

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **William E. Kovacic, Chairman
Pamela Jones Harbour
Jon Leibowitz
J. Thomas Rosch**

_____)	
In the Matter of)	
)	
MICHAEL GENDROLIS dba)	DOCKET NO. C-4248
GOOD LIFE FUNDING)	
)	
_____)	

DECISION AND ORDER

The Federal Trade Commission having conducted an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act (“FTC Act”), the Truth in Lending Act (“TILA”), and TILA’s implementing Regulation Z; and

The respondent and counsel for the Federal Trade Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in the complaint, or that the facts as alleged in such complaint, other than the jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent was violating or about to violate the law, and having determined that it is in the public interest to require the respondent to take the following actions:

1. Respondent, Michael Gendrolis dba Good Life Funding, is a sole proprietorship with its principal office or place of business at 1901 Newport Blvd. Suite 350, Costa Mesa, CA 92627.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

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

1. “Advertisement” shall mean a commercial message in any medium that promotes, directly or indirectly, a credit transaction. Section 226.2(a)(2) of Regulation Z, 12 C.F.R. § 226.2(a)(2), as amended.

2. “Clearly and conspicuously” shall mean as follows:

(A) In a print advertisement, the disclosure shall be in a type size, location, and in print that contrasts with the background against which it appears, sufficient for an ordinary consumer to notice, read, and comprehend it.

(B) In an electronic medium, an audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. A video disclosure shall be of a size and shade, and appear on the screen for a duration, and in a location, sufficient for an ordinary consumer to read and comprehend it.

(C) In a television or video advertisement, an audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. A video disclosure shall be of a size and shade, and appear on the screen for a duration, and in a location, sufficient for an ordinary consumer to read and comprehend it.

(D) In a radio advertisement, the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it.

(E) In all advertisements, the disclosure shall be in understandable language and syntax.

Nothing contrary to, or in violation of, any applicable law, regulation, or order of the Commission shall be deemed to be waived by this Order.

repaid. Sections 226.2(a)(10) and (20) of Regulation Z, 12 C.F.R. §§ 226.2(a)(10) and (20), as amended.

4. “Consumer” shall mean a natural person to whom consumer credit is offered or extended. Section 226.2(a)(2) of Regulation Z, 12 C.F.R. § 226.2(a)(2), as amended, and Section 103(h) of the TILA, 15 U.S.C. § 1602(h), as amended.
5. “Consumer credit” shall mean credit offered or extended to a consumer primarily for personal, family, or household purposes. Section 226.2(a)(12) of Regulation Z, 12 C.F.R. § 226.2(a)(12), as amended.
6. “Commerce” shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

IT IS ORDERED that Michael Gendrolis dba Good Life Funding, a sole proprietorship (“respondent”), its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, any extension of closed-end credit, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the monthly payment amount, unless it discloses, clearly and conspicuously, and in close proximity to such representation, as applicable, that the advertised low monthly payment amount: (1) applies only for a limited period of time, after which the monthly payment amount will increase; (2) does not include the amount of interest that the consumer owes each month; and (3) is less than the monthly payment amount (including interest) that the consumer owes, with the difference added to the total amount due from the consumer.

II.

IT IS FURTHER ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, any extension of closed-end credit, in or affecting commerce, shall not, in any manner, advertise a rate lower than the rate at which interest is accruing, regardless of whether the rate is referred to as an “effective rate,” a “payment rate,” a “qualifying rate,” or any other term, provided that this provision does not prohibit advertisement of the “annual percentage rate” or “APR,” using that term.

III.

IT IS FURTHER ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, any extension of consumer credit, in or affecting commerce, shall not make any representation, in

any manner, expressly or by implication, about the consumer's current lender or any entity other than respondent, unless it discloses respondent's name and identity as the entity promoting or offering the extension of credit or mortgage loan clearly and conspicuously, and in close proximity to such representation.

IV.

IT IS FURTHER ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, any extension of closed-end credit shall not, in any manner, expressly or by implication, state the amount of any payment, the number of payments or the period of repayment, or the amount of any financing charge (or any other charge) in connection with any advertisement.

VI.

IT IS FURTHER ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with any advertisement to promote, directly or indirectly, any extension of consumer credit shall not, in any manner, fail to comply in any respect with Regulation Z, 12 C.F.R. § 226, as amended, and the TILA, 15 U.S.C. §§ 1601-1667, as amended.

VII.

IT IS FURTHER ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, shall, for five (5) years after the last date of dissemination of any representation covered by this Order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation, including but not limited to drafts, storyboards, and transcripts;
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in its possession or control that contradict, qualify, or call into question the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations;
- D. Accounting records that reflect the consumer credit or mortgage loans extended or referred to other entities for extension of credit, revenues generated, and the disbursement of such revenues;
- E. Records maintained in the ordinary course of business reflecting during the employment, i.e., the name, physical address, and telephone number of each person employed by respondent, and its successors and assigns, including as an independent contractor, with responsibilities relating to compliance with this Order; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;
- F. Complaints and refund requests relating to any consumer credit or mortgage loans offered or extended (whether re0 0.0000 TD(r)Tj3.9600 0.0000 TD(e)Tj5.2800 0.0000 TD(d)Tj6.0000 0.0000

documents obtained, created, generated or which in any way relate to the requirements, provisions or terms of this Order, and all reports submitted to the FTC pursuant to this Order.

XI.

This Order will terminate on February 17, 2029, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the Order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this Order that terminates in less than twenty (20) years;
- B. This Order's application to any respondent, or any of its successors or assigns, that is not named as a defendant in such complaint; and
- C. This Order if such complaint is filed after the Order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent, or its successors or assigns, did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this Part as though the complaint ha