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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,
Plaintiff,

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LLC, GDS Information Services, Inc.; and their successors and assigns.

C. ~~Das~~ means Corporate Defendants and Individual Defendants.

D. ~~Facilitate~~ means any product, service, plan, or program represented, expressly or by implication, to:

- 1. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit;
- 2. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit, debit, or stored value cards;
- 3. improve, repair, or arrange to improve or repair, any consumer's credit record, credit history, or credit rating; or
- 4. provide advice or assistance to improve any consumer's credit record, credit history, or credit rating.

E. ~~Das~~ means Christian D. Quezada and Tuan D. Duong.

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new loans, debts, or obligations.

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1 hereby permanently restrained and enjoined from misrepresenting or
2 assisting others in misrepresenting, expressly or by implication, any material
3 fact, including:

- 4 A. any material aspect of the nature or terms of any refund, cancellation,
5 exchange, or repurchase policy, including the likelihood of a
6 consumer obtaining a full or partial refund, or the circumstances in
7 which a full or partial refund will be granted to the consumer;
- 8 B. that any person is affiliated with, endorsed or approved by, or
9 otherwise connected to any other person; government entity; public,
10 non-profit, or other non-commercial program; or any other program;
- 11 C. the nature, expertise, position, or job title of any person who provides
12 any product or service;
- 13 D. that any person providing a testimonial has purchased, received, or
14 used the product or service;
- 15 E. that the experience represented in a testimonial of the product or
16 service represents the person's actual experience resulting from the
17 use of the product or service under the circumstances depicted in the
18 advertisement;
- 19 F. the total costs to purchase, receive, or use, or the quantity of, the
20 product or service;
- 21 G. any material restriction, limitation, or condition on purchasing,
22 receiving, or using the product or service; or
- 23 H. any other fact material to consumers concerning any product or
24 service, including any material aspect of the performance, efficacy,
25 nature, or characteristics of the product or service.
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RESTITUTION

IV. IT IS FURTHER ORDERED that:

- A. Restitution in the amount of One Million Seven Hundred Eighty-Four Thousand, Eight Hundred Sixty-Four Dollars (\$1,784,864.00) is entered in favor of the Commission against Defendants, jointly and severally, as equitable monetary relief.
- B. Defendants are ordered to pay to the Commission One Million Seven Hundred Eighty-Four Thousand, Eight Hundred Sixty-Four Dollars (\$1,784,864.00). Such payment must be made within 7 days of entry of this Order by electronic fund transfer in accordance with instructions provided by a representative of the Commission.

ADDITIONAL MONETARY PROVISIONS

V. IT IS FURTHER ORDERED that:

- A. Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Defendants must submit 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.
- B. 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 Defendants’

1 practices alleged in the Complaint. Any money not used for such
2 equitable relief is to be deposited to the U.S. Treasury as
3 disgorgement. Defendants have no right to challenge any actions the
4 Commission or its representatives may take pursuant to this
5 Subsection.

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7 **CUSTOMER INFORMATION**

8 **VI. IT IS FURTHER ORDERED** that Defendants, their officers, agents,
9 servants, employees, and attorneys, and all other persons in active concert or
10 participation with any of them, who receive actual notice of this Order,
11 whether acting directly or indirectly, are hereby permanently restrained and
12 enjoined from:

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

27 Provided, however, that customer information need not be disposed of, and
28 may be disclosed, to the extent requested by a government agency or

1 required by law, regulation, or court order.

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3 **ORDER ACKNOWLEDGMENTS**

4 **VII. IT IS FURTHER ORDERED** that Defendants obtain acknowledgments of
5 receipt of this Order:

- 6 A. Each Defendant, within 7 days of entry of this Order, must submit to
7 the Commission an acknowledgment of receipt of this Order sworn
8 under penalty of perjury.
- 9 B. For 10 years after entry of this Order, each Individual Defendant, for
10 any business that such Individual Defendant, individually or
11 collectively with any other Defendant, is the majority owner of or
12 controls directly or indirectly, and each Corporate Defendant, must
13 deliver a copy of this Order to: (1) all principals, officers, directors,
14 and LLC managers and members; (2) all employees, agents, and
15 representatives who participate in connection with the in connection
16 with advertising, marketing, promoting, offering for sale, or selling
17 any financial product or service; and (3) any business entity resulting
18 from any change in structure as set forth in the Section titled
19 Compliance Reporting. Delivery must occur within 7 days of entry of
20 this Order for current personnel. For all others, delivery must occur
21 before they assume their responsibilities.
- 22 C. From each individual or entity to which a Defendant delivered a copy
23 of this Order, that Defendant must obtain, within 30 days, a signed
24 and dated acknowledgment of

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1 E. a copy of each unique advertisement or other marketing material.
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3 **COMPLIANCE MONITORING**

4 **X. IT IS FURTHER ORDERED** that, for the purpose of monitoring
5 Defendants' compliance with this Order, and any failure to transfer any
6 assets as required by this Order:

7 A. Within 14 days of receipt of a written request from a representative of
8 the Commission each Defendant must submit additional compliance
9 reports or other requested information, which must be sworn under
10 penalty of perjury; appear for depositions; and produce documents for
11 inspection and copying. The Commission is also authorized to obtain
12 discovery, without further leave of court, using any of the procedures
13 prescribed by Federal Rules of Civil Procedure 29, 30 (including
14 telephonic depositions), 31, 33, 34, 36, 45, and 69.

15 B. For matters concerning this Order, the Commission is authorized to
16 communicate directly with each Defendant. Defendants must permit
17 representatives of the Commission to interview any employee or other
18 person affiliated with any Defendant who has agreed to such an
19 interview. The person interviewed may have counsel present.

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

27 D. Upon written request from a representative of the Commission, any
28 consumer reporting agency must furnish consumer reports concerning

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

6 **XII. IT IS FURTHER ORDERED** that this Court retains jurisdiction of this
7 matter for purposes of construction, modification, and enforcement of this
8 Order.
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10 DATE: August 22, 2016
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15 HON. JOSEPHINE L. STATON
16 UNITED STATES DISTRICT COURT
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