

# **EXHIBIT A**

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UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

PHLG ENTERPRISES LLC, a limited liability  
company, and

JOEL S. TREUHAFI, individually and as an  
officer or manager of PHLG ENTERPRISES LLC,

Defendants.

Case No. 8:17-cv-00220-RAL-AEP

STIPULATED ORDER FOR  
PERMANENT INJUNCTION AND  
MONETARY JUDGMENT

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its  
Complaint for Permanent Injunction and Other Equitable Relief (“Complaint”), pursuant to  
Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), and the  
Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15  
U.S.C. §§ 6101-6108. The Commission and Defendants stipulate to the entry of thi0.0007 Tw 0 R -0.0008 7

- Rule (“TSR”), 16 C.F.R. Part 310, by providing substantial assistance and support to telemarketers that used deceptive acts and practices.
3. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.
  4. Defendants 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 attorney fees.
  5. Defendants waive and release any claims that they may have against the Commission that relate to this action.
  6. Defendants and the Commission waive all rights to appeal or otherwise challenge or contest the validity of this Order.

#### DEFINITIONS

For the purpose of this Order, the following definitions apply:

- A. “Cash reload mechanism” means a device, authorization code, personal identification number, or other security measure that makes it possible for a person to convert cash into an electronic form that can be used to add funds to a general-use prepaid card or an account with a payment intermediary.
- B. “Defendants’” mean the Individual Defendant and the Corporate Defendant, individually, collectively, or in any combination.
  1. “Corporate Defendant” means PHLG Enterprises LLC and its

successors and assigns.

2. “Individual Defendant” means Joel S. Treuhaft.

C. “











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.

#### V. COOPERATION

IT IS FURTHER ORDERED that 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. Such Defendants must provide truthful and complete information, evidence, and testimony. Individual Defendant Treuhaft must appear and CorpCOOPesOOPE msubjec4TooB.y.

this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees, agents, and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within seven (7) days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

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

## VII. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Defendants make timely submissions to the Commission:

A. One year after entry of this Order, each Defendant must submit a compliance report, sworn under penalty of perjury:

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 Commission may use to communicate with Defendant; (b) identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales; (d) describe in detail whether and how that Defendant is in compliance 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 Commission.

2. Additionally, the 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 he performs services whether as an employee or otherwise and any entity in which he has any ownership interest; and (c) describe in detail his 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 in: (a) any designated point of contact; or (b) the structure of the 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 Order, 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 Order.

2. Additionally, the 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 he performs services whether as an employee or otherwise and any entity in which he has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

C. Each 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. PHLG Enterprises LLC.

### XIII. RECORDKEEPING

IT IS FURTHER ORDERED that Defendants must create certain records for 10 years after entry of the Order, and retain each such record for 5 years. Specifically, Corporate Defendant and the Individual Defendant, for any business that such Defendant, individually or collectively with any other 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;
- B. personnel records showing, for each person providing services, whether as an employee or otherwise, that person’s: name; addresses; telephone numbers; job title or



any individual or entity affiliated with 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 the Individual Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

#### X. 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 \_\_\_\_\_, 2017.

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Richard A. Lazzara  
United States District Judge

SECRET/CONFIDENTIAL/UNRECORDED

FOR PLAINTIFF:

FEDERAL TRADE COMMISSION

*Rhonda Perkins*

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Rhonda Perkins  
Federal Trade Commission  
600 Pennsylvania Ave. NW, CC-8528  
Washington, DC 20547  
202-326-3222/rperkins@ftc.gov (Perkins)  
202-326-3096/jgoodman1@ftc.gov (Goodman)  
202-326-3205 (facsimile)  
Counsel for Plaintiff Federal Trade Commission

FOR DEFENDANT:

*Todd Foster*

Date: 2-25-17

TODD FOSTER LAW GROUP  
1821 W. ...  
Tampa, Florida 33606  
813-229-7373  
813-280-9981 (facsimile)  
Counsel for Defendants PHC Enterprises LLC and Joel S. Treuhft

DEFENDANTS: PHC ENTERPRISES LLC

*Joel S. Treuhft*  
Date: 2-25-17  
JOEL S. TREUHFT, INDIVIDUALLY  
AND AS AN OFFICER OF PHC ENTERPRISES LLC