iii) redeem a dwelling or other collateral, or (iv) exercise any
11 right to reinstate the mortgage, loan, debt, or obligation or redeem a
12 dwelling or other collateral;
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14 e. obtain any waiver of an acceleration clause or balloon payment contained
15 in any promissory note or contract secured by any dwelling or other
16 collateral; or
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18 f. negotiate, obtain, or arrange (i) a short sale of a dwelling or other
19 collateral, (ii) a deed-in-lieu of foreclosure, or (iii) any other disposition
20 of a mortgage, loan, debt, or obligation other than a sale to a third party
21 that is not the secured or unsecured loan holder;
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1 The foregoing shall include any manner of claimed assistance, including
2 auditing or examining a person's application for the mortgage, loan, debt, or
3 obligation.
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5 2. With respect to any loan, debt, or obligation between a person and one or
6 more unsecured creditors or debt collectors, any product, service, plan, or
7 program represented, expressly or by implication, to:
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9 a. repay one or more unsecured loans, debts, or obligations; or

10 b. combine unsecured loans, debts, or obligations into one or more new
11 loans, debts, or obligations
12

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

BAN ON SECURED AND UNSECURED DEBT RELIEF PRODUCTS AND SERVICES

- I. IT IS THEREFORE ORDERED** that Settling Defendants, whether acting directly or indirectly, are permanently restrained and enjoined from:
- A. Advertising, marketing, promoting, offering for sale, or selling any Secured or Unsecured Debt Relief Product or Service; and
 - B. Assisting others in the advertising, marketing, promoting, offering for sale, or selling any Secured or Unsecured Debt Relief Product or Service.

BAN ON TELEMARKETING

- II. IT IS FURTHER ORDERED** that Settling Defendants, whether acting directly or indirectly, are permanently restrained and enjoined from participating in Telemarketing, including, but not limited to, by consulting, brokering, planning, investing, or advising others regarding Telemarketing.

PROHIBITED BUSINESS ACTIVITIES

- III. IT IS FURTHER ORDERED** that Settling Defendants, Settling Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with advertising, marketing, promoting, distributing, servicing, offering, or

1 selling any product or service, are permanently restrained and enjoined from
2 engaging in, or assisting others engaged in, the following:

3 A. Misrepresenting, expressly or by implication:
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- 5 1. Any material aspect of the nature or terms of any refund, cancellation,
6 exchange, or repurchase policy, including the likelihood of a consumer
7 obtaining a full or partial refund, or the circumstances in which a full or
8 partial refund will be granted to the Consumer;
9
- 10 2. The nature, expertise, position, or job title of any Person who provides
11 any product, service, plan, or program;
12
- 13 3. The ability to improve or otherwise affect a Consumer's credit record,
14 credit history, credit rating, or ability to obtain credit, including that a
15 Consumer's credit record, credit history, credit rating, or ability to obtain
16 credit can be improved by permanently removing negative information
17 from the Consumer's credit record or history even where such
18 information is accurate and not obsolete;
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- 20 4. That a Consumer will save money;
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- 22 5. Any benefit of such product or service;
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- 24 6. Any requirements for obtaining such product or service;
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- 26 7. The existence, amount, or timing of any fees or charges, or the total cost
27 to purchase, receive, or use such product or service; or

1 8. Any other fact material to Consumers concerning any product or service,
2 such as: any material restrictions, limitations, or conditions to purchase,
3 receive, or use such product or service; or any material aspect of the
4 performance, efficacy, nature, or central characteristics of such product
5 or service.
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7 B. Failing to disclose Clearly and Conspicuously the fact, if true, that a
8 Consumer must activate, request, initiate, or otherwise take some affirmative
9 action in order to receive or use such product or service; or
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11 C. Making any representation, expressly or by implication, about the benefits,
12 performance, or efficacy of any product or service, unless the representation
13 is non-misleading, including that, at the time such representation is made,
14 such Settling Defendant possesses and relies upon competent and reliable
15 evidence that is sufficient in quality and quantity based on standards
16 generally accepted in the relevant fields, when considered in light of the
17 entire body of relevant and reliable evidence, to substantiate that the
18 representation is true.
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22 **INJUNCTION RELATING TO IMPERSONATING ANY GOVERNMENT**
23 **ENTITY OR PERSON**

24 **IV. IT IS FURTHER ORDERED** that Settling Defendants, Settling
25 Defendants' officers, agents, employees, and attorneys, and all other persons
26 in active concert or participation with any of them, who receive actual notice
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1 of this Order, whether acting directly or indirectly, in connection with
2 marketing, promoting, distributing, servicing, offering, or selling any
3 product or service, are hereby permanently restrained and enjoined from:

- 4
5 A. Misrepresenting or assisting others in misrepresenting, expressly or by
6 implication, that any Person is affiliated with, endorsed, sponsored by, or
7 approved by, or otherwise connected to any other Person; government entity;
8 public, non-profit, or other non-commercial program; or any other program;
9
10 B. Violating the FTC's Impersonation Rule, 16 C.F.R. Part 461, a copy of
11 which is attached.
12

13 **INJUNCTION RELATING TO CONSUMER FINANCIAL INFORMATION**

14 **V. IT IS FURTHER ORDERED** that Settling Defendants, Settling
15 Defendants' officers, agents, employees, and attorneys, and all other persons
16 in active concert or participation with any of them, who receive actual notice
17 of this Order, whether acting directly or indirectly, are hereby permanently
18 restrained and enjoined from:
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- 21 A. Making any false, fictitious, or fraudulent statement or representation to any
22 Person to obtain or attempt to obtain information of a Consumer, including,
23 but not limited to, credit or debit card numbers, bank account numbers and
24 routing numbers, and consumer credit reports; or
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1 B. Violating the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801-6809, §§ 6821-
2 6827, a copy of which is attached.

3
4 **CONTINUATION OF RECEIVERSHIP**

5 **VI. IT IS FURTHER ORDERED** that Thomas McNamara, Esq., shall
6 continue as a permanent receiver over the Receivership Entities with full
7 powers of a permanent receiver, including but not limited to those powers
8 set forth in the Preliminary Injunction entered on July 8, 2024 (ECF No. 48),
9 and including full liquidation powers. The Receiver is directed to wind up
10 the Receivership Entities and liquidate all assets within 365 days after entry
11 of this Order. Any party or the Receiver may request that the Court extend
12 the Receiver's term for good cause. Upon termination of the receivership
13 and final payment to the Receiver of all approved fees, costs, and expenses,
14 the Receiver shall turn over to the FTC or its designated agent all remaining
15 assets in the receivership estate.
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19 **MONETARY JUDGMENT AND PARTIAL SUSPENSION**

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21 **VII. IT IS FURTHER ORDERED** that:

22 A. Judgment in the amount of SIXTEEN MILLION, SEVEN HUNDRED
23 AND EIGHTY-SEVEN THOUSAND, AND TWENTY-EIGHT Dollars
24 (\$16,787,028) is entered in favor of the FTC against Settling Defendants,
25 jointly and severally with any other Defendant against whom judgment may
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1 be entered, as monetary relief pursuant to Section 19 of the FTC Act, 15
2 U.S.C. § 57b, for Settling Defendants' violations of the TSR, the
3 Impersonation Rule, and Section 521(a) of the GLB Act.
4

5 B. In partial satisfaction of the judgment set forth in Section VII.A:

6 1. All financial or other institutions holding accounts in the name of, on
7 behalf of, or for the benefit of, any Receivership Entity shall, within ten
8 (10) business days of receipt of a copy of this Order, transfer to the
9 Receiver or his designated agent all funds, if any, in such accounts,
10 including, but not limited to:
11

12 a. JP Morgan Chase Bank shall, within 10 business days of receipt of a
13 copy of this Order, transfer to the Receiver all funds, if any, in (a)
14 account number xxxx0231 in the name of Select Student Services; (b)
15 account number xxxx3117 in the name of Clarity Tax Relief; (c)
16 account number xxxx1685 in the name of Mimo Services; (d) account
17 number xxxx5090 in the name of Red Signature Solutions; (e) account
18 number xxxx7907 in the name of Docs Done Right;
19

20 b. Payment Automation Network/Unity FI Solutions shall, within 10
21 business day of receipt of a copy of this Order, transfer to the
22 Receiver all funds, if any, associated with any client ID associated
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1 with Select Student Services, Clarity Tax Relief, Mimo Services, Red
2 Signature Solutions, or Docs Done Right;

3 c. Coinbase shall, within 10 business days of receipt of a copy of this
4 Order, liquidate, and transfer the proceeds of such liquidation to the
5 Receiver, all cryptocurrency held in the names of Select Student
6 Services, Clarity Tax Relief, Mimo Services, Red Signature Solutions,
7 or Docs Done Right;
8

9
10 2. Coinbase shall, within 10 business days of receipt of a copy of this Order,
11 liquidate, and transfer the proceeds of such liquidation to the FTC, all
12 cryptocurrency held in the names of Eduardo Martinez;
13

14 3. Uphold HQ Inc. shall, within 10 business days of receipt of a copy of this
15 Order, liquidate, and transfer the proceeds of such liquidation to the FTC,
16 all cryptocurrency held in the names of Eduardo Martinez;
17

18 4. Robinhood Securities shall, within 10 business days of receipt of a copy
19 of this Order, liquidate, and transfer the proceeds of such liquidation to
20 the FTC, all securities assets in account number xxxx7530 in the name of
21 Eduardo Martinez;
22

23 5. Defendant Martinez shall, within thirty (30) days after the date of entry
24 of this Order, transfer by assignment to the Receiver or his designated
25 agent, in the form satisfactory to the Receiver, Defendant Martinez's
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1 rights to the purchase agreement dated January 14, 2021 (the “Purchase
2 Agreement”) entered by Defendant Martinez as promissory trust
3 beneficiary (purchaser) and Banca Mifel S.A. as trustee for an
4 irrevocable administration trust (identified in the agreement as
5 “Fideicomiso Palacio Del Mar 682/2006,” and which was formalized in
6 public instrument 18,111 volume 846 dated January 17, 2006 by notary
7 public Juan Jose Thomas Moreno, notary public number 7 in Tijuana,
8 Baja California, Mexico), for the sale of, through the partial termination
9 of the Fideicomiso Palacio Del Mar 682/2006 trust and the creation of a
10 new irrevocable trust for the benefit of the purchaser, condominium unit
11 number 50200-1 (consisting of a private area of 499.25 square meters
12 improved with a two-story single family residence of 535.60 square
13 meters) of the Palacio Del Mar Condominium Development in Playas de
14 Rosarito, Baja California, Mexico (the “Villa”). To the extent that
15 Fideicomiso Palacio Del Mar 682/2006 does not recognize the validity of
16 the assignment of Defendant Martinez’s rights in the Purchase
17 Agreement to the Receiver or his designated agent within ninety (90)
18 days after the assignment was made by Defendant Martinez then
19 Defendant Martinez shall close upon the Purchase Agreement in
20 cooperation with the Receiver within one hundred eighty days (180) from
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1 the date of entry of this Order, with the Receiver using funds in the
2 receivership estate to pay any remaining balance owed by Defendant
3 Martinez to Fideicomiso Palacio Del Mar 682/2006 in connection with
4 the purchase price and all applicable closing costs, including transfer
5 taxes and notary fees, through the creation of a Mexican irrevocable real
6 estate trust (the “New Fideicomiso”) in which Defendant Martinez shall
7 be named as the trust beneficiary. Defendant Martinez shall immediately
8 place the Villa for sale on any terms set by the Receiver after the creation
9 of the New Fideicomiso, with the terms of such sale requiring that a
10 United States-based escrow be used to hold funds in escrow and all net
11 sales proceeds be paid to the Receiver at closing, with any capital gains
12 tax and brokerage fees paid from the sales proceeds through escrow. To
13 the extent Defendant Martinez incurs capital gains tax, trust fees, or other
14 transfer-related costs related to the transactions contemplated by this sub-
15 section, Defendant Martinez shall promptly present evidence of such
16 costs to the Receiver after which such costs shall be deemed liabilities of
17 the receivership estate. Defendant Martinez shall cooperate fully with the
18 Receiver and shall execute any instrument or document presented by the
19 Receiver, and do whatever else the Receiver deems necessary or
20 desirable to effect either (i) the assignment of the Purchase Agreement to
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1 Receiver or Receiver's designated agent, or (ii) the closing of the
2 Purchase Agreement by Defendant Martinez and subsequent sale of the
3 Villa for the benefit of the receivership estate. Upon (a) the assignment
4 of the rights to the Purchase Agreement to the Receiver or his designated
5 agent; or (b) the creation of the New Fideicomiso; the rights to the
6 Purchase Agreement or the New Fideicomiso, as applicable, shall be an
7 asset of the receivership estate, to be governed by Section VI of this
8 Order, provided that Defendant Martinez shall have the right of first offer
9 on any sale of the Villa underlying the Purchase Agreement or the New
10 Fideicomiso;
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14 C. Upon completion of the asset transfers set forth in Section VII.B of this
15 Order, the remainder of the judgment is suspended, subject to the
16 Subsections E, F, and G below.
17

18 D. The asset freeze is modified to permit the transfers and liquidations
19 identified in this Section. Upon completion of those transfers and
20 liquidations, the asset freeze as to Settling Defendants is dissolved.
21

22 E. The FTC's agreement to the suspension of part of the judgment is expressly
23 premised upon the truthfulness, accuracy, and completeness of Settling
24 Defendants' sworn financial statements and related documents (collectively,
25 "financial representations") submitted to the FTC, namely: (1) the Financial
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1 Statement of Individual Defendant Eduardo Martinez signed on July 4,
2 2024, including the attachments, (2) the Financial Statement of Corporate
3 Defendant Select Student Services signed by Eduardo Martinez on July 18,
4 2024, including the attachments, (3) the Financial Statement of Clarity Tax
5 Relief signed by Eduardo Martinez on July 19, 2024, including the
6 attachments, and (4) the Financial Statement of Mimo Services signed by
7 Eduardo Martinez on July 18, 2024, including the attachments.
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10 F. The suspension of the judgment will be lifted as to a Settling Defendant if,
11 upon motion by the FTC, the Court finds that such Settling Defendant failed
12 to disclose any material asset, materially misstated the value of any asset, or
13 made any other material misstatement or omission in the financial
14 representations identified above.
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17 G. If the suspension of the judgment is lifted, the judgment becomes
18 immediately due as to that Settling Defendant in the amount specified in
19 Subsection VII.A above (which the parties stipulate, only for purposes of
20 this Section, represents the consumer injury alleged in the Complaint), less
21 any payment previously made pursuant to this Section, plus interest
22 computed from the date of entry of this Order.
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1 H. Settling Defendants relinquish dominion and all legal and equitable right,
2 title, and interest in all assets transferred pursuant to this Order and may not
3 seek the return of any assets.
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5 I. The facts alleged in the Complaint will be taken as true, without further
6 proof, in any subsequent civil litigation by or on behalf of the FTC,
7 including in a proceeding to enforce its rights to any payment or monetary
8 judgment pursuant to Section VII.A of this Order, such as a
9 nondischargeability complaint in any bankruptcy case.
10

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

17 K. Settling Defendants acknowledge that their Taxpayer Identification Numbers
18 (Social Security Number or Employer Identification Number), which
19 Settling Defendants previously submitted to the FTC, may be used for
20 collecting and reporting on any delinquent amount arising out of this Order,
21 in accordance with 31 U.S.C. §7701.
22

23 L. All money received by the FTC pursuant to this Order may be deposited into
24 a fund administered by the FTC or its designee to be used for consumer
25 relief, such as redress and any attendant expenses for the administration of
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1 any redress fund. If a representative of the FTC decides that direct redress to
2 consumers is wholly or partially impracticable or money remains after such
3 redress is completed, the FTC may apply any remaining money for such
4 related relief (including consumer information remedies) as it determines to
5 be reasonably related to Defendants' practices alleged in the Complaint.
6 Any money not used for such relief is to be deposited to the U.S. Treasury.
7 Settling Defendants have no right to challenge any actions the FTC or its
8 representatives may take pursuant to this Subsection.
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11 **CUSTOMER INFORMATION**

12
13 **VIII. IT IS FURTHER ORDERED** that Settling Defendants, Settling
14 Defendants' officers, agents, employees, and attorneys, and all other
15 persons in active concert or participation with any of them, who receive
16 actual notice of this Order are permanently restrained and enjoined from
17 directly or indirectly:
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- 19
20 A. Failing to provide sufficient customer information to enable the FTC to
21 efficiently administer consumer redress. If a representative of the FTC
22 requests in writing any information related to redress, Settling Defendants
23 must provide it, in the form prescribed by the FTC, within 14 days;
24
25 B. Disclosing, using, or benefitting from customer information, including the
26 name, address, telephone number, email address, social security number,
27

1 FSA ID, other identifying information, or any data that enables access to a
2 customer's account (including a credit card, bank account, or other financial
3 account), that Settling Defendants obtained prior to entry of this Order in
4 connection with the marketing and sale of Secured or Unsecured Debt Relief
5 Products or Services; and
6

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
9 from a representative of the FTC.
10

11 D. Provided, however, that customer information need not be disposed of, and
12 may be disclosed, to the extent requested by a government agency or
13 required by law, regulation, or court order.
14

15 COOPERATION

16
17 **IX. IT IS FURTHER ORDERED** that Settling Defendants must fully
18 cooperate with representatives of the FTC in this case and in any
19 investigation related to or associated with the transactions or the occurrences
20 that are the subject of the Complaint. Settling Defendants must provide
21 truthful and complete information, evidence, and testimony. Individual
22 Settling Defendant must appear and Corporate Settling Defendant must
23 cause its officers, employees, representatives, or agents to appear for
24 interviews, discovery, hearings, trials, and any other proceedings that a FTC
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1 representative may reasonably request upon 5 days written notice, or other
2 reasonable notice, at such places and times as a FTC representative may
3 designate, without the service of a subpoena.
4

5 **ORDER ACKNOWLEDGMENTS**

6 **X. IT IS FURTHER ORDERED** that Settling Defendants obtain
7 acknowledgments of receipt of this Order:
8

9 A. Each Settling Defendant, within 7 days of entry of this Order, must submit to
10 the FTC an acknowledgment of receipt of this Order sworn under penalty of
11 perjury.
12

13 B. For 5 years after entry of this Order, Individual Settling Defendant for any
14 business that such Defendant, individually or collectively with any other
15 Defendants, is the majority owner or controls directly or indirectly, and
16 Corporate Settling Defendant must deliver a copy of this Order to: (1) all
17 principals, officers, directors, and LLC managers and members; (2) all
18 employees having managerial responsibilities for conduct specified in
19 Sections I–V and all agents and representatives who participate in conduct
20 specified in Sections I–V; and (3) any business entity resulting from any
21 change in structure as set forth in the Section titled Compliance Reporting.
22 Delivery must occur within 7 days of entry of this Order for current
23 personnel. For all others, delivery must occur before they assume their
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responsibilities.

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

COMPLIANCE REPORTING

XI. IT IS FURTHER ORDERED that each Settling Defendant make timely submissions to the FTC:

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 FTC may use to communicate with such Settling Defendant; (b) identify all of such Settling Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Individual Settling Defendant must describe if he knows or should know due to his own involvement); (d) describe in detail whether and how such Settling Defendant is in compliance with each Section of this Order; and

1 (e) provide a copy of each Order Acknowledgment obtained pursuant to
2 this Order, unless previously submitted to the FTC.

- 3 2. Additionally, Individual Settling Defendant must: (a) identify all
4 telephone numbers and all physical, postal, email and Internet addresses,
5 including all residences; (b) identify all business activities, including any
6 business for which Individual Settling Defendant performs services
7 whether as an employee or otherwise and any entity in which Individual
8 Settling Defendant has any ownership interest; and (c) describe in detail
9 Individual Settling Defendant's involvement in each such business,
10 including title, role, responsibilities, participation, authority, control, and
11 any ownership.
12
13
14

15 B. For 15 years after entry of this Order, each Settling Defendant must submit a
16 compliance notice, sworn under penalty of perjury, within 14 days of any
17 change in the following:
18

- 19 1. Each Settling Defendant must report any change in: (a) any designated
20 point of contact; or (b) the structure of Corporate Settling Defendant or
21 any entity that such Settling Defendant has any ownership interest in or
22 controls directly or indirectly that may affect compliance obligations
23 arising under this Order, including: creation, merger, sale, or dissolution
24
25
26
27

1 of the entity or any subsidiary, parent, or affiliate that engages in any acts
2 or practices subject to this Order.

3 2. Additionally, Individual Settling Defendant must report any change in:
4

5 (a) name, including aliases or fictitious name, or residence address; or (b)
6 title or role in any business activity, including any business for which
7 Individual Settling Defendant performs services whether as an employee
8 or otherwise and any entity in which Individual Settling Defendant has
9 any ownership interest, and identify the name, physical address, and any
10 Internet address of the business or entity.
11
12

13 C. Each Settling Defendant must submit to the FTC notice of the filing of any
14 bankruptcy petition, insolvency proceeding, or similar proceeding by or
15 against such Settling Defendant within 14 days of its filing.
16

17 D. Any submission to the FTC required by this Order to be sworn under penalty
18 of perjury must be true and accurate and comply with 28 U.S.C. § 1746,
19 such as by concluding: “I declare under penalty of perjury under the laws of
20 the United States of America that the foregoing is true and correct.
21

22 Executed on: _____” and supplying the date, signatory’s full name, title (if
23 applicable), and signature.
24

25 E. Unless otherwise directed by a FTC representative in writing, all
26 submissions to the FTC pursuant to this Order must be emailed to
27

1 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service)
2 to: Associate Director for Enforcement, Bureau of Consumer Protection,
3 Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington,
4 DC 20580. The subject line must begin: FTC v. Panda Benefit Services,
5 LLC, Matter No. X240039.
6

7
8 **RECORDKEEPING**

9 **XII. IT IS FURTHER ORDERED** that each Settling Defendant must create
10 certain records for 15 years after entry of the Order, and retain each such
11 record for 5 years. Specifically, Corporate Settling Defendant and
12 Individual Settling Defendant, for any business that Individual Settling
13 Defendant, individually or collectively with any other Defendants, is a
14 majority owner or controls directly or indirectly, must create and retain the
15 following records:
16
17

- 18 A. accounting records showing the revenues from all goods or services sold;
19
20 B. personnel records showing, for each person providing services, whether as
21 an employee or otherwise, that person's: name; addresses; telephone
22 numbers; job title or position; dates of service; and (if applicable) the reason
23 for termination;
24
25 C. records of all consumer complaints and refund requests, whether received
26 directly or indirectly, such as through a third party, and any response;
27

- 1 D. all records necessary to demonstrate full compliance with each provision of
2 this Order, including all submissions to the FTC; and
3 E. a copy of each unique advertisement or other marketing material.
4

5 **COMPLIANCE MONITORING**

6 **XIII. IT IS FURTHER ORDERED** that, for the purpose of monitoring Settling
7 Defendants' compliance with this Order, including any failure to transfer
8 any assets as required by this Order:
9

10 A. Within 14 days of receipt of a written request from a representative of the
11 FTC, each Settling Defendant must: submit additional compliance reports or
12 other requested information, which must be sworn under penalty of perjury;
13 appear for depositions; and produce documents for inspection and copying.
14 The FTC is also authorized to obtain discovery, without further leave of
15 court, using any of the procedures prescribed by Federal Rules of Civil
16 Procedure 29, 30 (including depositions by remote means), 31, 33, 34, 36,
17 45, and 69.
18

19
20
21 B. For matters concerning this Order, the FTC is authorized to communicate
22 directly with Settling Defendants. Settling Defendants must permit
23 representatives of the FTC to interview any employee or other person
24 affiliated with Settling Defendants who has agreed to such an interview.
25 The person interviewed may have counsel present.
26
27

1 C. The FTC may use all other lawful means, including posing, through its
2 representatives as consumers, suppliers, or other individuals or entities, to
3 Settling Defendants or any individual or entity affiliated with Settling
4 Defendants, without the necessity of identification or prior notice. Nothing
5 in this Order limits the FTC's lawful use of compulsory process, pursuant to
6 Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.
7

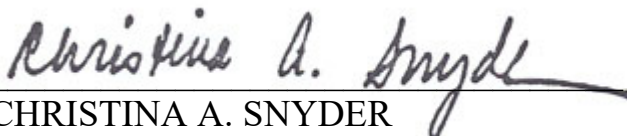
8
9 D. Upon written request from a representative of the FTC, any consumer
10 reporting agency must furnish consumer reports concerning Individual
11 Settling Defendant, pursuant to Section 604(1) of the Fair Credit Reporting
12 Act, 15 U.S.C. §1681b(a)(1).
13

14 **RETENTION OF JURISDICTION**

15 **XIV. IT IS FURTHER ORDERED** that this Court retains jurisdiction of this
16 matter for purposes of construction, modification, and enforcement of this
17 Order.
18

19
20 **IT IS SO ORDERED.**
21

22 Dated: May 14, 2025

23
24 
25 CHRISTINA A. SNYDER
26 UNITED STATES DISTRICT JUDGE
27