

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF NEW YORK

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

PAUL NAVESTAD AKA PAUL RICHARD
INDIVIDUALLY AND DOING BUSINESS
AS THE CASH GRANT INSTITUTE,
GLOBAL AD AGENCY, GLOBAL
ADVERTISING AGENCY, DOMAIN
LEASING COMPANY AND/OR CASH GRANT
SEARCH, AND

CHINTANA MASPAKORN AKA CHRISTINA
MASPAKORN INDIVIDUALLY AND DOING
BUSINESS AS THE CASH GRANT
INSTITUTE, GLOBAL AD AGENCY,
GLOBAL ADVERTISING AGENCY, DOMAIN
LEASING COMPANY AND/OR CASH GRANT
SEARCH,

Defendants.

Case No. 09-CV-6329-T

ORDER GRANTING PLAINTIFF'S MOTION
TO HOLD DEFENDANT PAUL NAVESTAD (JONES) IN CIVIL CONTEMPT OF
MODIFIED ORDER FOR PERMANENT INJUNCTION AND MONETARY RELIEF

The Plaintiff Federal Trade Commission moved pursuant to

2. Navestad's Failure to Comply with the Order to Pay is Clear and Convincing.

- a) Although the Modified Order's payment directive to Navestad was clear and unambiguous, there is no evidence that Navestad made any payment in satisfaction of his obligations.
- b) To the contrary, the undisputed evidence presented by the FTC demonstrates clearly and convincingly that Navestad made no payments towards the outstanding judgment.

3. Navestad has not Been Reasonably Diligent and Energetic in Attempting to Comply with the Order to Pay.

- a) The evidence shows that Navestad has made no effort to attempt to comply with the Modified Order's payment directive.
- b) He has never contacted the FTC to discuss his payment obligations or arrangements.
- c) The FTC sent a demand letter to Navestad, via his counsel appearing in this matter, on May 1, 2013.

The undisputed evidence shows that the letter was delivered, but that Navestad never responded to it, and made no payment.

B. Incarceration of Navestad is the Appropriate Civil Contempt Remedy.

1. The Character and Magnitude of the Harm Caused by Navestad's Contumacy Support Incarceration as a Remedy.

- a) The harm resulting from Navestad's contempt is serious and far reaching. Numerous consumers were harmed by Navestad's deceptive actions.
- b) Navestad's failure to pay the disgorgement and civil penalties signals to the public that monetary awards in these types of cases are not meaningful and can simply be ignored, as they have been here.
- c) By evading payment, Navestad undermines the deterrent effect of civil penalties.

2. Incarceration is the Only Coercive Civil Contempt Remedy that Will Compel Navestad to Pay the Adjudged Amounts.

- a) Because the violation here is non-payment, a fine would not be an effective coercive remedy.
- b) Only incarceration would compel Navestad to pay the sums due.

3. Navestad has Financial Resources From Which to Pay Some or All of the Adjudged Amounts.

- a) The record below demonstrates that Navestad received significant funds in connection with his

unlawful business activities.

- b) Specifically, the FTC introduced evidence in connection with its Motion for Summary Judgment (ECF 133) demonstrating that: (1) there are numerous accounts in the United States and overseas in the name of or otherwise under the control of Navestad that were used in connection with Navestad's unlawful activities; (2) significant sums were moved between and among such accounts; from these accounts to persons paid ; (3) Navestad has never repatriated any of the sums in the foreign bank accounts; and (4) Navestad personally received no less than \$335,041.72. See FTC's Statement of Material Facts in support of its Motion for Summary Judgment (ECF 131-2) at ¶¶ 274, 275, 277, 279, 288, 289, 290, 291, 292, 294, 295, 296).

For all of the foregoing reasons IT IS ORDERED THAT:

1. United States Customs is hereby ordered to arrest Navestad upon his reentry into the United States; and thereafter, to transfer him to the custody of the United States Marshal.
2. The United States Marshal is directed to hold Navestad in custody until such time as he has paid all amounts

due under the Modified Order, less the \$963.12 applied to Navestad's disgorgement obligation, and the \$5,246 applied to his civil penalty obligation, and together with all interest accruing at the rate set forth in 28 U.S.C. §1961(a) from April 17, 2013, which, as of October 23, 2013 is \$1,104.859.08 for disgorgement and \$20,008,213.48 for civil penalties.

3. To effect this Order, this Court issues herewith a warrant for the arrest of Paul Richard Jones.

ALL OF THE ABOVE IS SO ORDERED.

S/ Michael A. Telesca

MICHAEL A. TELESKA
United States District Judge

Dated: Rochester, New York
November 22, 2013