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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Plaintiff,

vs.

ALLIANCE DOCUMENT  
PREPARATION LLC, et al.,

Defendants and

DIRECT CONSULTING GROUP,  
LLC; and CAPITAL DOC PREP, INC,

Relief Defendants.

Civ. No. CV 17-7048 SJO (K&S)  
(Proposed) PERMANENT  
INJUNCTION AND FINAL ORDER  
AS TO DEFENDANTS BENJAMIN  
NADERI; ALLIANCE DOCUMENT  
PREPARATION, LLC; SBS  
CAPITAL GROUP, INC.; FIRST  
STUDENT AID, LLC; and RELIEF  
DEFENDANTS DIRECT  
CONSULTING GROUP, LLC; and  
CAPITAL DOC PREP, INC.

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its  
Complaint for Permanent Injunction and Other Equitable Relief pursuant to  
Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C.

Permanent Injunction  
asto Benjamin Naderi and  
Alliance Document Preparation, LLC, et al.

1 § 53(b), and the Telemarketing and Consumer Fraud and Abuse Prevention Act  
2 (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108. The Commission and  
3 Defendants Benjamin Naderi, Alliance Document Preparation, LLC, SBS Capital  
4 Group, Inc., and First Student Aid, LLC (“Stipulating Defendants”), and Relief  
5 Defendants Direct Consulting Group, LLC, and Capital Doc Prep, Inc. (“Relief  
6 Defendants”), stipulate to entry of the Permanent Injunction and Final Order  
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Permanent Injunction  
as to Benjamin Naderi and





Permanent Injunction  
as to Benjamin Naderi and

1           7.     that the credit does not have a prepayment penalty or whether  
2           subsequent refinancing may trigger a prepayment penalty and/or other  
3           fees; or

4           B.     The ability to improve or otherwise affect a consumer's credit record,  
5           credit history, credit rating, or ability to obtain credit, including that a consumer's  
6           credit record, credit history, credit rating, or ability to obtain credit can be  
7           improved by permanently removing current, accurate negative information from  
8           the consumer's credit record or history.

9           C.     That a consumer will receive legal representation.

10          D.     Any other fact material to consumers concerning any financial  
11          product or service, such as: the total costs; any material restrictions, limitations, or  
12          conditions; or any material aspect of its performance, efficacy, nature, or central  
13          characteristics.

14           **III. PROHIBITION AGAINST MISREPRESENTATIONS RELATING**  
15                           **TO ANY PRODUCTS OR SERVICES**

16           **IT IS FURTHER ORDERED** that Stipulating Defendants, and their  
17          officers, agents, employees, and attorneys, and all other persons in active concert  
18          or participation with them, who receive actual notice of this Order, whether acting  
19          directly or indirectly, in connection with the advertising, marketing, promoting,  
20          offering for sale, or selling of any product, service, plan, or program, are  
21          permanently restrained and enjoined from misrepresenting, or assisting others in  
22          misrepresenting, expressly or by implication:

23          A.     Any material aspect of the nature or terms of any refund, cancellation,  
24          exchange, or repurchase policy, including the likelihood of a consumer obtaining a  
25          full or partial refund, or the circumstances in which a full or partial refund will be  
26          granted to the consumer;

1 B. That any person is affiliated with, endorsed, approved by, accredited  
2 by, or otherwise connected to any other person; government entity; public, non-  
3 profit, or other non-commercial program; or any other program;

4 C. The nature, expertise, position, or job title of any person who provides  
5 any product, service, plan, or program;

6 D. The cost or likelihood of qualifying for or receiving any product,  
7 service, plan, or program;

8 E. That any person providing a testimonial has purchased, received, or  
9 used the product, service, plan, or program;

10 F. That the experience represented in a testimonial of the product,  
11 service, plan, or program represents the person's actual experience resulting from  
12 the use of the product, service, plan, or program under the circumstances depicted  
13 in the advertisement; or

14 G. Any other fact material to consumers concerning any good or service,  
15 such as: the total costs; any material restrictions, limitations, or conditions; or any  
16 material aspect of its performance, efficacy, nature, or central characteristics.

17 **IV. MONETARY EQUITABLE RELIEF AND PARTIAL SUSPENSION**

18 **IT IS FURTHER ORDERED** that:

19 A. Judgment in the amount of \$10,200,000,2  
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1           2.     Wells Fargo, N.A., shall transfer, in accordance with  
2 instructions provided by a representative of the Commission, all funds in account  
3 ending 9943 to the FTC.

4           3.     Merrill Lynch shall liquidate and transfer in accordance with  
5 instructions provided by a representative of the Commission, the balance of the  
6 funds remaining after liquidation in account 29X-59A21 to the FTC. All taxes,  
7 fees, and any commissions associated with or resulting from the sale of the stocks  
8 shall be paid from the proceeds of the sale.

9           C.     2

1 any asset, or made any other material misstatement or omission in the financial  
2 representations identified above.

3 G. If the suspension of the judgment is lifted, the judgment becomes  
4 immediately due as to that Stipulating Defendant in the amount specified in  
5 Subsection A. above (which the parties stipulate only for purposes of this Section)  
6 represents the consumer injury caused by Stipulating Defendants, less any payment  
7 previously made pursuant to this Section, plus interest computed from the date of  
8 entry of this Order.

9 **V. OTHER MONETARY PROVISIONS**

10 **IT IS FURTHER ORDERED** that:

11 A. Stipulating Defendants relinquish  
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1 representative of the Commission requests in writing information related to  
2 redress, Stipulating Defendants must provide it, in the form prescribed by the  
3 Commission, within fourteen (14) days.

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

7 bank account, or other financial information), or using, disclosing, or benefitting from such information, shall be prohibited. 15 C.F.R. § 164.532(a)(1)(ii)(A) (2015).

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1 and (3) any business entity resulting from any change in structure as set forth in  
2 the Section titled Compliance Reporting. Delivery must occur within 7 days of  
3 entry of this Order for current personnel. For all others, delivery must occur before  
4 they assume their responsibilities.

5 C. From each individual or entity to which a Stipulating Defendant  
6 delivered a copy of this Order, that Stipulating Defendant must obtain, within 30  
7 days, a signed and dated acknowledgment of receipt of this Order.

## 8 **XI. COMPLIANCE REPORTING**

9 **IT IS FURTHER ORDERED** that Stipulating Defendants make timely  
10 submissions to the Commission:

11 A. One year after entry of this Order, Stipulating Defendants must submit  
12 a compliance report, sworn under penalty of perjury.

13 1. Each Stipulating Defendant must: (a) identify the primary  
14 physical, postal, and email address and telephone number, as designated  
15 points of contact, which representatives of the Commission may use to  
16 communicate with Stipulating Defendant; (b) identify all of that Stipulating  
17 Defendant's businesses by all of their names, telephone numbers, and  
18 physical, postal, email, and Internet addresses; (c) describe the activities of  
19 each business including the goods and services offered, the means of  
20 advertising, marketing, and sales, and the involvement of any other  
21 Defendant (which Stipulating Defendant Benjamin Naderi must describe if  
22 he knows or should know due to his own involvement); (d) describe in detail  
23 whether and how that Stipulating Defendant is in compliance with each  
24 Section of this Order; and (e) provide a copy of each Order  
25 Acknowledgment obtained pursuant to this Order, unless previously  
26 submitted to the Commission.

1           2.     Additionally, Stipulating Defendant Benjamin Naderi must: (a)  
2 identify all telephone numbers and all physical, postal, email and Internet  
3 addresses, including all residences; (b) identify all business activities,  
4 including any business for which he performs services whether as an  
5 employee or otherwise and any entity in which he has any ownership  
6 interest; and (c) describe in detail his involvement in each such business,  
7 including title, role, responsibilities, participation, authority, control, and any  
8 ownership.

9           B.     For ten (10) years after entry of this Order, each Stipulating Defendant  
10 must submit a compliance notice, sworn under penalty of perjury, within fourteen  
11 (14) days of any change in the following:

12           1.     Each Stipulating

1 C. Stipulating Defendants must submit to the Commission notice of the  
2 filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by  
3 or against Stipulating Defendants within fourteen (14) days of its filing.

4 D. Any submission to the Commission required by this Order to be  
5 sworn under penalty of perjury must be true and accurate and comply with 28  
6 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under  
7 the laws of the United States of America that the foregoing is true and correct.

8 Executed on: \_\_\_\_\_” and supplying the date, signatory’s full nam  
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1 numbers; job title or position; dates of service; and (if applicable) the reason for  
2 termination; (c) records of all consumer complaints and refund requests, whether  
3 received directly or indirectly, such as through a third party, and any response; (d)  
4 all records necessary to demonstrate full compliance with each provision of this  
5 Order, including all submissions to the Commission; and (e) a copy of each unique  
6 advertisement or other marketing material.

### 7 **XIII. COMPLIANCE MONITORING**

8 **IT IS FURTHER ORDERED** that, for the purpose of monitoring  
9 Stipulating Defendants' compliance with this Order, including the financial  
10 attestations upon which all or part of the judgment was suspended and any failure  
11 to transfer any assets as required by this Order:

12 A. Within fourteen (14) days of receipt of a written request from a  
13 representative of the Commission, Stipulating Defendants must: submit additional  
14 compliance reports or other requested information, which must be sworn under  
15 penalty of perjury; appear for depositions; and produce documents for inspection  
16 and copying. The Commission is also authorized to obtain discovery, without  
17 further leave of court, using any of the procedures prescribed by Federal Rules of  
18 Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and  
19 69.

20 B. For matters concerning this Order, the Commission is authorized to  
21 communicate directly with Stipulating Defendants. Stipulating Defendants must  
22 permit representatives of the Commission to interview any employee or other  
23 person affiliated with Stipulating Defendants who has agreed to such an interview.  
24 The person interviewed may have counsel present.

25 C. The Commission may use all other lawful means, including posing,  
26 through its representatives as consumers, suppliers, or other individuals or entities,  
27 to Stipulating Defendants or any individual or entity affiliated with Stipulating

