

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 17-60907-CIV-Moreno

FEDERAL TRADE COMMISSION, and

STATE OF FLORIDA,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants and Relief Defendants.

**DEFAULT FINAL JUDGEMENT AND ORDER FOR PERMANENT
INJUNCTIVE RELIEF AND MONETARY JUDGMENT AGAINST THE
CORPORATE DEFENDANTS**

THIS MATTER is before the Court on Plaintiffs, the Federal Trade Commission (“Commission”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida” and collectively “Plaintiffs”) Motion for Default Final Judgment and Order for Permanent Injunctive Relief and Monetary Judgment against: (1) Financial Freedom National, Inc., f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc., also 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; (2) 321Loans, Inc., f/k/a 321 Loans, Inc., also d/b/a 321Financial, Inc.; (3) Instahelp America, Inc., f/k/a Helping America Team, Inc., also d/b/a Helping America Group; (4) Helping America Group, LLC, f/k/a Helping America Group, Inc.; (5) Breeze Financial Solutions, Inc., also d/b/a Credit Health Plan and Credit Maximizing Program; (6) US Legal

Club, LLC; (7) Active Debt Solutions, LLC, f/k/a Active Debt Solutions, Inc., also d/b/a Guardian Legal Center; (8) Guardian LG, LLC, also d/b/a Guardian Legal Group; (9) American Credit Security, LLC, f/k/a American Credit Shield, LLC; (10) Paralegal Support Group LLC, f/k/a Paralegal Staff Support LLC; (11) Associated Administrative Services, LLC, also d/b/a Jobfax; (12) Discount Marketing USA S.A.; (13) Viking Management Services LLC; (14) Cockburn & Associate LLC; (15) Omni Management Partners LLC; (16) HP Media, Inc.; and (17) White Light Media LLC (“Corporate Defendants”) (Doc. 240). This Court has carefully reviewed Plaintiffs’ motion, the entire Court file in this matter, and being otherwise fully advised in the premises, hereby **GRANTS** Plaintiffs’ motion. **IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** as follows:

FINDINGS

1. Plaintiffs’ complaint, filed pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016), Fla. Stat. § 501.201 et seq., seeks permanent injunctive and equitable monetary relief against Defendants in connection with the marketing, offering for sale, and sale of phony debt relief services, including fake loans. Plaintiffs’ complaint states claims upon which relief may be granted.
2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a) and 1345, and 15 U.S.C. §§ 45(a), 53(b), and 6102(c).
3. This Court has supplemental jurisdiction over the State of Florida’s claims pursuant to 28 U.S.C. § 1367.

4. Venue is proper in this district under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).
5. The activities of Defendants are “in or affecting commerce” as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44 and as “trade or commerce” is defined in Section 501.203(8), Florida Statutes.
6. Corporate Defendants were properly served with process in this matter pursuant to Federal Rule of Civil Procedure 5. (Doc. 32-45, 142-146, and 150). Corporate Defendants thereafter failed to file a responsive pleading as required by Federal Rule of Civil Procedure 12(a). The Clerk entered defaults by Orders entered July 31, 2017 and November 15, 2017. (Doc. 99, 162, and 163). Plaintiffs are entitled to a default judgment pursuant to Federal Rule of Civil Procedure 55(b) as to the Corporate Defendants.
7. The factual allegations in the Plaintiffs’ complaint are taken as true against the Corporate Defendants. These allegations and the evidence supporting them establish that Corporate Defendants violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a); the TSR, 16 C.F.R. Part 310; and the FDUTPA, Section 501.204(1), in connection with the marketing, offering for sale, and sale of phony debt relief services, including fake loans.
8. In addition, the Corporate Defendants have operated as a common enterprise while engaging in the deceptive acts and practices in violation of Section 5(a) of the FTC Act, the TSR and the FDUTPA. Corporate Defendants conducted their business practices through an interrelated network of companies that had common officers, managers, business functions, employees, or office locations, and that commingled funds.

9. The Court now finds that Corporate Defendants, operating as a common enterprise, have violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a) and Section 501.204(1) of the FDUTPA by misrepresenting directly or indirectly, expressly or by implication, that:

- a. Defendants will provide consumers a low interest rate loan to pay off consumers' unsecured debts;
- b. Defendants will negotiate, settle, or alter the terms of payment or other terms of consumers' unsecured debts to reduce the balance, interest rate, or fees owed to a creditor or debt collector;
- c. Defendants will otherwise eliminate consumers' unsecured debts;
- d. Defendants' debt relief program or service is offered or provided by a non-profit entity; and
- e. Defendants' debt relief program or service will improve consumers' creditworthiness.

10. The Court further finds that Corporate Defendants, operating as a common enterprise, have violated Section 310.3(a)(2)(x) of the TSR, 16 C.F.R. § 310.3(a)(2)(x) by misrepresenting, directly or indirectly, expressly or by implication, material aspects of debt relief services, including but not limited to:

- a. That Defendants will pay off or otherwise eliminate consumers' unsecured debts;
- b. That Defendants will negotiate, settle, or alter the terms of payment or other terms of consumers' unsecured debts to reduce the balance, interest rate, or fees owed to a creditor or debt collector;
- c. The effect of Defendants' service on a consumer's creditworthiness; and
- d. That Defendants' debt relief service is offered or provided by a non-profit entity.

11. The Court further finds that Corporate Defendants, operating as a common enterprise, have violated Section 310.4(a)(5)(i) of the TSR, 16 C.F.R. § 310.(4)(a)(5)(i) by requesting or receiving payment of a fee or consideration for debt relief services before:

- a. Defendants have renegotiated, settled, reduced, or otherwise altered the terms of at least one debt pursuant to a settlement agreement, debt management plan, or other such valid contractual agreement executed by the customer; and
- b. The customer has made at least one payment pursuant to that settlement agreement, debt management plan, or other valid contractual agreement between the customer and the creditor.

12. The Court further finds that Corporate Defendants gave the Relief Defendants assets traceable to the deceptive acts and practices alleged in the Complaint, and that, as to the Corporate Defendants, the Relief Defendants have no legitimate claim to those assets.

13. Corporate Defendants are likely to continue to engage in the acts and practices alleged in the complaint unless they are permanently restrained and enjoined from such acts and practices.

14. Because Corporate Defendants operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged in the complaint.

15. It is proper in this case to enter an equitable monetary judgment against the Corporate Defendants in the amount of \$85,663,556.61, jointly and severally.

16. This action and the relief awarded herein are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law.

17. Entry of this Order is in the public interest.

DEFINITIONS

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

1. **“Complaint”** means the complaint filed on May 8, 2017 [D.E. 1], and as amended on September 29, 2019 [D.E. 127], to add additional defendants and relief defendants.
2. **“Credit repair product or service”** means any product, service, plan, or program represented, expressly or by implication, to improve a consumer’s credit record, credit history, or credit rating; or to provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit record, credit history, or credit rating.
3. **“Debt relief product or service”** means any product, service, plan, or program represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of a debt or obligation between a person and one or more creditors or debt collectors, including a reduction in the balance, interest rate, or fees owed by a person to a creditor or debt collector.
4. **“Corporate Defendants”** means (1) Financial Freedom National, Inc., f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc., also 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; (2) 321Loans, Inc., f/k/a 321 Loans, Inc., also d/b/a 321Financial, Inc.; (3) Instahelp America, Inc., f/k/a Helping America Team, Inc., also d/b/a Helping America Group; (4) Helping America Group, LLC, f/k/a Helping America Group, Inc.; (5) Breeze Financial Solutions, Inc., also d/b/a Credit Health Plan and Credit Maximizing Program; (6) US Legal Club, LLC; (7) Active Debt Solutions, LLC, f/k/a

Active Debt Solutions, Inc., also d/b/a Guardian Legal Center; (8) Guardian LG, LLC, also d/b/a Guardian Legal Group; (9) American Credit Security, LLC, f/k/a American Credit Shield, LLC; (10) Paralegal Support Group LLC, f/k/a Paralegal Staff Support LLC; (11) Associated Administrative Services, LLC, also d/b/a Jobfax; (12) Viking Management Services LLC; (13) Cockburn & Associate LLC; (14) Omni Management Partners LLC; (15) HP Media, Inc.; (16) White Light Media LLC; and (17) Discount Marketing USA S.A. and their divisions, subsidiaries, affiliates, predecessors, successors, assigns, and any fictitious business entities or business names created or used by these entities, or any of them.

5. **“Defendants”** means all of the Individual Defendants and Corporate Defendants, individually, collectively, or in any combination, and each of them by whatever names each might be known.
6. **“Financial product or service”** means any product, service, plan, or program represented, expressly or by implication to provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit.
7. **“Individual Defendants”** means Jeremy Lee Marcus, Craig Davis Smith, and Yisbet Segrea, and by whatever other names each may be known.
8. **“Person”** means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.
9. **“Relief Defendants”** means JLMJP Pompano, LLC; 1609 Belmont Place LLC; 16 S H Street Lake Worth, LLC; 17866 Lake Azure Way Boca, LLC; 114 Southwest 2nd Street DBF, LLC; 110 Gloucester St., LLC; 72 SE 6th Ave., LLC; Fast Pace 69 LLC; Strategic Acquisitions Two, LLC; Halfpay International, LLC, also d/b/a 16 H.S. Street 12Plex LLC, 311 SE 3rd St.,

LLC, 412 Bayfront Drive, LLC, 110 Gloucester St., LLC, 72 SE 6th Ave., LLC, 114 SW 2nd Street JM, LLC, 8209 Desmond Drive, LLC, and HLFP, LLC; Halfpay NV LLC, also d/b/a Halfpay International LLC; Nantucket Cove of Illinois, LLC; Jack Marcus; Teresa Duda; and James Marcus, as well as any successors, assigns, subsidiaries, fictitious business entities, or business names created or used by these entities, or any of them.

10. **“Telemarketer”** means any Person who, in connection with Telemarketing, initiates or receives telephone calls to or from a customer or donor.

11. **“Telemarketing”** means any plan, program, or campaign that is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones.

I. BAN ON CREDIT REPAIR PRODUCTS OR SERVICES

IT IS ORDERED that Corporate Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promotion, offering for sale, or selling of any credit repair product or service.

II. BAN ON DEBT RELIEF PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that Corporate Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting others in the advertising, marketing, promotion, offering for sale, or selling of any debt relief product or service.

III. BAN ON FINANCIAL PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that Corporate Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or selling, or assisting

others in the advertising, marketing, promotion, offering for sale, or selling of any financial product or service.

IV. BAN ON TELEMARKETING

IT IS FURTHER ORDERED that Corporate Defendants are permanently restrained and enjoined from engaging in telemarketing or assisting others engaged in telemarketing.

V. PROHIBITION AGAINST MISREPRESENTATIONS RELATING TO ANY PRODUCT, SERVICE, PLAN OR PROGRAM

IT IS FURTHER ORDERED that Corporate Defendants, Corporate 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 the advertising, marketing, promotion, offering for sale, or sale of any product, service, plan or program, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication:

- A. That Corporate Defendants are part of or affiliated with a non-profit entity or that it operates as such;
- B. That any person is affiliated with, endorsed or approved by, or otherwise connected to any other person; government entity; public; non-profit; or other non-commercial program; or any other program;
- C. That a consumer will receive legal representation;
- D. The person who will provide any product, service, plan, or program to any consumer;
- E. That any person providing a testimonial has purchased, received, or used the product, service, plan, or program;

F. That the experience represented in a testimonial of the product, service, plan, or program represents the person's actual experience resulting from the use of the product, service, plan, or program under the circumstances depicted in the advertisement; or

G. Any other fact material to consumers concerning any product, service, plan or program, such as: the total cost; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature or central characteristic.

VI. PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS

IT IS FURTHER ORDERED THAT Corporate Defendants, Corporate 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 the advertising, marketing, promotion, offering for sale, or sale of any product, or service, are permanently restrained and enjoined from making any representation or assisting others in making any representation, expressly or by implication, about the benefits, performance, or efficacy of any product or service, unless the representation is non-misleading, and, at the time such representation is made, Corporate Defendants possess and rely upon competent and reliable evidence that is sufficient in quality and quantity based on standards generally accepted in the relevant fields, when considered in light of the entire body of relevant and reliable evidence, to substantiate that the representation is true.

VII. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment is entered in favor of Plaintiffs and against Corporate Defendants, jointly and severally, as equitable monetary relief, in the amount of eighty-five million, six hundred sixty-three thousand, five hundred fifty-six dollars, and sixty-one cents (\$85,663,556.61), with post-judgment interest at the legal rate.

B. The monetary judgment set forth in this Section VII shall be reduced by any amounts paid to the Plaintiffs pursuant to judgments in this action relating to other Defendants or Relief Defendants.

C. In partial satisfaction of the judgment against Corporate Defendants, any financial or brokerage institution, escrow agent, title company, commodity trading company, law firm, business entity, or person, whether located within the United States or outside the United States, that holds, controls, or maintains accounts or assets of, on behalf of, or for the benefit of, Corporate Defendants, shall turn over such account or asset to the FTC or its designated agent within ten (10) business days of receiving notice of this Order by any means, including but not limited to facsimile or email.

D. Corporate Defendants shall cooperate fully with the Plaintiffs and the receiver in this case, Jonathan E. Perlman, ("Receiver") and shall take such steps as any of them may require to transfer possession of the assets listed in this Subsection and to assist in the final liquidation of the assets, including executing any documents, procuring the signatures of any person or entity under their control, providing access to the assets, providing any necessary information, and turning over the assets.

E. Corporate Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order and assets previously turned over to the Receiver, and may not seek the return of any assets.

F. All money paid to the Plaintiffs pursuant to this Order (“joint monies”) shall be deposited into a fund administered by the Commission or its designee on behalf of both the Commission and the State of Florida. This fund shall be used for equitable relief, including but not limited to redress to consumers, and any attendant expenses for the administration of any such equitable relief. In the event that the Commission determines that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, Plaintiffs may, in their discretion, apply any remaining money for such other equitable relief (including consumer information remedies) as they determine to be reasonably related to Defendants’ practices alleged in the Complaint.

G. All joint funds not used for the equitable relief described in Paragraph F of this Section shall be divided equally between the Commission and the State of Florida, with half to be deposited to the U.S. Treasury as disgorgement, and half to be deposited to the State of Florida Department of Legal Affairs’ Trust Fund, which may be applied as costs and fees.

H. Corporate Defendants have no right to challenge any actions the Plaintiffs or their representatives may take pursuant to this Section.

I. The asset freeze imposed by the Court’s Preliminary Injunction Order (D.E. 21) is modified to permit the asset transfers and payments identified in Subsections VII. C, above.

VIII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Corporate Defendants, Corporate 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, are permanently restrained and enjoined from directly or indirectly:

A. Failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Corporate Defendants must provide it, in the form prescribed by the Commission, within fourteen (14) days.

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that any Corporate Defendant obtained prior to entry of this Order in connection with the advertising, marketing, promotion, offering for sale, or sale of any debt relief, credit repair or financial product or service; and

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

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

IX. CONTINUATION OF RECEIVERSHIP

A. The Receiver shall continue to possess all rights and obligations set forth in the Preliminary Injunction Order [DE 21], the Order Granting Receiver Jonathan E. Perlman's Agreed Verified Motion to Expand Receivership [DE 102], and the Stipulated Order for Permanent Injunction and Monetary Judgment Against Jeremy Lee Marcus [DE 231], with regard to the Corporate Defendants. To the extent not otherwise provided therein, the Receiver shall have the following powers exercised in the Receiver's discretion without further order of the Court:

1. To enter upon, gain access to and take possession of the Corporate Defendants' business premises and all of the Corporate Defendants' assets; to use, operate, manage, control or lease either directly or through agents under contract with or employed by the Receiver; to receive all income and profits from the use, operation, sale, lease or other disposition of the Corporate Defendants' Assets; to care for, preserve, protect, secure and maintain the Corporate Defendants' Assets and incur the reasonable expenses necessary for such care, preservation and maintenance; and to do all things and to incur the obligations ordinarily incurred by owners, managers and operators of similar businesses and properties, as such Receiver, and no obligations so incurred shall be at the personal risk or constitute a personal obligation of the Receiver, but shall be solely an obligation of the Receivership Estate.
2. To sell or otherwise dispose of the assets of the Corporate Defendants without further approval from the Court.
3. To pay, to the extent that funds are available, the current monthly direct expenses of the Corporate Defendants, including, without limitation (i) heat, light, water, other

utilities, repairs, supplies, rent, wages and salaries, and (ii) ordinary and necessary repairs and maintenance to any of the Relief Defendants' Assets.

4. To take possession of and receive from any and all banks and/or savings and loan associations any monies and funds on deposit in said banks and/or savings and loan associations in the name of a Corporate Defendant(s).

5. To take possession of all the books and records pertaining to the Corporate Defendants, wherever located, as the Receiver deems necessary for the proper administration, management and/or control of the Receivership Estate, and to receive, open, read, and respond to all mail addressed to Corporate Defendants.

6. To negotiate and enter into contracts incident to the operation of the Corporate Defendants' business and execute and prepare all other documents and to perform all acts, either in the name of the Corporate Defendant(s) or in the Receiver's own name, which are necessary or incidental to preserving, protecting, managing and/or controlling the Corporate Defendants' assets.

7. To employ agents, attorneys, servants, employees, guards, clerks, and accountants, to administer the Corporate Defendants' assets and to collect the existing and future income.

8. To investigate the manner in which the affairs of the Corporate Defendants were conducted and institute such actions and legal proceedings, for the benefit and on behalf of the Corporate Defendants, creditors and consumers as the Receiver deems necessary against third parties, including but not limited to, claims seeking imposition of constructive trusts, disgorgement of profits, recovery and/or avoidance of fraudulent transfers (including under Florida Statute § 726.101, et seq.), claims in contract, law, tort and equity.

9. Corporate Defendants shall fully cooperate with the Receiver and shall take such other steps as the Receiver may require, including but not limited to, signing any documents necessary for the sale of assets, to transfer any accounts, mail or notices related to the assets or operations of the Corporate Defendants.

10. The Receiver shall hold any monies derived from the use, sale, or lease of Corporate Defendants' assets or property until further order of this Court or as otherwise provided in Section VII. C, above. The Receiver, however, may use proceeds from assets held by Corporate Defendants to pay for necessary expenses associated with their maintenance, preservation, or sale and professional fees incurred by the Receiver.

X. ORDER ACKNOWLEDGEMENTS

IT IS FURTHER ORDERED that Corporate Defendants obtain acknowledgments of receipt of this Order:

A. Corporate Defendants, within seven (7) days of entry of this Order, must submit to Plaintiffs an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. For twenty (20) years after entry of this Order, each Corporate Defendant, for any business that it, or collectively with any other Defendant, is the majority owner or controls directly or indirectly, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees, agents, and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within seven (7) days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Corporate Defendant delivers a copy of this Order, the Corporate Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

XI. COMPLIANCE REPORTING

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

A. Six months after entry of this Order, each Corporate Defendant must submit a compliance report, sworn under penalty of perjury:

1. Each Corporate Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Plaintiffs may use to communicate with the Corporate Defendant; (b) identify all of that Corporate 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 the Corporate Defendant must describe if it knows or should know due to its own involvement); (d) describe in detail whether and how that Corporate Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgement obtained pursuant to this Order, unless previously submitted to the Plaintiffs.

2. Additionally, each Corporate Defendant must: (a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which such Corporate Defendant performs services whether as an employee or otherwise and any entity in which such Corporate Defendant has any ownership interest; and (c) describe in detail such Corporate Defendant's

involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

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

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

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

C. Each Corporate Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Corporate Defendant within fourteen (14) days of its filing.

D. Any submission to the Plaintiffs required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under the laws of the United States of America that the

foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission’s representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *FTC v. Jeremy Lee Marcus, et al.*, X170037.

F. Unless otherwise directed by the State of Florida’s representatives, all submissions to the State of Florida Office of the Attorney General must be sent to Ryann Flack, Assistant Attorney General, Consumer Protection Division, Office of the Attorney General State of Florida, SunTrust International Center, 1 SE 3rd Avenue, Suite 900, Miami, Florida 33131.

XII. RECORDKEEPING

IT IS FURTHER ORDERED that each Corporate Defendants must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Corporate Defendants, for any business in which such Corporate Defendant individually or collectively with any other Defendant, is a majority owner or controls directly or indirectly, must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold;
- B. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person’s: name; addresses; telephone numbers; job title or position; dates of service; and, if applicable, the reason for termination;

- C. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
- D. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Plaintiffs; and
- E. A copy of each unique advertisement or other marketing material.

XIII. COMPLIANCE MONITORING

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

- A. Within fourteen (14) days of receipt of a written request from a representative of a Plaintiff, each Corporate Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Plaintiffs are also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.
- B. For matters concerning this Order, the Plaintiffs are authorized to communicate directly with each Corporate Defendant. Corporate Defendants must permit representatives of the Plaintiffs to interview any employee or other person affiliated with any Corporate Defendant who has agreed to such an interview. The person interviewed may have counsel present.
- C. The Plaintiffs may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Corporate Defendants or any individual or entity affiliated with Corporate Defendants, without the necessity of

identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

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

XIV. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED THAT this Court shall retain jurisdiction of this matter for all purposes.

SO ORDERED, this 6th day of September, 2018, at 2:55 p.m.



THE HONORABLE FEDERICO A. MORENO
United States District Court Judge
Southern District of Florida