that can be traced directly to Defendants' deveracts or practices, and she has no legitimate claim to those funds.

- 3. Settling Defendants and Settling Relieff@redant neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendants and Settling Relief Defendant the facts necessary to establish jurisdiction.
  - 4. Settling Defendants and Settling Reliefted ant waive any claim that they may

- June 25, 2014, together with any otheustures, improvements, appurtenances, hereditaments, and other rightspertaining or beinging thereto.
- D. "Real Property Net Proceed's means the total proceeds from sale or auction of the Real Property after payment of any reasonated customary fees and costs, including real estate agent fees, anotifees, and escrow costs, irred in connection with such sale or auction.
- E. "Secured or unsecured debt reef product or service" means:
  - 1. with respect to any mortgage, loan, debut obligation between a person and one or more secured or unsecured creditors debut collectors, any product, service, plan, or program represented pressly or by implication, to:
    - i. stop, prevent, or postpone any mortgægæleed of foreclosure sale for a person's dwelling, any other sale obliateral, any repossession of a person's dwelling or other collateral frorforeclosure or repossession;
    - ii. negotiate, obtain, or arrange a modifice, or renegotiate, settle, or in any way alter any terms of the mortgate, debt, or obligation, including a reduction in the amount of interest interest propried balance, monthly payments, or fees owed by a person to a sectuor unsecured creditor or debt collector;
    - iii. obtain any forbearance or modification the timing of payments from any secured or unsecured holder or isservof any mortgage, loan, debt, or obligation;
    - iv. negotiate, obtain, or arrange any extension of the period of time within which a person may (a) cure his or her default on the mortgage, loan, debt, or obligation, (b) reinstate his or herortgage, loan, debt, or obligation, (c) redeem a dwelling or other collegat, or (d) exercise any right to reinstate the mortgage, loan, debt, obligation or redeem a dwelling or

other collateral;

v. obtain any waiver of an acceleration

- J. "Settling Defendants" means Settling Corporate Defendants and Settling Individual

  Defendants individually, collectively, on any combination, and each of them by

  whatever names each might be known.
- K. "Telemarketing" means a plan, program, or canginawhich is conducted to induce the purchase of goods or services or a clabitic contribution, by use of one or more telephones and which involves more than innerstate telephone lica. The term does not include the solicitation of alles through the mailing of catalog which: contains a written description or illustration of the goods services offered for sale; includes the business address of the seller; includes multipalges of written material or illustrations; and has been issued not less frequentally thonce a year, when the person making the solicitation does not solicit stromers by telephone but onlyceives calls initiated by customers in response to the catalog and during those callsotraters only without further solicitation. Fopurposes of the previous sentence, the treunther solicitation does not include providing the customer windformation about, or attempting to sell, any other item included in the same catalogic transported the customer's call or in a substantially similar catalog.

#### ORDER

BAN ON SECURED AND UNSECURED DEBTRELIEF PRODUCTS AND SERVICES

I. IT IS ORDERED that Settling Defendants are permently restrained and enjoined frT .97T7(:)-3(.)]TJ -0.0022 Tc21..25 -2 Td AK. aetin,hof(feling)]TJ -0.0004 Tc 0.0049 Tw 17.64

- G. the total costs to purchase ceive, or use, or the quantity of, the product or service;
- H. any material restriction, limitation, opndition on purchasing, receiving, or using the product or service; or
- I. any other fact material to consume on cerning any product one rvice, including any material aspect of the performance factor, nature, or characteristics of the product or service.

# SUBSTANTIATION FOR BENEFIT, PERF ORMANCE, AND EFFICACY CLAIMS

IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers, agents, servants, employees, and attornænds all other personis active concert or participation with any of them, who receisetual notice of this Order, whether acting directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, or sale of any financial relateroduct or service are hereby permanently restrained and enjoined from aking any representation or assisting others in making any representation, expressly or by implication, attibe benefits, performance, or efficacy of any financial related produot service, unless at the timech representation is made, Settling Defendants possess and rely uponpætient and reliable evidence that substantiates that the representation is true.

## BAN ON TELEMARKETING

V. IT IS FURTHER ORDERED that Settling Defendants are permanently restrained and enjoined from engaging, whether directlytbrough an intermediary, in telemarketing.

#### MONETARY JUDGMENT AND PARTIAL SUSPENSION

- VI. IT IS FURTHER ORDERED that:
  - A. Judgment in the amount of TWENI-EIGHT MILLION SIX HUNDRED

    THOUSAND DOLLARS (\$28,600,000) is enteed in favor of the Commission against Settling Defendants jointly and smally, as equitable monetary relief.
  - B. Judgment in the amount of TWOUNDRED THIRTY-TWO THOUSAND

- EIGHT HUNDRED DOLLARS (\$232,800) ientered in favor of the Commission against Settling Relief Detant as equitable monetary relief.
- C. Settling Individual Defendanted Settling Relief Defendants ordered, within seven (7) business days of entry of this Orthetransfer all finds held in trust by Counsel for Settling Individual Defendanted Settling Relief Defendant, which was approximately \$10,350.00, to the Commission by electronic fund transfer in accordance with instructions provided by a representative of the Commission.
- D. Settling Individual Defendant is orderedlitiquidate the Real Property and turn over all Real Property Net Proceeds to Commission within seven (7) business days of the closing of any sale or auction by electronic fund transfer in accordance with instructions provided by a representation of the Commission. In liquidating the Real Property, Settling Indiduial Defendant is ordered to:
  - 1. Market in a commercially reasonabhanner and sell the Real Property for fair market value within 90 days entry of this Order. In marketing the Real Property, Settling Individual Endant is ordered to have the Real Property listed on the multiple listing service until it is sold.
  - 2. In the event that the Real Propertyestonot sell as set forth in Subsection VI.D.1 of this Order, Settling Individual Defendant is ordered to promptly have the Real Property auctiontegran auction company at a public auction to be held as soon as practile and, in no event, not more than 120 days from the date of entry of this Order.
  - 3. Individual Defendant is ordered keep the Real Property in good repair and to timely pay all taxes, fees, and all other attendant expenses related to the maintenance and ownership of the Real Property until paying the Commission as required by this Sebtson VI.D. Settling Individual Defendant is further ordered to maintain insurance on the Real Property in an amount not less than the full respendent value of the Real Property

until paying the Commission as required by this Subsection VI.D. In the event that the Real Property suffersy loss or damage covered by such insurance policy, Settlingndividual Defendant is redered to make such claims that are permitted by the insurance policy and shall assign or remit any insurance payment he receives as a result of such loss or damage to the Commission.

- E. In partial satisfaction of the judgme settling Corporate Defendants are ordered, as follows:
  - Within ten (10) business days from receipt of a copy of this Order, Bank of the West shall transfer the FTC or its designted agent all funds he d in account #7804 in the name of Directesults Solutions, LLC, which was approximately \$1,006.17 as of June 25, 2014;
  - Within ten (10) business days from receipt of a copy of this Order, Bank of the West shall transfer the FTC or its designted agent all funds he d in account #8788 in the name of the Grant Gra
  - 3. Within ten (10) business days from receipt of a copy of this Order,
    Chesapeake Bank shall transfer to FTC or its designated agent all
    funds held in account #8110 in the name of Strata G Solutions, LLC
    which was approximately \$25,819.58 as of June 25, 2014; and
  - 4. Within ten (10) business days from receipt of a copy of this Order, Global Payments shall transfer to the FTOtordesignated ageatl funds held in account #0138 in the name of the Good Good Solutions, which was approximately \$183.26 as of July 1, 2014.
- F. Upon such payments and all other assetsfears, if any, specified in this Section, the remainder of the judgment is suspect as to Settling Individual Defendant and Settling Relief Defendant, sebt to the Subsections below.

- G. The Commission's agreement to the suspensof the remainder of the judgment is expressly premised upon the truthfests, accuracynal completeness of Settling Defendant's and Settling Relief Defendant's sourn financial statements and related documents (collectively, "financial attestations") submitted to the Commission, namely:
  - 1. the financial statement of Settling Individual Defendant Tony D. Norlon signed on June 25, 2014, inclined the attachments;
  - 2. the financial statement of Settling Relief Defendant April D. Norton signed on June 25, 2014, incling the attachments;
  - 3. the financial statement of DefendaFoundation Business Solutions, LLC signed by Tony D. Norton on June 27, 2014, including the attachments;
  - the financial statement of Settling Corporate Defendant Direct Results
     Solutions, LLC signed by Tony D. Norton on June 25, 2014, including the attachments; and
  - the financial statement of Settling φorate Defendant Strata G Solutions,
     LLC signed by Tony D. Norton on June 25, 2014, including the attachments.
- H. The suspension of the judgment will be lifted as to Settling Individual Defendant or Settling Relief Defendant if, upon the Commission, the Court finds that Settling Individual Defedant or Settling Relief Dendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the International attestations identified above.
- I. If the suspension of the judgment itsdid, the judgment becomes immediately due as to Settling Individual efendant or Settling Relief Defendant in the amount specified in Subsection A (which the plest stipulate only for purposes of this Section represents the consumer injuly and in the Complaint) or Subsection B above, less any payment previously mades paint to this Section, plus interest

- computed from the date of entry of this Order.
- J. Settling Defendants and Settling Releffendant relinquish dominion and all legal and equitable right, titlend interest in all assets transferred pursuant to this Order and may not seek the return of any assets.
- K. The facts alleged in the Complaint will backen as true, without further proof, in any subsequent civil litigation by or observation of the Commission, including in a proceeding to enforce its rights to any proceeding to monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.
- L. The facts alleged in the Complaint establish elements necessary to sustain an action by the Commission pursuant textson 523(a)(2)(A)of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and thisder will have collateral estoppel effect for such purposes.
- M. Settling Defendants and Settling Relief Defendant acknowledge that their Taxpayer Identification Numbers (Security Numbers or Employer Identification Numbers), which Settlingefendants and Settling Relief Defendant previously submitted to the Commission, yntoge used for collecting and reporting on any delinquent amount arising out of toisder, in accordance with 31 U.S.C. § 7701.
- N. All money paid to the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for equitable relief, including consumer redressed any attendant expenses for the administration of any redress fund. If a representative concept that direct redress to consumers is Whor partially impracticable or money remains after redress is completed. Commission may apply any remaining money for such other equitter relief (including consumer information remedies) as it determines to be reasonably related effections alleged in the Complaint. Any money not used for such utilities relief is to be deposited to the

U.S. Treasury as disgorgement.tt® g Defendants and Settling Relief

Defendant have no right to challer grey actions the

regulation, or court order.

#### **COOPERATION**

IT IS FURTHER ORDERED that Settling Defendants aln Settling Relief Defendant must fully cooperate with representative the Commission in this case and in any investigation related to or assisted with the transactions thre occurrences that are the subject of the Complaint. Such Settling fendants and Settling Relief Defendant must provide truthful and complete informati, evidence, and testimony. Such Settling Individual Defendants and Settling Relief Decant must appear and such Settling Corporate Defendants must cause Settling Corporate Defendants' officers, employees, representatives, or agents to appear from the wind in the service of a subpoena.

#### ORDER ACKNOWLEDGMENTS

Χ.

IX.

from any change in structure as fsorth in the Section titled Compliance
Reporting. Delivery must occur within 7 ydsaof entry of this Order for current
personnel. For all others, delivery shoccur before they assume their
responsibilities.

C. From each individual or entity to which Settling Defendant delivered a copy of this Order, that Settling Defendant shoubtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

### **COMPLIANCE REPORTING**

- XI. IT IS FURTHER ORDERED that Settling Defendants make timely submissions to the Commission:
  - A. One year after entry of this Ordenach Settling Defendant must submit a compliance report, sworn under penalty of perjury:
    - 1. Each Settling Defendant must: (a) indiffy the primary physical, postal, and email address and telephone number designated points of contact, which representatives of the Commission and may use to communicate with Settling Defendant; (b) identify all of that Settling Defendant's businesses by all of their name to numbers, and physical, postal, email, and Internet addresses; (c) oride the activities of each business, including the goods and service orded, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Settling Individual Defendants must be if they know or should know due to their own involvement); (d) describe in detail whether and how that Settling Defendant is in compliance the section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previous by bmitted to the Commission.
    - 2. Additionally, each Settling Individua Defendant must: (a) identify all telephone numbers and all physical, physical and Internet addresses,

including all residences; (b) identify all business activities, including any business for which such Settling Initial Defendant performs services whether as an employee or otherwise and any entity in which such Settling Individual Defendant has any owners interest; and (c) describe in detail such Settling Individual Defendant's involvement in each such business, including title, role, responsibilities articipation, authority, control, and any ownership.

- B. For 20 years after entry of this Ordeach Settling Defendant must submit a compliance notice, sworn under penalty of press, within 14 days of any change in the following:
  - 1. Each Settling Defendant must repainty change in: (a) any designated point of contact; or (b) the structure of any Settling Corporate Defendant or any entity that Settling Defendants any ownership interest in or controls directly ornidirectly that may affectompliance 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 Settling Individua Defendant must report any change in: (a) name, including aliases or ftictus name, or residence address; or (b) title or role in any business activ, including any business for which such Settling Individual Defendapterforms services whether as an employee or otherwise and any entity which such Settling Individual Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.
- C. Each Settling Defendant must submitte Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Settling Defendarithin 14 days of its filing.

D.

XIII.

Order, including all submissions to the Commission; and

E. a copy of each unique advertisement or other marketing material.

## **COMPLIANCE MONITORING**

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendants' and Settling Relief Defendant's compliance with this Order, including the financial attestations upon which part **tofe** judgment was suspendent any failure to transfer any assets as required by this Order:

- A. Within 14 days of receipt of a written request from a representative of the Commission each Settling Defendant and Settling Relief Defendant must submit additional compliance reports or othrequested information, which must be sworn under penalty of perjury; appéar depositions; and produce documents for inspection and copying. The Commissis also authorized to obtain discovery, without further leave of countsing any of the procedures prescribed by Federal Rules of Civil Procedure 200, (including telephoic depositions), 31, 33, 34, 36, 45, and 69.
- B. For matters concerning this Order, themmission is authorized to communicate directly with each Settling Defendant and Settling Relief Defendant. Settling Defendant and Settling Relief Defendant must permit representatives of the Commission to interview any employeeother person affiliated with any Settling Defendant and Settling Relieffedant who has agreed to such an interview. The person intervieed may have counsel present.
- C. The Commission may use all other lawfodeans, including posing, through its representatives as consumers, suppliers; their individuals centities, to Settling Defendants, Settling Relief Defendant, and individual or entity affiliated with Settling Defendants and Settling Relief fendant, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, purstuant Sections 9 and 20 of the FTC Act,

15 U.S.C. §§ 49, 57b-1.

## **ENTRY OF JUDGMENT**

XIV. IT IS FURTHER ORDERED that there is no just reason for delay of entry of this judgment, and that, pursuant to Federale of Civil Procedre 54(b), the Clerk immediately shall enter this Order as a fijour gment as to Settling Defendants Direct Results Solutions, LLC; Strata G Solutions, and Tony D. Norton and Settling Relief Defendant April D. Norton.

## RETENTION OF JURISDICTION

XV. IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modificational enforcement of this Order.

IT IS SO ORDERED:

GLORIA M. NAVARRO, CHIEF JUDGE UNITED STATES DISTRICT COURT

DATED: \_\_\_\_\_

