

Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez 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.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez participated in acts or practices that violated Section 5(a) of the FTC Act, 15 U.S.C. 45(a), the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and the CSPA, O.R.C. 1345.01 et seq.
3. Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez neither admit nor deny any of the allegations in the Complaint, except as specifically stated in the Order. Only for purposes of this action, Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez admit the facts necessary to establish jurisdiction.
4. Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez 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 agrees to bear their own costs and attorney fees.
5. Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez and Plaintiffs waive all rights to appeal or otherwise challenge or contest the validity of this Order.

F. "Payment Processing" means providing a Person, directly or indirectly, with means or service used to charge or debit financial accounts through the use of any payment method or mechanism, including, but not limited to, credit cards, debit cards, prepaid cards, stored value cards, Automated Clearing House ("ACH") Direct Remotely Created Payment Orders, and Remotely Created Checks. Whether accomplished through the use of software or otherwise, Payment Processing includes, among other things: (a) reviewing and approving merchant applications for payment processing services; (b) providing the means to transmit sales transaction data from third-party merchants to banks, credit unions, Payment Processors, independent sales organizations, payment facilitators or other financial institutions; (c) clearing, settling, or distributing proceeds of sales transactions from banks, credit unions, or other financial institutions to third-party merchants; (d) processing chargebacks or returned Remotely Created Payment Orders, check transactions on behalf of third-party merchants.

G. "Payment Processor" means any Person providing Payment Processing services in connection with another Person's sale of goods or services, or in connection with any charitable donation.

H. "Person" means any natural person or any entity, corporation, partnership, or association of persons.

I. "Remotely Created Payment Order" or "RCPO" means a payment instruction or order, whether created in electronic or paper format, drawn on a payor's account that is initiated or created by or on behalf of the payee, and which is deposited into or cleared through the check clearing system. For purposes of this definition, an account includes any financial account or

credit or other arrangement that allows check payment instructions, or orders to be drawn against it that are payable, through, or at a bank.

J. "Receiver" means the receiver appointed in Section VII of this Order and any deputy receivers that shall be named by the receiver.

K. "Receivership Entities" means the Corporate Defendants, as well as any other entity that has conducted any business related to the Defendants' RCPO payment processing scheme, including receipt of assets or funds derived from any activity that is the subject of the Complaint in this matter, and that the Receiver defendant is controlled or owned by any Defendant.

L. "Seller" means any Person who, in connection with a Telemarketing transaction, provides, offers to provide, or arranges for others to provide goods or services to a customer in exchange for consideration.

M. "Telemarketer" means any Person who, in connection with Telemarketing, initiates or receives telephone calls to or from a customer or donor.

N. "Telemarketing" means any plan, program, or campaign that is conducted to induce the purchase of goods or services or charitable contribution by use of one or more telephones.

ORDER

I. PROHIBITION REGARDING PAYMENT PROCESSING

IT IS ORDERED that Defendants are permanently restrained and enjoined from Payment Processing.

II.

in connection with Telemarketing of any product or service, are permanently restrained and enjoined from violating any provision of the TSR, 16 C.F.R. Part 10, attached as Attachment A.

III. PROHIBITIONS ON VIOLATING THE OHIO CSPA

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other Persons in active involvement or participation with them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or indirectly, are permanently restrained and enjoined from engaging in unfair or deceptive acts or practices in violation of the Ohio CSPA, R.C. 1345.02.

IV. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

A. Judgment in the amount of \$8,646 Million Dollars (\$8,646,000.00) is entered in favor of Plaintiffs against Madera Merchant Services, LLC; B&P Enterprises, LLC; Bruce Woods; Patricia Woods; and Victor Rodriguez jointly and severally, as equitable monetary relief. Full payment of the foregoing amount shall be.

(Patricia) Woods with the account number X615;

4. All funds in the Bank of America account in the name of Victor Rodriguez with the account number X1297;
5. All funds in the Ally Bank account in the name of Victor Rodriguez with the account number X3084;
6. All funds in the GECU account in the name of Victor Rodriguez with the account number X9951;
7. Cocktail Ring identified in the Financial Statement of Individual Defendants Bruce and Patsy (Patricia) Woods signed on August 6, 2019;
8. Two watches identified in the Financial Statement of Individual Defendants Bruce and Patsy (Patricia) Woods signed on August 6, 2019:

1.	Women's Rolex (Estimated Value \$11,300)
2.	Men's Tag Heuer (Estimated Value \$4,500)

9. All fees owed from Paya, Inc. dba Paya Services to Bruce C. Woods currently in the possession Paya Services;
10. All assets of Receivership Entities Madera Merchant Services, LLC and B&P Enterprises, LLC, or any other entity under the control of the Receiver, including the following:

- a. All funds from accounts at the following banks/credit unions in the name of Madera Merchant Services, LLC:

1.	Bank 34	5.	Nusenda Bank
2.	Bank of America	6.	United Business Bank

related documents (collectively, “financial presentations”) submitted to the Commission, namely:

1. The Financial Statement of Individual Defendants Bruce and Patsy (Patricia) Woods signed on August 6, 2019, including the attachments; and

2. The Financial Statement of Individual Defendant Victor Rodriguez signed on July 28, 2019, including the attachments.

F. The suspension of the judgment will be lifted as to any Defendant if, upon motion by the Plaintiffs, the Court finds that Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations identified above.

G. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Defendant in the amount of \$8,646 Million Dollars (\$8,646,000.00) specified in Subsection A. above, which the parties stipulate represents the consumer injury alleged in the Complaint, less any payment previously made pursuant to this Order, plus interest computed from the date of entry of this Order.

V. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. The Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order and may not seek the return of any assets.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the Plaintiffs, including in a proceeding to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability claim in any bankruptcy case.

enjoined from directly or indirectly:

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

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email addresses, Social Security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or

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B. Within 60 days, sell the Receivership Entities assets and assets surrendered by Defendants pursuant to Subsections IV B.7 and B.8 without further order of the court;

C. Enter into agreements in connection with the reasonable and necessary performance of the Receiver's duty to sell the Receivership Entities assets and assets surrendered by Defendants pursuant to Subsections IV B.7 and B.8, including, but not limited to, the retention of assistants, agents, or other professionals to assist in the sale of these assets;

D. Distribute to the Plaintiffs, without further order of the court, the funds received from the sale of the Receivership Entities assets and assets surrendered by Defendants pursuant to Subsections IV B.7 and B.8;

E. Take any and all steps the Receiver and its counsel deems appropriate to wind down the Receivership Entities within 60 days of the entry of this Order; and

F. Store and secure the Receivership Entities records, including ESI until either entry of a final order against the last remaining Defendant in this proceeding or receipt of written direction to do so from a representative of the FTC.

Within 30 days of the entry of this Order, the Receiver shall liquidate all hardware related to the Receivership Entities' ESI, after ensuring all customer information has been erased and is not recoverable.

VIII. COOPERATION

IT IS FURTHER ORDERED that Defendants shall fully cooperate with representatives of the Plaintiffs in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint. Defendants must provide truthful and complete information, evidence, and testimony. Defendants must appear for interviews, discovery, hearings, trials, and any other proceedings that Plaintiffs' representative may

reasonably request upon five (5) days written notice or other reasonable notice, at such places and times as Plaintiffs' representative may designate, without the service of a subpoena.

IX. ORDER ACKNOWLEDGMENTS

IT IS FURTHER ORDERED that Defendants shall acknowledge receipt of this Order:

1. Each Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Plaintiffs may use to communicate with Defendant; (b) identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, and Internet addresses; (c) describe 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); (d) describe in detail whether and how that Defendant complies with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Plaintiffs.

2. Additionally, each Individual Defendant 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 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 10 years after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Defendant must report any change (a) in any designated point of contact; or (b) the structure of any Corporate Defendant or any entity in which Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

2. Additionally, each Individual Defendant must report any change in: (a) name, including aliases or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which Defendant has any ownership interest, and identify the name, physical address, and internet address of the business or entity.

C. Each Defendant must submit to the Plaintiffs 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 Plaintiffs 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 Plaintiffs 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 et al., v. Madera Merchant Services, LLC X190038.

F. Unless otherwise directed by a Plaintiffs representative in writing, all submissions to the Ohio Attorney General pursuant to this Order must be mailed to: Ohio Attorney General's Office, Consumer Protection Section, At-Compliance Unit, 30 East Broad Street, 4th Floor,

XIII. RETENTION OF JURISDICTION

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 _____ day of _____, 2020.

KATHLEEN CARDONE
UNITED STATES DISTRICT JUDGE

