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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION, et
al.,

Plaintiff,

v.

GREEN EQUITABLE SOLUTIONS, et
al.,

Defendants.

Case No. 2:22-cv-06499-FLA (MARx)

**ORDER GRANTING PLAINTIFFS’
MOTION FOR SUMMARY
JUDGMENT AGAINST
DEFENDANTS MICHAEL NABATI,
ARMANDO SOLIS BARRON,
DOMINIC AHIGA, AND ROGER
SCOTT DYER [DKT. 184]**

1 **RULING**

2 Before the court is Plaintiffs’ the Federal Trade Commission (“FTC”) and the
3 California Department of Financial Protection and Innovation’s (“DFPI”) (collectively,
4 “Plaintiffs”) Motion for Summary Judgment (the “Motion”) against Individual
5 Defendants Michael Nabati (“Nabati”), Armando Solis Barron (“Barron”), Dominic
6 Ahiga (“Ahiga”), and Roger Scott Dyer (“Dyer”) (collectively, the “Individual
7 Defendants”).¹ Dkt. 184 (“Mot”). On August 14, 2023, the court found this matter
8 appropriate for resolution without oral argument and vacated the hearing set for
9 September 22, 2023. Dkt. 244; *see* Fed. R. Civ. P. 78(b); Local Rule 7-15.

10 For reasons discussed below, the court GRANTS the Motion and ENTERS
11 summary judgment against the Individual Defendants.

12 **BACKGROUND**

13 This matter arises from an alleged mortgage assistance relief services scam,
14 through which Plaintiffs claim Defendants promised homeowners lower interest rates,
15 reduced principal balances, and loan forgiveness in exchange for large sums of money,
16 but ultimately failed to deliver any promised services. Mot. at 7.² The relevant,
17 undisputed facts are as follows.³

18 _____
19 ¹ Plaintiffs also sued Corporate Defendants Green Equitable Solutions, South West
20 Consulting, Apex Consulting, Infocom Entertainment, Equity Relief Funding, Advent
21 Consulting (collectively, the “Corporate Defendants”) and Relief Defendant MostCap
22 (“Relief Defendant”). The clerk of the court entered default against the Corporate
23 Defendants on January 4, 2023 (Dkt. 104), and Relief Defendant on July 17, 2023
(Dkt. 220). Plaintiffs’ Motion for Default Judgement against the Corporate

24 ² The court cites documents by the page numbers added by the court’s CM/ECF
25 system, rather than any page numbers that appear within the documents natively.

26 ³ Because Defendants Ahiga, Dyer, and Nabati failed to oppose the Motion or
27 otherwise challenge facts asserted by Plaintiffs, the court largely accepts Plaintiffs’
28 Statement of Uncontroverted Facts (Dkt. 185) as undisputed. To the extent Defendant
Barron disputes certain facts presented by Plaintiffs (Dkt. 217), the court does not rely

1 **A. Mortgage Relief Services Scam**

2 The Individual Defendants orchestrated a fraudulent scheme to extract large
3 sums of upfront payments by promising to reduce homeowners' mortgage interest
4 rates and principal balances. Dkt. 185 ("SUF") ¶ 37. The Individual Defendants
5 marketed their "services" to homeowners primarily through telemarketing, including
6 by calling numbers on the national Do Not Call registry, and falsely represented that
7 the consumers' homes could not be foreclosed while they were paying for the
8 fraudulent services, the homeowners need not and should not make their regular
9 mortgage payments or communicate with their mortgage providers, and that the
10 services were associated with a government program related to Covid-19 relief
11 assistance. *Id.* at ¶¶ 36-42. Despite enticing thousands of homeowners to register, the
12 Individual Defendants rarely, if ever, provided the agreed-upon services in return. *Id.*
13 ¶ 43. When homeowners complained about the lack of results and demanded refunds,
14 the Individual Defendants ignored their requests and marked the homeowner as "dead"
15 in their internal records. *Id.* ¶ 46. Plaintiffs' review of financial records received
16 from banks and check cashing facilities used by the Individual Defendants shows a
17 total loss to consumers of approximately \$15.8 million. *Id.* ¶ 107.

18
19 on these facts, but nevertheless notes the sole evidence submitted in support of his
20 cursory opposition brief—a self-serving declaration—is inadequate to present any
21 dispute of fact and is not executed in compliance with federal law. *See Publ'g*
22 *Clearing House, Inc.*, 104 F.3d at 1171 ("A conclusory, self-serving affidavit, lacking
23 detailed facts and any supporting evidence, is insufficient to create a genuine issue of
24 material fact."); 28 U.S.C. § 1746(b); Local Rule 1-4(b) (defining declarations as "any
25 declaration under penalty of perjury executed in conformance with 28 U.S.C. §
26 1746"). The declaration also appears to be identical to one submitted in connection
27 with his Opposition to Plaintiffs' Motion to Extend the Preliminary Injunction, *see*
28 Dkt. 209, to which the court held that "Solis Barron's untimely, self-serving
declaration is not sufficient to establish the existence of genuine disputes of material
fact." Dkt. 210 at 5 n.1.

1 **B. Temporary Restraining Order**

2 In September 2022, Plaintiffs filed the instant action and applied *ex parte* for a
3 Temporary Restraining Order (“TRO”). Dkt. 9. In support of their TRO application,
4 Plaintiff submitted over a dozen sworn declarations from consumers who had been
5 harmed by both the Individual and Corporate Defendants’ practices. *See* Dkts. 13-18.
6 The court entered the TRO, and later a preliminary injunction, after Defendants failed
7 to respond to the court’s order to show cause why a preliminary injunction should not
8 be entered. Dkts. 25, 40.

9 **C. Plaintiff’s Discovery Requests**

10 On December 27, 2022, Plaintiffs served requests for production of documents,
11 interrogatories, and requests for admission on the Individual Defendants seeking
12 information regarding their involvement in the scheme. SUF ¶ 51. As relevant here,
13 Plaintiffs asked each Individual Defendant to admit that he served as an officer,
14 director, shareholder, manager, employee, and agent of each of the Corporate
15 Defendants. *Id.* ¶ 52. None of the Individual Defendants served responses to
16 Plaintiffs’ discovery requests by the deadline of January 26, 2023, and were deemed
17 to have admitted the matters set forth in Plaintiffs’ Requests for Admission. *Id.* at ¶¶
18 53-58; Fed. R. Civ. P. 36(a)(3). Defendant Nabati later responded on March 3, 2023,
19 and admitted he served as an officer and agent of each of the Corporate Defendants.
20 SUF ¶ 59.

21 **D. Procedural History**

22 Plaintiffs filed the instant Motion on June 9, 2023. Dkt. 184. No Individual
23 Defendant timely filed an opposition, and Plaintiffs filed a Notice of Non-Opposition
24 on June 30, 2023. Dkt. 204. On July 9, 2023, Defendant Barron filed an opposition.
25 Dkt. 216 (Barron Opp’n). Plaintiffs filed a Reply. Dkt. 221.

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DISCUSSION

I. Legal Standard

Summary judgment is appropriate where “there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). “The substantive law determines which facts are material; only disputes over facts that might affect the outcome of the suit under the governing law properly preclude the entry of summary judgment.” *Nat’l Ass’n of Optometrists & Opticians v. Harris*, 682 F.3d 1144, 1147 (9th Cir. 2012) (citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986)). A dispute about a material fact is “genuine” if the evidence is such that a reasonable jury could return a verdict for the nonmoving party. *Anderson*, 477 U.S. at 248.

The moving party bears the initial burden of establishing the absence of a genuine issue of material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). If the moving party meets its initial burden, the opposing party must then set forth specific facts showing there is a genuine issue for trial. *Anderson*, 477 U.S. at 248–49. “Where the record taken as a whole could not lead a rational trier of fact to find for the nonmoving party, there is no ‘genuine issue for trial.’” *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986). Summary judgment must be granted “against a party who fails to make a showing sufficient to establish the existence of an element essential to that party’s case, and on which that party will bear the burden of proof at trial.” *Celotex*, 477 U.S. at 322.

“If the nonmoving party produces direct evidence of a material fact, the court may not assess the credibility of this evidence nor weigh against it any conflicting evidence presented by the moving party.” *T.W. Elec. Serv., Inc. v. Pac. Elec. Contractors Ass’n*, 809 F.2d 626, 631 (9th Cir. 1987). Inferences may be drawn from underlying facts that are either not in dispute or that may be resolved at trial in favor of the nonmoving party, but only if they are “rational” or “reasonable” and otherwise permissible under the governing substantive law. *Id.* The court must view all

1 evidence and justifiable inferences “in the light most favorable to the nonmoving
2 party.” *Id.* at 630–31. However, a party cannot defeat summary judgment based
3 solely on the allegations or denials of the pleadings, conclusory statements, or
4 unsupported conjecture. *Hernandez v. Spacelabs Med., Inc.*, 343 F.3d 1107, 1112
5 (9th Cir. 2003); *see also FTC v. Publ’g Clearing House, Inc.*, 104 F.3d 1168, 1171
6 (9th Cir. 1997) (“A conclusory, self-serving affidavit, lacking detailed facts and any
7 supporting evidence, is insufficient to create a genuine issue of material fact.”).

8 **II. Analysis**

9 Plaintiffs seek summary judgment against the Individual Defendants on grounds
10 that the Corporate Defendants violated various federal statutes, and the Individual
11 Defendants, therefore, are liable as a matter of law by virtue of their admissions of
12 agency of each of the Corporate Defendants. *See generally* Mot. The court agrees,
13 and discusses first the Corporate Defendants’ liability, and then addresses the liability
14 of the Individual Defendants.

15 **A. Corporate Liability**

16 Plaintiffs argue the Corporate Defendants are liable under the Federal Trade
17 Commission Act (“FTC Act”), Mortgage Assistance Relief Services (“MARS”) Rule,
18 Telemarketing Sales Rule (“TSR”), Covid-19 Consumer Protection Act (“CCPA”),
19 and California Consumer Financial Protection Law (“CCFPL”). Mot. at 13.

20 1. FTC Act

21 The FTC Act prohibits “unfair or deceptive acts of practices in or affecting
22 commerce.” *FTC v. Pantron I Corp.*, 33 F.3d 1088, 1095 (9th Cir. 1994). An act is
23 deceptive if “first, there is a representation, omission, or practice that, second, is likely
24 to mislead consumers acting reasonably under the circumstances, and third, the
25 representation, omission, or practice is material.” *FTC v. Gill*, 265 F.3d 944, 950 (9th
26 Cir. 2001). “Express claims, or deliberately made implied claims, used to induce a
27 purchase are presumed to be material” and “[c]onsumer reliance on express claims is
28 presumed reasonable.” *FTC v. Universal Premium Servs., Inc.*, Case No. 06-cv-0849-

1 SJO (OPx), 2007 WL 9728965, at *2 (C.D. Cal. Feb. 21, 2007). Plaintiffs have
2 provided ample evidence that the Corporate Defendants violated the FTC Act.

3 In support of their TRO application and the instant Motion, Plaintiffs submitted
4 more than a dozen consumer declarations, attesting that the Corporate Defendants
5 made certain representations regarding mortgage relief assistance services; that those
6 representations were misleading because the homeowners were never provided with
7 the promised services; and the representations were material. *See* Dkt. 9 at 11-14.
8 Plaintiffs have also offered a sworn declaration from a former employee (“Cabral”) of
9 the Corporate Defendants, who stated “we would tell potential clients that we could
10 get them interest rates as low as 2% or 3% [and] that up to 1/3rd off their principal
11 balance would be forgiven,” but that Cabral “became concerned that the company was
12 not providing the mortgage loan modification that it promised clients[.]” SUF ¶¶ 82-
13 83.

14 Various business records, received in response to a subpoena, provide further
15 evidence of the Corporate Defendants’ deceptive and unlawful practices. As one
16 example, a client file received from CaptaLoans—a customer relations management
17 database used to track client payments—noted “[client] IS EXTREMELY
18 DISABLED” and “NEEDS CONTINUOUS REMINDER ON PAYMENT.” When
19 the client’s sister contacted the Corporate Defendants to inform them she had power
20 of attorney over her brother, the client, and “want[ed] to figure out if [they were] a
21 scam or not,” Defendant Ahiga instructed employees that “this file is dead please
22 close out.” SUF ¶¶ 89, 92.

23 Based on the evidence presented by Plaintiffs and the Individual Defendants’
24 failure to offer any evidence to the contrary—much less to even dispute the relevant
25 facts—the court finds the Corporate Defendants violated the FTC Act.

26 2. MARS Rule

27 The MARS Rule prohibits mortgage assistance relief providers, seeking to
28 obtain relief on a consumer’s behalf, from making false or misleading claims about

1 their services. 12 C.F.R. § 1015.5. The MARS Rule also requires providers to make
2 certain disclosures to consumers prior to providing relief services. 12 C.F.R. §
3 1015.4(b)(1)-(3), (c). For the same reasons articulated above, and additionally
4 because Plaintiffs have established the Corporate Defendants illegally instructed
5 clients not to contact their lenders, misrepresented various aspects of their services,
6 and failed to make any requisite disclosures, the court finds the Corporate Defendants
7 violated the MARS Rule as a matter of law. Dkt. 9 at 14-17.

8 3. TSR

9 The TSR requires telemarketers to pay a fee to access the National Do Not Call
10 Registry (the “Registry”) and prohibits telemarketers from contacting consumers
11 registered on the list. 16 C.F.R. §§ 310.8, 310.4(b)(1)(iii)(B). Plaintiffs have not
12 located any records indicating the Corporate Defendants paid for access to the
13 Registry, SUF ¶ 98, nor have the Individual Defendants claimed as such. Additionally,
14 Cabral stated in her declaration that she was “not aware of anyone at the company
15 checking to see if a client was on the Do Not Call list prior to calling them.” *Id.* ¶ 81.
16 Thus, the court finds the Corporate Defendants violated the TSR.

17 4. CCPA

18 The CCPA prohibits any “deceptive act or practice . . . that is associated
19 with . . . a government benefit related to COVID-19.” Pub. L. No. 116-260, 134 Stat.
20 1182, Title XIV, Section 1401(b)(2). As Plaintiffs claim, and Cabral confirms, the
21 Corporate Defendants regularly told consumers they “were able to provide these
22 services as part of a government-backed hardship program related to the COVID-19
23 pandemic.” SUF ¶ 80. There is no evidence any such services were provided. Thus,
24 the court finds the Corporate Defendants violated the CCPA.

25 5. CCFPL

26 Finally, the CCFPL prohibits certain “covered persons” from engaging “in any
27 unlawful, unfair, deceptive, or abusive act or practice with respect to consumer
28 financial products or services.” Cal. Fin. Code § 90003(a)(1). “Services to assist a

1 consumer with ... modifying the terms of any extension of credit[] or avoiding
2 foreclosure,” qualifies as a “financial product or service.” Cal. Fin. Code §
3 90005(k)(8)(B). For the same reasons as above, the court finds the Corporate
4 Defendants engaged in unlawful, unfair, and deceptive practices with respect to
5 financial services in violation of the CCFPL.

6 **B. Common Enterprise**

7 Plaintiffs also allege it is undisputed the Corporate Defendants acted as a
8 common enterprise. Mot. at 19. “Where one or more corporate entities operate in
9 common enterprise, each may be held liable for the deceptive acts and practices of the
10 others.” *F.T.C. v. John Beck Amazing Profits, LLC*, 865 F. Supp. 2d 1052, 1082 (C.D.
11 Cal. 2012). In making this determination, courts look to four factors: “(1) common
12 control; (2) sharing office space and offices; (3) whether business is transacted
13 through a ‘maze of interrelated companies’; and (4) commingling of funds.” *Id.* The
14 court finds all four factors have been satisfied.

15 First, by failing to respond to Plaintiffs’ Requests for Admission, each
16 Individual Defendant admitted they were officers, directors, and managers of each of
17 the Corporate Defendants. SUF ¶¶ 54-56, 58, 62. Indeed, Defendant Nabati
18 affirmatively admitted so in his untimely response. *Id.* ¶ 59. Cabral too confirmed in
19 her declaration that the “company was managed by four men: [Barron, Nabati, Ahiga,
20 and Dyer].” SUF ¶ 74. Second, the Corporate Defendants all used the same office
21 space to conduct operations. SUF ¶¶ 21, 73, 105. Third, each of the Corporate
22 Defendants used essentially the same trade names to conduct business and employees
23 regularly performed work for each of these trade names without regard for which
24 Corporate Defendant the consumer had contracted with. SUF ¶¶ 4, 7, 10, 13, 16, 72.
25 Fourth, consumer funds intended for one corporation were deposited into accounts
26 belonging to another. SUF ¶¶ 45, 48, 49. Accordingly, the courts finds all four
27 factors satisfied and thus finds, as a matter of law, that the Corporate Defendants
28 worked as a common enterprise.

1 **C. Liability of the Individual Defendants**

2 Individual liability for corporate wrongdoing exists where “(1) the corporation
3 committed misrepresentations of a kind usually relied on by a reasonably prudent
4 person and resulted in consumer injury, and (2) individuals participated directly in the
5 violations or had authority to control the entities.” *F.T.C. v. Grant Connect, LLC*, 763
6 F.3d 1094, 1101 (9th Cir. 2014). Though a plaintiff must show that each individual
7 had “knowledge that the corporation or one of its agents engaged in dishonest or
8 fraudulent conduct,” it “need not show that a defendant intended to defraud consumers”
9 and “the extent of an individual’s involvement in a fraudulent scheme alone is
10 sufficient to establish the requisite knowledge for personal restitutionary liability.” *Id.*
11 at 1101-02.

12 It is undisputed the Corporate Defendants made misrepresentations that resulted
13 in losses and injury to consumers. SUF ¶ 107 (stating Corporate Defendants were
14 paid \$15,891,536.97 in connection with their fraud). Thus, the court focuses on the
15 extent of each Individual Defendant’s involvement and finds each had authority to
16 control the Corporate Defendants and participated directly in the violations.

17 First, Plaintiffs argue Defendant Nabati participated directly in the violative
18 conduct as he “was closing the deals ... figuring out what could and what couldn’t be
19 done as far as executing a loan ... or financial assistance,” coordinating with
20 salespeople to “determine what loan modification to propose to a consumer,” and
21 personally training employees. SUF ¶¶ 75, 101, 109, 110. Additionally, he had
22 authority to control the actions of the Corporate Defendants because he admitted, in
23 response to Plaintiffs’ requests for admission, that he was an officer, director,
24 shareholder, and manager of each of the Corporate Defendants. *Id.* ¶¶ 56, 62; *see*
25 *John Beck*, 865 F. Supp. 2d at 1080 (“Status as a corporate officer is sufficient to
26 establish individual liability.”). Though this admission alone is sufficient to establish
27 liability, Defendant Ahiga further confirmed Defendant Nabati’s control when he later
28 testified “[n]othing is done without the direction of Michael Nabati.” SUF ¶ 122.

1 Next, in addition to stating Defendant Barron was one of the four men who
2 managed the Corporate Defendants, *see id.* ¶ 74, Cabral also attested Defendant
3 Barron “was responsible for determining what kinds of offers the Sales representatives
4 could present to the client. For example, [he] would tell the Sales representatives
5 what interest rates they could offer to a particular client. He would instruct employees
6 on the Submissions team as to whether or not offers made by mortgage companies
7 and/or servicers were good enough to relay to consumers.” *Id.* ¶ 76.⁴ Defendant
8 Barron also admitted he was an officer, director, shareholder, manager, employee, and
9 agent of each of the Corporate Defendants by failing to respond timely to Plaintiffs’
10 requests for admission.

11 Defendant Barron requests the court allow him to withdraw his admission,
12 relying on *Dillon v. United States*, 357 F. Supp. 3d 49 (D. Mass. 2019). Barron Opp’n
13 at 8. As an initial matter, *Dillon* is not binding on this court. More importantly, the
14 court in *Dillon* granted the government’s motion to withdraw admissions after it
15 “inadvertently failed to respond.” *Dillon*, 357 F Supp. 3d at 55. Here, Defendant
16 Barron has made no showing of inadvertence or anything less than conscious
17 disregard for Plaintiffs’ discovery requests, and inexplicably waited until the filing of
18 his opposition to request withdrawal of his admission. Though Defendant Barron did
19 state in separate discovery responses that he “did not engage in any unlawful
20 mortgage loan modification schemes, and was not ... an officer, director, controller in
21

22 ⁴ Defendant Barron disputes this fact, but does not meet his burden to produce any
23 evidence to the contrary. Instead, he relies solely on boilerplate evidentiary objections
24 based on lack of foundation. These objections are not cognizable at this stage of the
25 proceedings. *See Fraser v. Goodale*, 342 F.3d 1032, 1036-37 (9th Cir. 2003) (“At the
26 summary judgment stage, we do not focus on the admissibility of the evidence’s form.
27 We instead focus on the admissibility of its contents.”); *Block v. City of L.A.*, 253 F.3d
28 410, 418-19 (9th Cir. 2001) (“To survive summary judgment, a party does not
necessarily have to produce evidence in a form that would be admissible at trial, as
long as the party satisfies the requirements of Federal Rule of Civil Procedure 56.”).

1 any of the Corporate Defendants’ businesses, and ... did not involve himself in any
2 sign up of clients,” SUF ¶ 69, naked disavowal of liability is insufficient to avoid
3 summary judgment where, as here, Defendant Barron has provided no evidence to the
4 contrary.

5 Defendant Ahiga also directly participated in the unlawful conduct as he
6 testified he was responsible for processing consumer loan modification applications
7 and frequently spoke with loan servicers regarding potential mortgage assistance.
8 SUF ¶ 125; *see also id.* ¶ 116 (“[Ahiga] was in charge of contacting clients, lenders,
9 so forth” and responsible for “the processing office”). Cabral declared Defendant
10 “Ahiga was responsible for handling clients who were unhappy with the services the
11 company provided,” *id.* ¶ 77, and Ahiga sent a message to Defendant Dyer stating he
12 had to change his telephone number because a customer had reported Ahiga’s number
13 to “scampulse.com,” a website used to report scams. *Id.* ¶ 132. As for his authority to
14 control the Corporate Defendants, not only did Defendant Ahiga implicitly admit
15 control by failing to respond to Plaintiffs’ requests for admission, but also explicitly
16 identified himself as the CEO, CFO, Secretary, Director, and Agent of Apex
17 Consulting and Green Equitable Solutions. *Id.* ¶¶ 3, 9. He was also involved in the
18 dissolution of those two entities. *Id.* ¶ 9 (dissolution paperwork for Apex Consulting
19 signed by Defendant Ahiga); ¶ 133 (“I have to call [G]ypsy this morning to dissolve
20 [Green Equitable Solutions]”).

21 Lastly, Defendant Dyer also directly participated in the violations of law. At
22 his deposition, he testified he served as an “opener” for contracting customers who
23 expressed interest in the fraudulent services, and admitted to contacting mortgage loan
24 servicers on behalf of customers. *Id.* ¶¶ 117-18. As with the other Individual
25 Defendants, Dyer implicitly admitted to being an officer, director, manager, or agent
26 of each of the Corporate Defendants, and is also affirmatively identified as the CEO,
27 CFO, Secretary, Director, and Agent for each of Infocom Entertainment, South West
28 Consulting, and Equity Relief Funding. SUF ¶¶ 6, 12, 15.

1 **D. Relief Defendant**

2 Plaintiffs also seek disgorgement from Relief Defendant for assets received
3 from the common enterprise. Mot. at 27-28. To obtain disgorgement against a relief
4 defendant, a plaintiff must show that the nominal defendant “(1) received ill-gotten
5 funds and (2) do[es] not have a legitimate claim to those funds.” *SEC v. World*
6 *Capital Markets, Inc.*, 864 F.3d 996, 1004 (9th Cir. 2017). Relief Defendant has
7 admitted it received funds from each of the Corporate Defendants. SUF ¶¶ 57, 65. As
8 to the second element, Relief Defendant has failed to produce any documents or
9 information explaining why it legitimately receive those funds. *Id.* ¶ 64. Accordingly,
10 the court finds Plaintiffs are entitled to disgorgement from Relief Defendant.

11 **E. Penalties**

12 Plaintiffs seek restitution, civil penalties, and a permanent injunction as relief.
13 Mot. at 28-29. Plaintiffs are entitled to seek restitution under the MARS Rule, TSR,
14 CCPA, and CCFPL (*see* 15 U.S.C. § 57b(b); Cal. Fin. Code § 90012(b)) and seek
15 restitution in the amount of \$15,891,536.97 against the Individual Defendants, and
16 \$50,900.00 against Relief Defendant. Plaintiffs are also entitled to civil penalties
17 under the CCFPL. Cal. Fin. Code § 90012(c). The DFPI’s civil penalty calculation
18 consists of a \$5,000 per day penalty from the day DFPI acquired civil penalty
19 authority (January 1, 2021) to the filing of Plaintiffs’ Complaint (September 12, 2022).
20 Lastly, Plaintiffs seek to restrain permanently and enjoin the Individual Defendants
21 from marketing, selling, advertising, or otherwise offering debt relief services;
22 engaging in telemarketing; and otherwise making misrepresentations or other
23 unsubstantiated claims to consumers.

24 The court finds the aforementioned forms of relief to be appropriate and
25 ADOPTS Plaintiffs’ Proposed Order for Permanent Injunction, Monetary Judgment,
26 and Other Relief (Dkt. 184-1) in its entirety.

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1 **CONCLUSION**

2 For the foregoing reasons, the court GRANTS summary judgment in Plaintiffs’
3 favor and enters judgment against each of the Individual Defendants. The court
4 further ORDERS as follows:

5 **I. DEFINITIONS**

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

7 **A. “Assisting Others” includes:**

- 8 1. performing customer service functions, including receiving or
9 responding to consumer complaints;
- 10 2. formulating or providing, or arranging for the formulation or
11 provision of, any advertising or marketing material, including any
12 telephone sales script, direct mail solicitation, or the design, text,
13 or use of images of any Internet website, email, or other electronic
14 communication;
- 15 3. formulating or providing, or arranging for the formulation or
16 provision of, any marketing support material or service, including
17 web or Internet Protocol addresses or domain name registration for
18 any Internet websites, affiliate marketing services, or media
19 placement services;
- 20 4. providing names of, or assisting in the generation of, potential
21 customers; or
- 22 5. performing marketing, billing, or payment services of any kind.

23 **B. “Corporate Defendants”** means Advent Consulting, Inc.; Apex
24 Consulting & Associates Inc., also d/b/a Golden Home Services America and Home
25 Matters USA Consulting; Equity Relief Funding, Inc., also d/b/a Academy Home
26 Services America, Atlantic Pacific Service United, Golden Home Services United,
27 and Home Matters USA Group; Green Equitable Solutions, also d/b/a Academy
28 Home Services and Westwood Advocates; Infocom Entertainment Ltd, Inc., also d/b/a

1 Amstar Service Group, Atlantic Pacific Service, and Home Relief Service of America;
2 and South West Consulting Enterprises, Inc., also d/b/a Academy Home Service,
3 Atlantic Pacific Service Group, Golden Homes Services of America Enterprises, and
4 Home Matters USA; and their successors and assigns.

5 C. **“Debt Relief Product or Service”** means:

- 6 1. With respect to any mortgage, loan, debt, or obligation between a
7 Person and one or more secured or unsecured creditors or debt
8 collectors, any Product or Service represented, expressly or by
9 implication, to:
- 10 a. stop, prevent, or postpone any mortgage or deed of
11 foreclosure sale for a Person’s dwelling, any other sale of
12 collateral, any repossession of a Person’s dwelling or
13 other collateral, or otherwise save a Person’s dwelling or
14 other collateral from foreclosure or repossession;
 - 15 b. negotiate, obtain, or arrange a modification, or
16 renegotiate, settle, or in any way alter any terms of the
17 mortgage, loan, debt, or obligation, including a reduction
18 in the amount of interest, principal balance, monthly
19 payments, or fees owed by a Person to a secured or
20 unsecured creditor or debt collector;
 - 21 c. obtain any forbearance or modification in the timing of
22 payments from any secured or unsecured holder or
23 servicer of any mortgage, loan, debt, or obligation;
 - 24 d. negotiate, obtain, or arrange any extension of the period
25 of time within which a Person may (i) cure his or her
26 default on the mortgage, loan, debt, or obligation, (ii)
27 reinstate his or her mortgage, loan, debt, or obligation,
28 (iii) redeem a dwelling or other collateral, or (iv) exercise

1 any right to reinstate the mortgage, loan, debt, or
2 obligation or redeem a dwelling or other collateral;

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

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

11 The foregoing shall include any manner of claimed assistance,
12 including auditing or examining a Person's application for the
13 mortgage, loan, debt, or obligation.

14 2. With respect to any loan, debt, or obligation between a Person and
15 one or more unsecured creditors or debt collectors, any Product or
16 Service represented, expressly or by implication, to:

- 17 a. repay one or more unsecured loans, debts, or obligations;
18 or
19 b. combine unsecured loans, debts, or obligations into one
20 or more new loans, debts, or obligations.

21 D. **"Defendants"** means all of the Individual Defendants and the Corporate
22 Defendants, individually, collectively, or in any combination.

23 E. **"Individual Defendants"** means Dominic Ahiga, a/k/a Michael Dominic
24 Grinnell; Roger Scott Dyer; Armando Solis Barron; and Michael Robin Nabati.

25 F. **"Person"** means any individual, group, unincorporated association,
26 limited or general partnership, corporation, or other business entity.

27 G. **"Product or Service"** means any good or service, including any plan or
28 program.

1 H. “Receiver” means David P. Stapleton of the Stapleton Group.

2 I. “Relief Defendant” means MostCap Enterprises Corp, and its successors
3 and assigns.

4 J. “Telemarketing” means any plan, program, or campaign which is
5 conducted to induce the purchase of goods or services by use of one or more
6 telephones, and which involves a telephone call, whether or not covered by the
7 Telemarketing Sales Rule.

8 **II. BAN ON DEBT RELIEF PRODUCTS AND SERVICES**

9 IT IS ORDERED that the Individual Defendants are permanently restrained and
10 enjoined, whether acting directly or through an intermediary, from advertising,
11 marketing, promoting, offering for sale, or selling, or Assisting Others in the
12 advertising, marketing, promoting, offering for sale, or selling, of any Debt Relief
13 Product or Service.

14 **III. BAN ON TELEMARKETING**

15 IT IS FURTHER ORDERED that the Individual Defendants are permanently
16 restrained and enjoined from participating in Telemarketing, whether directly or
17 through an intermediary.

18 **IV. PROHIBITION AGAINST MISREPRESENTATIONS**

19 IT IS FURTHER ORDERED that Individual Defendants, Individual
20 Defendants’ officers, agents, employees, and attorneys, and all other Persons in active
21 concert or participation with any of them, who receive actual notice of this Order,
22 whether acting directly or indirectly, in connection with the advertising, marketing,
23 promoting, offering for sale, or selling of any Product or Service, are permanently
24 restrained and enjoined from misrepresenting, or Assisting Others in misrepresenting,
25 expressly or by implication:

26 A. any material aspect of the nature or terms of any refund, cancellation,
27 exchange, or repurchase policy, including the likelihood of a consumer
28 obtaining a full or partial refund, or the circumstances in which a full or

1 partial refund will be granted to the consumer;

2 B. that any Person is affiliated with, endorsed or approved by, or otherwise
3 connected to any other Person; government entity; public, non-profit, or
4 other non-commercial program, including any government homeowner
5 assistance plan or government mortgage relief program related to
6 COVID-19; or any other program;

7 C. the nature, expertise, position, or job title of any Person who provides
8 any Product or Service; or

9 D. any other fact material to consumers concerning any Product or Service,
10 such as: the total costs; any material restrictions, limitations, or
11 conditions; or any material aspect of its performance, efficacy, time
12 frame in which consumers can expect certain results; nature, or central
13 characteristics.

14 **V. PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS**

15 IT IS FURTHER ORDERED that the Individual Defendants, the Individual
16 Defendants' officers, agents, employees, and attorneys, and all other Persons in active
17 concert or participation with any of them, who receive actual notice of this Order,
18 whether acting directly or indirectly, in connection with the promoting or offering for
19 sale of any Product or Service, are permanently restrained and enjoined from making
20 any representation or Assisting Others in making any representation, expressly or by
21 implication, about the benefits, performance, or efficacy of any Product or Service,
22 unless the representation is nonmisleading, including that, at the time such
23 representation is made, they possess and rely upon competent and reliable evidence
24 that is sufficient in quality and quantity based on standards generally accepted in the
25 relevant fields, when considered in light of the entire body of relevant and reliable
26 evidence, to substantiate that the representation is true.

27 ///

1 **VI. MONETARY JUDGMENT FOR RELIEF AGAINST INDIVIDUAL**
2 **DEFENDANTS**

3 IT IS FURTHER ORDERED that judgment in the amount of Fifteen Million
4 Eight Hundred Ninety-One Thousand and Five Hundred Thirty-Six Dollars and
5 Ninety-Seven Cents (\$15,891,536.97) is entered in favor of Plaintiffs against the
6 Individual Defendants, jointly and severally, as monetary relief.

7 **VII. MONETARY JUDGMENT FOR RELIEF AGAINST RELIEF**
8 **DEFENDANT**

9 IT IS FURTHER ORDERED that judgment in the amount of Fifty Thousand
10 Nine Hundred Dollars and Zero Cents (\$50,900.00) is entered in favor of Plaintiffs
11 against Relief Defendant as monetary relief.

12 **VIII. MONETARY JUDGMENT FOR CIVIL PENALTY**

13 IT IS FURTHER ORDERED that judgment in the amount of Three Million and
14 Ninety Five Thousand Dollars and Zero Cents (\$3,095,000.00) is entered in favor of
15 Plaintiff DFPI against the Individual Defendants, jointly and severally, as a civil
16 penalty.

17 **IX. ADDITIONAL MONETARY PROVISIONS**

18 IT IS FURTHER ORDERED that:

19 A. The monetary judgments set forth in Sections V to VII are enforceable
20 against any asset, real or personal, whether located within the United
21 States or outside the United States, owned jointly or singly by, on behalf
22 of, for the benefit of, in trust by or for, or as a deposit for future goods or
23 services to be provided to, any Individual Defendant or the Relief
24 Defendant, whether held as tenants in common, joint tenants with or
25 without the right of survivorship, tenants by the entirety, and/or
26 community property.

27 B. In partial satisfaction of the judgment against the Individual Defendants
28 in Sections V and VII, any financial or brokerage institution, escrow

1 agent, title company, commodity trading company, business entity, or
2 Person, whether located within the United States or outside the United
3 States, that holds, controls, or maintains accounts or assets of, on behalf
4 of, or for the benefit of, any Individual Defendant, whether real or
5 personal, whether located within the United States or outside the United
6 States, shall, within ten (10) business days from receipt of a copy of this
7 Order, turn over such account or asset to Plaintiffs or their designated
8 agent, including, but not limited to:

9 **Accounts in the Name of Roger Dyer**

- 10 i. Wells Fargo Bank shall, within ten (10) business days of
11 receipt of a copy of this Order, transfer to the Receiver or his
12 designated agent all funds, if any, in account number
13 xxxx4768 in the name of Roger Dyer.
- 14 ii. Fidelity Brokerage shall, within ten (10) business days of
15 receipt of a copy of this Order, transfer to the Receiver or his
16 designated agent all funds, if any, in:
- 17 a. Account number xxxx0167 in the name of Roger Dyer;
18 b. Account number xxxx5103 in the name of Roger Dyer;
19 and
20 c. Account number xxxx4656 in the name of Roger Dyer.
- 21 iii. JPMorgan Chase shall, within ten (10) business days of
22 receipt of a copy of this Order, transfer to the Receiver or his
23 designated agent all funds, if any, in account number
24 xxxx5861 in the name of Roger Dyer.

25 **Accounts in the Name of Dominic Ahiga**

- 26 i. PNC Bank shall, within ten (10) business days of receipt of a
27 copy of this Order, transfer to the Receiver or his designated
28

1 agent all funds, if any, in account number xxxx5848 in the
2 name of Dominic Ahiga.

3 **Accounts in the Name of Dominic Ahiga Revocable Living Trust,**
4 **Dominic Ahiga Trustee**

- 5 i. Wells Fargo Bank shall, within ten (10) business days of
6 receipt of a copy of this Order, transfer to the Receiver or his
7 designated agent all funds, if any, in account number
8 xxxx7453 in the name of Dominic Ahiga Revocable Living
9 Trust, Dominic Ahiga Trustee.

10 **Accounts in the Name of Michael D. Grinnell**

- 11 i. Capital One Bank shall, within ten (10) business days of
12 receipt of a copy of this Order, transfer to the Receiver or his
13 designated agent all funds, if any, in account number
14 xxxx2884 in the name of Michael D. Grinnell.

15 **Accounts in the Name of Armando Solis Barron**

- 16 i. Wells Fargo Bank shall, within ten (10) business days of
17 receipt of a copy of this Order, transfer to the Receiver or his
18 designated agent all funds, if any, in:
19 a. Account xxxx8611, in the name of Armando Solis
20 Barron;
21 b. Account number xxxx50177, in the name of Armando
22 Solis Barron; and
23 c. Account number xxxx8140 in the name of Armando
24 Solis Barron.
25 ii. Navy Federal Credit Union shall, within ten (10) business
26 days of receipt of a copy of this Order, transfer to the
27 Receiver or his designated agent all funds, if any, in:
28

- a. Account number xxxx5309 in the name of Armando Solis Barron; and
- b. Account number xxxx7708 in the name of Armando Solis Barron.

Accounts in the Name of Michael Nabati

- i. Wells Fargo Bank shall, within ten (10) business days of receipt of a copy of this Order, transfer to the Receiver or his designated agent all funds, if any, in:
 - a. Account number xxxx2645 in the name of Michael R. Nabati; and
 - b. Account number xxxx8180 in the name of Michael R. Nabati.
- ii. TD Bank shall, within ten (10) business days of receipt of a copy of this Order, transfer to the Receiver or his designated agent all funds, if any, in account number xxxx8740 in the name of Michael R. Nabati.
- iii. PayPal Holdings, Inc. shall, within ten (10) business days of receipt of a copy of this Order, transfer to the Receiver or his designated agent all funds, if any, in:
 - a. Account number xxxx1372 in the name of Michael R. Nabati;
 - b. Account number xxxx30715 in the name of Michael R. Nabati;
 - c. Account number xxxx3262 in the name of Michael R. Nabati;
 - d. Account number xxxx2268 in the name of Michael R. Nabati;

- 1 e. Account number xxxx7629 in the name of Michael R.
- 2 Nabati;
- 3 f. Account number xxxx3602 in the name of Michael R.
- 4 Nabati;
- 5 g. Account number xxxx3306 in the name of Michael R.
- 6 Nabati;
- 7 h. Account number xxxx5971 in the name of Michael R.
- 8 Nabati;
- 9 i. Account number xxxx5292 in the name of Michael R.
- 10 Nabati;
- 11 j. Account number xxxx7931 in the name of Michael R.
- 12 Nabati;
- 13 k. Account number xxxx1227 in the name of Michael R.
- 14 Nabati;
- 15 l. Account number xxxx7524 in the name of Michael R.
- 16 Nabati;
- 17 m. Account number xxxx1504 in the name of Michael R.
- 18 Nabati;
- 19 n. Account number xxxx7098 in the name of Michael R.
- 20 Nabati;
- 21 o. Account number xxxx8652 in the name of Michael R.
- 22 Nabati;
- 23 p. Account number xxxx9776 in the name of Michael R.
- 24 Nabati;
- 25 q. Account number xxxx3123 in the name of Michael R.
- 26 Nabati;
- 27 r. Account number xxxx9685 in the name of Michael R.
- 28 Nabati;

- s. Account number xxxx0914 in the name of Michael R. Nabati;
- t. Account number xxxx1891 in the name of Michael R. Nabati;
- u. Account number xxxx8742 in the name of Michael R. Nabati;
- v. Account number xxxx4259 in the name of Michael R. Nabati; and
- w. Account number xxxx7684 in the name of Michael R. Nabati.

Accounts in the Name of Michael Robin Nabati Irrevocable Living Trust

- i. Wells Fargo Bank shall, within ten (10) business days of receipt of a copy of this Order, transfer to the Receiver or his designated agent all funds, if any, in account number xxxx0013 in the name of Michael Robin Nabati Irrevocable Living Trust.

Real Property in the Name of Michael Robin Nabati Irrevocable Living Trust

- i. 109 Harbor Woods Place, #109, Newport Beach, CA 92660; and
 - ii. 203 Harbor Woods Place #203, Newport Beach, CA 92660
- C. In partial satisfaction of the judgment against the Relief Defendant in Section VI, any financial or brokerage institution, escrow agent, title company, commodity trading company, 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, the Relief Defendant, whether real or personal, whether

1 located within the United States or outside the United States, shall, within
2 ten (10) business days from receipt of a copy of this Order, turn over
3 such accounts or assets to the Receiver or his designated agent, including,
4 but not limited to:

5 **Accounts in the name of MostCap Enterprises, Corp.**

6 i. Wells Fargo Bank shall, within ten (10) business days of
7 receipt of a copy of this Order, transfer to the Receiver or his
8 designated agent all funds, if any, in account number
9 xxxx3506 in the name of Mostcap Enterprises, Corp.

- 10 D. The Individual Defendants and the Relief Defendant shall disclose all
11 assets, including personal property, not previously disclosed to Plaintiffs
12 and the Receiver.
- 13 E. The Individual Defendants and the Relief Defendant shall cooperate fully
14 with Plaintiffs and the Receiver and shall takes steps as any of them may
15 require to transfer possession of the assets covered by Sections V to VII
16 and to assist in the final liquidation of the assets, including executing any
17 documents, procuring the signatures of any person or entity under their
18 control, providing access to the assets, providing any necessary
19 information, and turning over the assets.
- 20 F. The asset freeze is modified to permit the transfers identified in this
21 Section. Upon satisfaction of the monetary judgments set forth in
22 Sections V to VII, the asset freeze as to the Individual Defendants and
23 Relief Defendant is dissolved.
- 24 G. The Individual Defendants and Relief Defendant relinquish dominion and
25 all legal and equitable right, title, and interest in all assets transferred
26 pursuant to this Order and may not seek the return of any assets.
27
28

- 1 H. Money received by Plaintiffs will be used to satisfy the payment of the
2 monetary relief judgments in Sections V and VI before being used to
3 satisfy the civil penalty awarded in Section VII.
- 4 I. All money received by Plaintiffs pursuant to Sections V and VI may be
5 deposited into a fund administered by Plaintiffs or their designees to be
6 used for consumer relief, such as redress and any attendant expenses for
7 the administration of any redress fund. If representatives of Plaintiffs
8 decide that direct redress to consumers is wholly or partially
9 impracticable or money remains after such redress is completed,
10 Plaintiffs may apply any remaining money for such related relief
11 (including consumer information remedies) as they determine to be
12 reasonably related to the Individual Defendants' and the Relief
13 Defendant's practices alleged in the First Amended Complaint, or
14 Plaintiffs may distribute funds to Plaintiff DFPI to satisfy the payment of
15 any civil penalty awarded in Section VII. The Individual Defendants and
16 Relief Defendant have no right to challenge any actions Plaintiffs or their
17 representatives may take pursuant to this Section.
- 18 J. Any money received by Plaintiffs pursuant to Section VII shall be
19 provided to Plaintiff DFPI to satisfy the payment of any civil penalty
20 awarded in Section VII, pursuant to Cal. Fin. Code § 90007. The
21 Individual Defendants and Relief Defendants have no right to challenge
22 any actions Plaintiff DFPI or its representatives may take pursuant to this
23 Section.
- 24 K. The Individual Defendants and Relief Defendant acknowledge that their
25 Taxpayer Identification Numbers (Social Security Numbers or Employer
26 Identification Numbers), which they must submit to Plaintiffs within
27 seven days of entry of this Order, may be used for collecting and
28

1 reporting on any delinquent amount arising out of this Order, in
2 accordance with 31 U.S.C. §7701.

3 **X. CUSTOMER INFORMATION**

4 IT IS FURTHER ORDERED that the Individual Defendants, the Individual
5 Defendants' officers, agents, employees, and attorneys, and all other Persons in active
6 concert or participation with any of them, who receive actual notice of this Order,
7 whether acting directly or indirectly, in connection with the promoting or offering for
8 sale of any Product or Service, are permanently restrained and enjoined from directly
9 or indirectly:

- 10 A. failing to provide sufficient customer information to enable Plaintiffs to
11 efficiently administer consumer redress. If representatives of the
12 Plaintiffs request in writing any information related to redress, the
13 Individual Defendants must provide it, in the form prescribed by the
14 Commission, within fourteen (14) days;
- 15 B. disclosing, using, or benefitting from customer information, including the
16 name, address, telephone number, email address, social security number,
17 other identifying information, or any data that enables access to a
18 customer's account (including a credit card, bank account, or other
19 financial account), that any Defendant obtained prior to entry of this
20 Order in connection with any Debt Relief Product or Service; and
- 21 C. failing to destroy such customer information in all forms in their
22 possession, custody, or control within thirty (30) days after receipt of
23 written direction to do so from representatives of Plaintiffs.

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

27 **XI. ORDER ACKNOWLEDGMENTS**

1 IT IS FURTHER ORDERED that the Individual Defendants and Relief
2 Defendant obtain acknowledgments of receipt of this Order:

3 A. Each Individual Defendant and Relief Defendant, within seven (7) days
4 of entry of this Order, must submit to Plaintiffs an acknowledgment of
5 receipt of this Order sworn under penalty of perjury.

6 B. For five (5) years after entry of this Order, each Individual Defendant for
7 any business that such Defendant, individually or collectively with any
8 other Defendant(s), is the majority owner or controls directly or
9 indirectly must deliver a copy of this Order to: (1) all principals, officers,
10 directors, and LLC managers and members; (2) all employees having
11 managerial responsibilities for conduct related to the subject matter of the
12 Order and all agents and representatives who participate in conduct
13 related to the subject matter of the Order; and (3) any business entity
14 resulting from any change in structure as set forth in the Section titled
15 Compliance Reporting. Delivery must occur within seven (7) days of
16 entry of this Order for current personnel. For all others, delivery must
17 occur before they assume their responsibilities.

18 C. From each individual or entity to which an Individual Defendant
19 delivered a copy of this Order, that Defendant must obtain, within thirty
20 (30) days, a signed and dated acknowledgment of receipt of this Order.

21 **XII. COMPLIANCE REPORTING**

22 IT IS FURTHER ORDERED that the Individual Defendants make timely
23 submissions to the Commission:

24 A. One (1) year after entry of this Order, each Individual Defendant must
25 submit a compliance report, sworn under penalty of perjury, that must:
26 (a) identify all telephone numbers and all physical, postal, email and
27 Internet addresses, including all residences; (b) identify all business
28 activities, including any business for which such Defendant performs

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

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

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

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

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

27 D. Any submission to the Commission required by this Order to be sworn
28 under penalty of perjury must be true and accurate and comply with 28

1 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury
2 under the laws of the United States of America that the foregoing is true
3 and correct. Executed on: _____” and supplying the date, signatory’s
4 full name, title (if applicable), and signature.

- 5 E. Unless otherwise directed by a Commission representative in writing, all
6 submissions to the Commission pursuant to this Order must be emailed to
7 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal
8 Service) to: Associate Director for Enforcement, Bureau of Consumer
9 Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW,
10 Washington, DC 20580. The subject line must begin: FTC, et al. v.
11 Green Equitable Solutions, et al.

12 **XIII. RECORDKEEPING**

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

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

27 **XIV. COMPLIANCE MONITORING**

1 IT IS FURTHER ORDERED that, for the purpose of monitoring the Individual
2 Defendants' and the Relief Defendants' compliance with this Order, including any
3 failure to transfer any assets as required by this Order:

- 4 A. Within fourteen (14) days of receipt of a written request from a
5 representative of Plaintiffs, each Individual Defendant and Relief
6 Defendant must: submit additional compliance reports or other requested
7 information, which must be sworn under penalty of perjury; appear for
8 depositions; and produce documents for inspection and copying.
9 Plaintiffs are also authorized to obtain discovery, without further leave of
10 court, using any of the procedures prescribed by Federal Rules of Civil
11 Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45,
12 and 69.
- 13 B. For matters concerning this Order, Plaintiffs are authorized to
14 communicate directly with each Individual Defendant and the Relief
15 Defendant. The Individual Defendants and the Relief Defendant must
16 permit representatives of Plaintiffs to interview any employee or other
17 Person affiliated with any Defendant who has agreed to such an
18 interview. The Person interviewed may have counsel present.
- 19 C. Plaintiffs may use all other lawful means to monitor compliance with this
20 Order, including by posing, through its representatives, as consumers,
21 suppliers, or other individuals or entities to the Individual Defendants,
22 Relief Defendant, or any individual or entity affiliated with these
23 Defendants, without the necessity of identification or prior notice.
24 Nothing in this Order limits the FTC's lawful use of compulsory process,
25 pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.
- 26 D. Upon written request from a representative of Plaintiffs, any consumer
27 reporting agency must furnish consumer reports concerning the
28


1 Individual Defendants, pursuant to Section 604(1) of the Fair Credit
2 Reporting Act, 15 U.S.C. § 1681b(a)(1).

3
4 **XV. RETENTION OF JURISDICTION**

5 IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter
6 for purposes of construction, modification, and enforcement of this Order.
7

8 IT IS SO ORDERED.
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10 Dated: February 2, 2024

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12 FERNANDO L. AENLLE-ROCHA
13 United States District Judge
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