

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Case No: 6:16-cv-714-Orl-41TBS

**EXPAND, INC. and AYMAN A.
DIFRAWI,**

Defendants.

ORDER

THIS CAUSE is before the Court on the parties' Joint Motion for Entry of Stipulated Order for Permanent Injunction and Monetary Judgment ("Joint Motion," Doc. 2). The United States requests that this Court enter the proposed Stipulated Order for Permanent Injunction and Monetary Judgment ("Proposed Permanent Injunction," Doc. 2-1) and retain jurisdiction to enforce the permanent injunction.

For the reasons set forth in the Joint Motion and pursuant to 15 U.S.C. § 53(b) and this Court's inherent equitable authority, the Joint Motion will be granted and the Proposed Permanent Injunction will be made a part of this Order.

Accordingly, it is hereby **ORDERED** and **ADJUDGED** as follows:

1. The Joint Motion for Entry of Stipulated Order for Permanent Injunction and Monetary Judgment (Doc. 2) is **GRANTED**.
2. The Clerk is directed to terminate all other pending motions and close this case.

It is **FURTHER ORDERED** that:

3. This Court makes the following findings:

- a. This Court has jurisdiction over this matter and venue is proper in this Court.
- b. The parties consent to the entry of the Permanent Injunction and final judgment, but Defendants neither admit nor deny any of the allegations of the Complaint (Doc. 1) unless otherwise specified in the Permanent Injunction.
- c. Defendants agree to waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order and agree to bear their own costs and attorneys' fees.
- d. Defendants and the Federal Trade Commission agree to waive all rights to appeal or otherwise challenge or contest the validity of this Order and

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the disclosure must be made through the same means through which the representation is presented;

2. a visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood;
3. an audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it;
4. in any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable;
5. the disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears;
6. the disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications;
7. the disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication; and
8. when the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, “ordinary consumers” includes reasonable members of that group.

B. “Commission” means the Federal Trade Commission.

C. “Covered Information” means information from or about an individual consumer, including, but not limited to: (1) first and last name; (2) a home or other physical address, including

street name and name of city or town; (3) an e-mail address or other online contact information, such as an instant messaging user identifier or a screen name; (4) a telephone number; (5) a Social Security number; (6) a driver's license or other government-issued identification number; (7) a financial institution account number; (8) credit or debit card information; (9) precise geolocation data of an individual or mobile device, including but not limited to GPS-based, Wi-Fi-based, or cell-based location information; and (10) an authentication credential, such as a username and password.

D. "Defendants" means Expand, Inc., also d/b/a Gigats, also d/b/a Education Match, also d/b/a SoftRock, Inc. ("Corporate Defendant") and Ayman A. Difrawi, a/k/a Alec Difrawi, a/k/a Ayman El-Difrawi ("Individual Defendant"), individually, collectively, or in any combination.

E. "Sensitive Personal Information" means any of the following about a consumer: (1) Social Security number; (2) financial institution account number; (3) credit or debit card information; and (4) any other information by which a consumer's financial account can be accessed, or by which a consumer might be charged for goods or services, including through third parties such as telecommunications carriers.

F. "Third-Party Lead Generation" means (1) using marketing techniques to identify or attract prospective customers' interest in a third party's product or iden

Defendants, as well as their directors, officers, agents, employees, representatives, successors, assigns, attorneys, and any and all persons in active concert or participation with any of the aforementioned, who have received actual notice of this Permanent Injunction by personal service or otherwise, whether acting directly or indirectly, in connection with third-party lead generation, the use of any company's n-16(ead)-4()TJ , i

generation or advertising, marketing, or promoting employment opportunities are permanently restrained and enjoined from transferring Covered Information, whether directly or through an

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related services that such services will cease unless the individual consumer consents to continuing such services. Defendants are not required to destroy or prohibited from disclosing, using, or benefiting from Covered Information of consumers who, after receiving such notice, affirmatively provide unambiguous assent, to Defendants, to continuing Defendants' employment assistance-related services within thirty days after entry of this Permanent Injunction.

Provided, further, that Covered Information need not be disposed of, and may be disclosed, (1) to the extent requested by a government agency or required by law, regulation, or court order; or (2) if, at the time Defendants obtained the Covered Information, Defendants' practices complied with Sections II–V of this Order.

VIII. NOTICE TO

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Covered Information, Defendants' practices complied with Sections II–V of this Permanent Injunction.

IX. DEFENDANTS' A

which representatives of the Commission may use to communicate with Defendant; (2) identifies all of Defendant's businesses by all of their names, telephone numbers, and physical, postal, e-mail, and Internet addresses; (3) describes the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Individual Defendants must describe if they know or should know due to their own involvement); (4) describes in detail whether and how Defendant is in compliance with each Section of this Permanent Injunction; and (5) provides a copy of each acknowledgment obtained pursuant to Section IX of this Permanent Injunction, unless previously submitted to the Commission.

Additionally, each Individual Defendant must: (1) identify all telephone numbers and all physical, postal, e-mail and Internet addresses, including all residences; (2) 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 (3) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

Thereafter, and for fifteen years following the entry of this Permanent Injunction, each Defendant must submit a compliance notice to the Commission, sworn under penalty of perjury, within fourteen days of any change in the following:

1. Any designated point of contact; or
2. the structure of any Corporate Defendant or any entity that Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Permanent Injunction, 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 Permanent Injunction.

Additionally, each Individual Defendant must report any change in:

1. Name, including aliases or fictitious names, or residential address; or
2. title or role in any bus

1. Accounting records showing the revenues from all products or services sold;
2. personnel records showing, for each person providing services, whether as an employee or otherwise, that person's name, addresses, telephone numbers, job title or position, dates of service, and (if applicable) the reason for termination;
3. records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
4. all records necessary to demonstrate full compliance with each provision of this Permanent Injunction, including all submissions to the Commission; and
5. a copy of each unique advertisement or other marketing material published or disseminated by Defendants.

XII. COMPLIANCE MONITORING

For the purpose of monitoring Defendants' compliance with this Permanent Injunction and any failure to transfer any assets as required by this Permanent Injunction:

1. Within fourteen days of receipt of a written request from a representative of the Commission, each Defendant must submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Commission is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.
2. For matters concerning this Permanent Injunction, the Commission is authorized to communicate directly with each Defendant. Defendant must permit representatives of the Commission to interview any employee or other person affiliated with any

APPENDIX A

[Insert date]

Dear Expand Customer,

This letter is to inform you that Expand, Inc. (also d/b/a Gigats, also d/b/a Education Match, also d/b/a SoftRock, Inc.) recently settled a dispute with the Federal Trade Commission regarding Expand's lead generation business. The Federal Trade Commission's Complaint alleged that we violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), in connection with generating consumer leads for sale to educational and other institutions.

The settlement permits us to continue generating and selling leads as long as we do so in a manner which does not deceive consumers. The settlement also requires us to request that lead partners like you that purchased or received consumer information from us stop using, sharing, or transferring consumer information received from us between [date] and [date] where you have yet to communicate with the consumer. We are further required to request that partners destroy any such information that is in their possession, custody, or control.

We have attached a copy of the Order and Permanent Injunction entered based on our settlement with the Federal Trade Commission, as well as a copy of the Complaint filed by the Federal Trade Commission.

Sincerely Yours,

[Insert Signature Block]