

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MISSOURI

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CWB SERVICES, LLC, *et al.*,

Defendants.

Case No. 4:14-cv-00783-DW

**STIPULATED ORDER FOR  
PERMANENT INJUNCTION AND  
MONETARY JUDGMENT AGAINST  
FRAMPTON T. ROWLAND, III;  
VANDELIER GROUP LLC;  
ANASAZI GROUP LLC; ANASAZI  
SERVICES LLC; LONGBOAT  
GROUP LLC, also d/b/a CUTTER  
GROUP; OREAD GROUP LLC, also  
d/b/a MASS STREET GROUP; and  
ST. ARMANDS GROUP LLC**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its Complaint for Permanent Injunction and Other Equitable Relief in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), the Truth in Lending Act (“TILA”), 15 U.S.C. §§ 1601-1666j; and the Electronic Fund Transfer Act (“EFTA”), 15 U.S.C. §§ 1693-1693r. The Commission and Defendants Frampton T. Rowland, III; Vandelier Group LLC; Anasazi Group LLC; Anasazi Services LLC; Longboat Group LLC, also d/b/a Cutter Group; Oread Group LLC, also d/b/a Mass Street Group, and St. Armands Group LLC (collectively, the “Settling Defendants”) stipulate to the entry of this Stipulated Order for Permanent Injunction and Monetary Judgment (“Order”) to resolve all matters in dispute in this action between them.

## **FINDINGS**

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendants participated in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45; TILA, 15 U.S.C. §§

B. **“Settling Corporate Defendants”** means Vandelier Group LLC; St. Armands Group LLC; Anasazi Group LLC; Anasazi Services LLC; Longboat Group LLC, also d/b/a Cutter Group; and Oread Group LLC, also d/b/a Mass Street Group, and their successors, assigns,

D. Communicating with consumers regarding any loan or other extension of consumer credit; and

E. Selling, assigning, gifting, conveying, or otherwise transferring any purported consumer debt to a third party, including any debt broker, debt buyer, or debt collector.

Provided, however, that this provision does not affect the Settling Individual Defendant's ability to accept employment and undertake duties and responsibilities with an entity that (1) accepts payment for retail sales by several methods, including, but not limited to, payment by credit; (2) offers or extends consumer credit, if the offering or extension of consumer credit is incidental to a retail sale; or (3) sells, assigns, or otherwise transfers the right to collect payments on the extension of consumer credit to a third-party debt collector or debt broker, if the extension of that consumer credit was incidental to a retail sale.

#### **PROHIBITED MISREPRESENTATIONS AND PRACTICES**

**II. IT IS FURTHER ORDERED** that Settling Defendants and Settling Defendants' officers, agents, and employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting or offering for sale any good or service are permanently restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication any fact material to consumers concerning any good or service, such as: the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics.



consumer-reporting agency, Settling Corporate Defendants shall promptly notify any such consumer reporting agencies that the information reported regarding the debt is inaccurate and the tradeline should be promptly deleted.

**MONETARY JUDGMENT AND PARTIAL SUSPENSION**

**VI. IT IS FURTHER ORDERED** that:

A. Judgment in the amount of Twenty-One Million, Eight Hundred and Ninety-Eight Thousand, and Fifty-Five Dollars (\$21,898,055) is entered in favor of the Commission against Settling

- f. An account at BMO Harris Bank in the name of Longboat Group LLC d/b/a Cutter Group with the account number XXXXXX2982;
  - g. Two accounts at BMO Harris Bank in the name of St. Armands Group LLC with the account numbers XXXXXX3180 and XXXXXX9736;
  - h. An account at Commerce Bank in the names of Individual Defendant Rowland and Kelley Rowland with the account number XXXXXX4871;
  - i. An account at Commerce Bank in the name of Individual Defendant Rowland with the account number XXXXXX1308;
  - j. An account at Missouri Bank in the names of Individual Defendant Rowland and Kelley Rowland with the account number XXX1377; and
  - k. An account at Missouri Bank in the name of Individual Defendant Rowland with the account number XXX1024;
- 2. Any cash surrender value for all life insurance policies insuring Individual Defendant Rowland;
  - 3. Any funds held as reserve accounts by any payment processor, including Viking Client Services, Inc., on Settling Defendants' behalf; and
  - 4. One hundred fifty thousand dollars (\$150,000).

C. Settling Defendants are ordered to, within ten (10) days of entry of this Order, transfer one hundred twenty-five thousand dollars (\$125,000) to the Commission by electronic

fund transfer in accordance with instructions previously provided by a representative of the Commission.

D. Settling Defendants shall cooperate fully with the Receiver and shall execute any instrument or document presented by the Receiver, and do whatever else the Receiver deems necessary or desirable to effect the transfers required by Section VI.B. Upon such transfers, the property shall be assets of the receivership estate.

E. Upon the completion of all transfers described in Sections VI.B and VI.C above, the remainder of the judgment is suspended as to Individual Defendant Rowland, subject to the Subsections below.

F. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Settling Defendants' sworn financial statements and related documents (collectively, "financial representations") submitted to the Commission, namely:

1. the Financial Statement of Individual Defendant Frampton T. Rowland, III signed on September 17, 2014, including the attachments; and
2. the Financial Statements of Settling Corporate Defendants Vandelier Group LLC; Anasazi Group LLC; Anasazi Services LLC; Longboat Group LLC, also d/b/a Cutter Group; Oread Group LLC, also d/b/a Mass Street Group; and St. Armands Group LLC signed by Frampton T. Rowland, III on





D. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

E. Settling Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Settling Defendants previously submitted to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

F. 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 redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Settling Defendants' practices alleged in the Complaint. Any money not used for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Settling Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

G. The asset freeze is hereby modified to permit the transfers identified in Section VI.B above. Upon completion of those transfers, the asset freeze is dissolved.

## **CUSTOMER INFORMATION**

**VIII. IT IS FURTHER ORDERED** that Settling Defendants and Settling Defendants' officers, agents, and employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Order are permanently restrained and enjoined from directly or indirectly:

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

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that any Settling Defendant obtained prior to entry of this Order; and

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

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

### **COOPERATION**

**IX. IT IS FURTHER ORDERED** that Settling Defendants must fully cooperate with representatives of the Commission in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint. Settling

Defendants shall also continue to cooperate w



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

B. For 15 years after entry of this Order, each Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Settling Defendant must report any change in: any entity that Individual Defendant Rowland has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under

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

D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: \_\_\_\_\_” and supplying the date, signatory’s full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: FTC v. CWB Services, LLC et al.: Rowland, X140065.

## **RECORDKEEPING**

**XII. IT IS FURTHER ORDERED** that Settling Defendants must create certain records for 15 years after entry of the Order, and retain each such record for 5 years. Specifically, Individual Defendant Rowland, for any business that he, individually or collectively with any other Settling Defendant, is a majority owner or controls directly or indirectly, must create and retain the following records:

A. accounting records showing the revenues from all goods or services sold;





C. The Commission may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Settling Defendants or any individual or entity affiliated with Settling Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

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

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

**SO ORDERED** this 14th day of October, 2015.

/s/ Dean Whipple  
UNITED STATES DISTRICT JUDGE

**SO STIPULATED AND AGREED:**

**FOR PLAINTIFF:**

**FEDERAL TRADE COMMISSION**

/s/Lisa A. Rothfarb  
Rebecca M. Unruh, DC Bar #488731  
Matthew J. Wilshire, DC Bar #483702  
Lisa A. Rothfarb, MD Bar  
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Date: October 1, 2015

/s/Charles M. Thomas

Date: October 1, 2015

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**FOR SETTLING DEFENDANTS:**