

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO. 17-60907-CIV-MORENO/SELTZER

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

MOTION OF RECEIVER JONATHAN E. PERLMAN, ESQ.
REGARDING RELIEF DEFENDANT TERESA DUDA'S
FAILURE TO TURN OVER ASSET

Jonathan E. Perlman, Esq., as Receiver, pursuant to Sec. X(D)(2) of this Court's Preliminary Injunction [ECF No. 21], submits this Motion regarding the failure of Relief Defendant Teresa Duda to vacate and deliver the receivership asset located at 110 Gloucester St., Boca Raton, FL 33487 (the "Property").

I. BACKGROUND

1. On May 8, 2017, the Federal Trade Commission ("FTC") and Office of the Attorney General, State of Florida, Department of Legal Affairs ("State of Florida") filed a *Complaint for Permanent Injunction and Other Equitable Relief* against the Defendants. [ECF No. 1]. On May 9, 2017, the Court granted Plaintiffs' Motion for Temporary Restraining Order and appointed Mr. Perlman as Temporary Receiver over the Receivership Entities.¹ On May 17,

¹ Receivership Entities are Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services, 321Loans, Inc., f/k/a 321 Loans, Inc. d/b/a 321Financial, Inc., Instahelp America, Inc. f/k/a Helping America Team, Inc. d/b/a Helping America Group, Breeze Financial Solutions, Inc. d/b/a Credit Health Plan and Credit Maximizing Program, US Legal Club, LLC, Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. d/b/a Guardian Legal Center, Guardian LG, LLC d/b/a Guardian Legal Group, American Credit Security, LLC f/k/a America Credit Shield, LLC, Paralegal Support Group LLC f/k/a Paralegal Support LLC, Associated Administrative Services, LLC d/b/a Jobfax, Cockburn &

2017, the Court entered its Preliminary Injunction (“PI”) and appointed Mr. Perlman as Permanent Receiver. [ECF No. 21].

2. On June 2, 2017, the Receiver served Jeremy Marcus’ mother, Relief Defendant Teresa Duda with the PI. Under the PI, Relief Defendant Teresa Duda, among others, was required upon notice and demand by the Receiver, to deliver to the Receiver all assets of the Receivership Defendants, including assets subject to repatriation. *Id.* at p. 23. If any person fails to comply with such demands for turnover, the PI authorizes the Receiver to file an Ex-Parte Affidavit of Non-Compliance regarding the failure. *Id.* at p. 24.

3. Upon filing of the affidavit, the PI further permits this Court, “without additional process or demand, to authorize Writs of Possession or Sequestration or other equitable writs requested by the Receiver.” *Id.*

4. On May 1, 2018, the Receiver filed a Motion to Compel Turnover of Real Property by Relief Defendant Teresa Duda or, in the Alternative, for an Equitable Lien (the “Turnover Motion”). [ECF No. 237]. Like other properties turned over to the Receiver, the Property was also purchased, improved and maintained by Defendant Jeremy Marcus using Receivership Defendant monies received from consumers. At her deposition, Relief Defendant Teresa Duda testified that her son, Defendant Jeremy Marcus, transferred the Property to her. *Id.* at Ex. B. The transfer to her was invalid because it was made by a legally fictitious third party that did not own the Property. In addition, there is no evidence that Relief Defendant Teresa Duda paid any consideration for the Property.

Associate LLC, JLMJP Pompano, LLC, Halfpay International, LLC, Halfpay NV, LLC, HP Properties Group, Inc., HP Media, Inc., Omni Management Partners, LLC, Nantucket Cove of Illinois, LLC, Discount Marketing USA, S.A., Viking Management Services, LLC, White Light Media LLC, Blue42, LLC, National Arms, LLC, and 110 Gloucester St., LLC, and their divisions, subsidiaries, affiliates, predecessors, successors, and assigns. [ECF Nos. 21, 102, 222, 286].

5. On August 24, 2018, the Court entered an order granting the Turnover Motion (the “Turnover Order”). [ECF No. 287]. Under the Turnover Order, Relief Defendant Teresa Duda was required to transfer the Property to the Receiver and “execute any and all documents to transfer good marketable title for the Property to the Receiver.” *Id.*

6. On September 27, 2018, Relief Defendant Teresa Duda executed a Special Warranty Deed for the Property in favor of the Receiver. *See* Exhibit A attached hereto.

7. Since taking title to the Property, the Receiver has been in discussions with Relief Defendant Teresa Duda about purchasing the Property from the Receiver for its fair market value. Relief Defendant Teresa Duda ultimately refused to pay the Receiver’s price, and the Receiver has demanded that Relief Defendant Teresa Duda vacate the Property. She has refused to do so.

8. As set forth in the Receiver’s Affidavit, Relief Defendant Teresa Duda has violated her Court-ordered responsibilities under the PI and Turnover Order. *See* Exhibit B attached hereto. Specifically, as set forth in the Receiver’s Affidavit, Relief Defendant Teresa Duda has failed and refused to vacate and turn over the Property.

9. Prior to filing this Motion, on multiple occasions, the Receiver attempted to work out these issues with Relief Defendant Teresa Duda, to no avail.

II. MEMORANDUM OF LAW

10. As referenced above, under the PI:

In the event any Person or entity fails to deliver or transfer any asset or document, or otherwise fails to comply with any provision of this Section, the Receiver may file *ex parte* an Affidavit of Non-Compliance regarding the failure. Upon filing of the affidavit, the Court may authorize, without additional process or demand, Writs of Possession or Sequestration or other equitable writs requested by the Receiver. The writs shall authorize and direct the United States Marshal or any sheriff or deputy sheriff of any county, or any other federal or state law enforcement officer, to seize the

asset, document, or other thing and to deliver it to the Receiver. [ECF No. 21].

11. Under the Turnover Order, this Court ordered that Relief Defendant Teresa Duda turn over the Property which is an asset of the Receivership. *See SEC v. Creative Capital Consortium*, 2013 WL 12167733 (S.D. Fla. 2013)(holding that because it was undisputed that Options Accounts were funded by receivership proceeds, they were therefore property of the receivership and “the Receiver ha[d] title to the Options Accounts by operation of law.”); *SEC v. Aquacell Batteries, Inc.*, No. 6:07-cv-608, 2008 WL 4371329 at 2-3. (M.D. Fla. May 9, 2008)(granting receiver’s turnover motion because “. . .purchase of property solely with [defendant corporate entity] funds renders the property receivership property. . .”); *see also SEC v. Elmas Trading Corp.*, 620 F. Supp. 231 (D. Nev. 1985), *aff’d* 805 F.2d 1039 (9th Cir (1986)(collecting cases where courts have held “that a receiver can exercise control over third-party property purchased using ‘scheme proceeds.’”)(citing *S.E.C. v. Nadel*, No.8:09-cv-87-T-26TBM, 2013 WL 2291871 at *2 (M.D. Fla. May 24, 2013) (third party entity’s use of scheme proceeds to purchase oil and gas leases subjected it to inclusion in receivership despite that it was not an alter ego of defendant); *see also SEC v. Lauer*, No. 03-80612-Civ, 2009 WL 812719, at *4-5 (S.D. Fla. Mar. 26, 2009) (proceeds from sale of condominium that was maintained with tainted funds are also tainted by the fraud); *In re Fin. Federated Title & Tr., Inc.*, 347 F.3d 880 (11th Cir. 2003) (establishing constructive trust on property purchased with over 90% funds from Ponzi scheme); *CFTC v. Hudgins*, 620 F. Supp. 2d 790, 795 (E.D. Tex. 2009) (directing sale of condominium because defrauder’s innocent girlfriend paid the mortgage with Ponzi scheme funds).”

12. Here, the Receiver has made multiple demands on Relief Defendant Teresa Duda to turn over and vacate the Property as required by the PI and Turnover Order. As set forth in

the Receiver's Affidavit, Relief Defendant Teresa Duda has failed to vacate and deliver the Property. Accordingly, the Receiver requests this Court to authorize the issuance of Writs of Possession, Writs of Sequestration, or any other equitable writs, to recover and secure the Property.

Rule 7.1 Certification

Undersigned counsel for the Receiver hereby certifies that prior to filing the instant Motion, counsel for the Receiver conferred with counsel for the Plaintiffs. Plaintiffs concur in the relief being sought in the Motion. As referenced throughout this Motion, the Receiver attempted to work out the issues raised herein with Duda without success.

WHEREFORE, the Receiver respectfully requests this Court to enter an order granting the Motion, issue Writs of Possession, or any other writs, directing the United States Marshall or sheriff to secure the Property, and Relief Defendant Teresa Duda to vacate and turn over the Property, and for such other and further relief as the Court deems appropriate.

Respectfully submitted this 18th day of December 2018.

GENOVESE JOBLOVE & BATTISTA, P.A.
Attorneys for Jonathan E. Perlman, Receiver
100 Southeast 2nd Street, Suite 4400
Miami, Florida 33131
Telephone: (305) 349-2300
Facsimile: (305) 349-2310

By: /s/ Gregory M. Garno
Gregory M. Garno, Esq.,
FBN 87505
ggarno@gjb-law.com

CERTIFICATE OF SERVICE

I hereby certify that on December 18, 2018, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record and entities identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

By: /s/ Gregory M. Garno
Gregory M. Garno, Esq.

SERVICE LIST

**Federal Trade Commission v. Jeremy Lee Marcus, et al.
USDC, SD Fla., Case No. 17-60907-CIV-MORENO/SELTZER**

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Counsel for Defendant Jeremy Lee Marcus and

Relief Defendants Haltpay International, LLC; Haltpay NV LLC;

JLMJP Pompano, LLC; and Nantucket Cove of Illinois, LLC

Craig David Smith

13586 Harwell Path

Apple Valley, MN 55124

Yisbet Segrea

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Lake Worth, FL 33463

Relief Defendants

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jackmarcus@bellsouth.net
6436 Grand Cypress Cir.
Lake Worth, FL 33463
Relief Defendant via Electronic Mail

Teresa Duda
110 Gloucester Street
Boca Raton, FL 33487
Pro Se via U.S. Mail

CFN 20180370737
OR BK 30149 PG 726
RECORDED 09/27/2018 12:08:52
Palm Beach County, Florida
AMT 10.00
DEED DOC 0.70
Sharon R. Bock
CLERK & COMPTROLLER
Pgs 0726-0728; (3Pgs)

Prepared by and Return to:

Alfredo L. Gonzalez, Esq.
Genovese, Joblove & Battista, P.A.
100 SE 2nd Street, 44th Floor
Miami, FL 33131

Folio No.: 06-43-47-05-02-007-0070

[Space Above This Line For Recording Data]

Special Warranty Deed

This Deed made this 27 day of September, 2018, between Teresa Duda, a single woman (Grantor) and Jonathan E. Perlman, as Receiver in the case of Federal Trade Commission, *et al* v. Jeremy Lee Marcus, *et al*, United States District Court, Southern District of Florida, Case No. 17-60907-CIV-MORENO, whose post office address is C/O Genovese Joblove & Battista, P.A., 100 SE Second Street, 44th Floor, Miami, Florida 33131 ("Grantee"):

(Whenever used herein the terms grantor and grantee include all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, trusts and trustees)

Witnesseth:

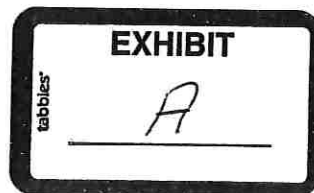
That the Grantor, for and in consideration of the sum TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable considerations in hand paid to said grantee, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee the following described real property, and rights and interest in real property located and situated in the County of Palm Beach County, to-wit:

See Exhibit "A" Attached hereto and made a part hereof

This conveyance is subject to the following:

1. Real Estate taxes for the year 2018 and all subsequent years;
2. Conditions, covenants, restrictions, limitations, easements, reservations and all other matters of record, if any; provided, however, this shall not serve to reimpose same;
3. Zoning ordinances and other restrictions imposed by governmental authorities.

[10675-006/2925567/1]



Special Warranty Deed

Together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

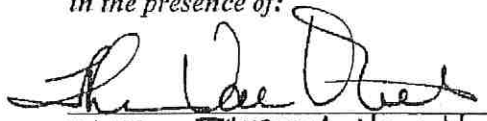
To Have and to Hold, the same in fee simple forever.


And the grantor hereby fully warrants the title to the said real property, and will defend the same against the lawful claims of all persons claiming by, through or under the said Grantor.

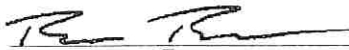
In Witness Whereof, the Grantor has caused these presents to be executed by its proper officer thereunto duly authorized, and its seal affixed, the day and year first above written.

*Signed, sealed and delivered
in the presence of:*

GRANTOR:

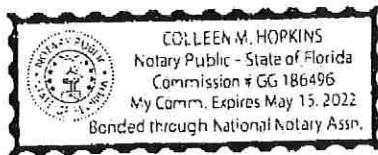

Print Name: TERESA VAN VLIET


Teresa Duda


Print Name: Benjamin P. Bean

STATE OF FLORIDA)
) ss:
COUNTY OF)

I HEREBY CERTIFY that the foregoing instrument was acknowledged before me this 27 day of September, 2018, by Teresa Duda, a single woman, who is personally known to me or who produced Fl Drivers License D500-812-57-889-A as identification, and who did [did not] take an oath.



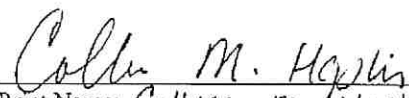

Print Name: Colleen m. Hopkins
NOTARY PUBLIC, State of Florida
Serial No: 186496
My Commission Expires: 5-15-22

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 7, Block 7, Plat of Delray Manors, according to the Plat thereof, as recorded in Plat Book 10, at Page 25, of the Public Records of Palm Beach County, Florida.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO. 17-60907-CIV-MORENO/SELTZER

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

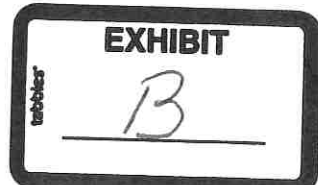
EX-PARTE AFFIDAVIT OF NON-COMPLIANCE OF RECEIVER
JONATHAN E. PERLMAN REGARDING RELIEF DEFENDANT TERESA DUDA'S
FAILURE TO TURN OVER RECEIVERSHIP ASSET

STATE OF FLORIDA)
) ss:
COUNTY OF MIAMI-DADE)

Before me, the undersigned authority, personally appeared Jonathan E. Perlman who being first duly sworn, deposes and states:

1. On May 8, 2017, the Federal Trade Commission (“FTC”) and Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) filed a *Complaint for Permanent Injunction and Other Equitable Relief* against the Defendants. [ECF No. 1]. On May 9, 2017, the Court granted Plaintiffs’ Motion for Temporary Restraining Order and appointed me as Temporary Receiver over the Receivership Entities.¹ On May 17, 2017, the

¹ Receivership Entities are Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services, 321Loans, Inc., f/k/a 321 Loans, Inc. d/b/a 321Financial, Inc., Instahelp America, Inc. f/k/a Helping America Team, Inc. d/b/a Helping America Group, Breeze Financial Solutions, Inc. d/b/a Credit Health Plan and Credit Maximizing Program, US Legal Club, LLC, Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. d/b/a Guardian Legal Center, Guardian LG, LLC d/b/a Guardian Legal Group, American Credit Security, LLC f/k/a America Credit Shield, LLC, Paralegal Support Group LLC f/k/a Paralegal Support LLC, Associated Administrative Services, LLC d/b/a Jobfax, Cockburn & Associate LLC, JLMJP Pompano, LLC, Halfpay International, LLC, Halfpay NV, LLC, HP Properties Group, Inc., HP Media, Inc., Omni Management Partners, LLC, Nantucket Cove of Illinois, LLC, Discount Marketing USA, S.A., Viking Management Services, LLC, White Light Media LLC, Blue42, LLC, National Arms, LLC, 110 Gloucester St. and their divisions, subsidiaries, affiliates, predecessors, successors, and assigns. [ECF Nos. 21, 222, 286].



Court entered its Preliminary Injunction and appointed me as Permanent Receiver. [ECF No. 21].

2. On September 29, 2017, Plaintiffs FTC and State of Florida filed an Amended Complaint which added additional Defendants and re-alleged that Defendant Jeremy Marcus and others operated and engaged in a massive scheme defrauding consumers of millions of dollars by offering phony debt-relief services and fake loans. [ECF No. 127].

3. On May 1, 2018, counsel, on my behalf, filed a motion seeking turnover of the real property located at 110 Gloucester St., Boca Raton, FL 33487 (the "Property") from Relief Defendant Teresa Duda. [ECF No. 237]. My investigation revealed that the Property was acquired by Defendant Jeremy Marcus with consumer funds and then transferred to his mother, Teresa Duda, for no consideration. This Court subsequently granted my motion and ordered Teresa Duda to turn over the Property to me. [ECF No. 287].


4. Thereafter, my lead counsel, Greg Garno, made the first of numerous written and verbal requests to Relief Defendant Teresa Duda for turnover of the Property. On September 27, 2018, Teresa Duda executed a Special Warranty Deed for the Property in favor of the Receiver.

5. At that time, Teresa Duda asked to purchase the Property, and I told her through counsel that she would have to pay a fair market value price.

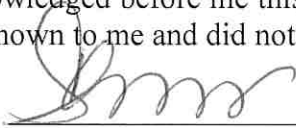
6. Ms. Duda ultimately refused to pay an acceptable market value price, and we made demand upon her to vacate the Property.

7. Despite multiple additional demands, Teresa Duda has failed to vacate and turn over the Property which is titled and belongs to the Receivership.

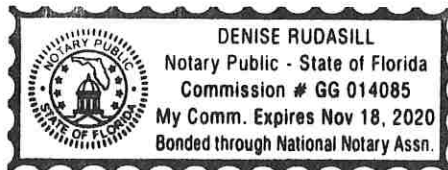
FURTHER AFFIANT SAYETH NAUGHT.


Jonathan E. Perlman, Esq.
Receiver

The foregoing instrument was acknowledged before me this 17th day of December 2018 by Jonathan E. Perlman. He is personally known to me and did not take an oath.


Notary Public, State of Florida

Commission Expires:
(Stamp)



**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 17-60907-CIV-MORENO

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

_____ /

**ORDER GRANTING RECEIVER JONATHAN E. PERLMAN'S
MOTION REGARDING RELIEF DEFENDANT
TERESA DUDA'S FAILURE TO TURN OVER ASSET**

THIS CAUSE came before the Court upon Receiver Jonathan E. Perlman's Motion Regarding Relief Defendant Teresa Duda's Failure to Turn Over Asset (D.E. ____), filed on December 18, 2018. The Court having considered the motion, the pertinent portions of the record, and being otherwise fully advised in the premises, it is:

ORDERED AND ADJUDGED that the Motion is GRANTED. By separate document, the Court will issue a Writ of Possession for the real property located at 110 Gloucester St., Boca Raton, FL 33487.

DONE AND ORDERED in Chambers at Miami-Dade County, Florida, this _____ day of _____, 2018.

FEDERICO A. MORENO
UNITED STATES DISTRICT JUDGE

Copies provided to Counsel of Record.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO. 17-60907-CIV-MORENO

FEDERAL TRADE COMMISSION, *et al.*,

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WRIT OF POSSESSION

**TO THE UNITED STATES MARSHALL
FOR THE SOUTHERN DISTRICT OF FLORIDA**

YOU ARE COMMANDED to remove all persons from the following described property at 110 Glouchester St., Boca Raton, FL 33487, Palm Beach County, FL and to put Jonathan E. Perlman, as Receiver in possession of it.

DATED this ____ day of December 2018.

Honorable Federico A Moreno
United States District Judge

cc: Counsel of record