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14 Attorneys for Plaintiff

15 **UNITED STATES DISTRICT COURT**
16 **DISTRICT OF NEVADA**

17 **FEDERAL TRADE COMMISSION,**
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7. Defendant Consumer Link, Inc. is a Nevada corporation and transacts or has transacted business in this district and throughout the United States.

8. Defendant Consumer Defense, LLC (Utah) is a Utah limited liability company and transacts or has transacted business in this district and throughout the United States.

9. Defendant Preferred Law, PLLC is a Utah professional limited liability company and

9. Defendant Preferred Law, PLLC

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violative acts and practices set forth in Findings 25-38 below Defendant Jonathar Hanley

Hn

2238 be (l)-22 (ow)]TJ --fDefendant Sid tananley ()8C

1 26. In numerous instances, in connection with the advertising, marketing, promotion, offering for
2 sale or sale or performance mortgage assistance relief services, Defendants have
3 represented directly or indirectly, expressly or by implication, that Defendants generally will
4 obtain mortgage loan modifications for consumers that will make their payments
5 substantially more affordable, substantially lower their interest rates, or help them avoid
6 foreclosure. In truth and in fact, in numerous instances in which Defendants have made these
7 representations, such representations were false or not substantiated at the time Defendants
8 made them. Therefore, the making of these representations constitutes a deceptive act or
9 practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

12 27. In numerous instances, in connection with advertising, marketing, promotion, offering for
13 sale or sale of mortgage assistance relief services, Defendants have represented directly or
14 indirectly, expressly or by implication that Defendants are affiliated with, endorsed or
15 approved by, or are otherwise associated with the maker, holder, or servicer of the
16 consumer's dwelling loan, including claiming that Defendants have a special relationship or
17 special agreements with the maker, holder, or servicer of the consumer's dwelling loan.
18 In truth and in fact in numerous instances in which Defendants have made these
19 representations, Defendants were not affiliated with, endorsed or approved by, or
20 otherwise associated with the maker, holder, or servicer of the consumer's dwelling loan.
21 Therefore, Defendants' representations are false and misleading and constitute a deceptive
22 act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a)

1 implication, that a consumer cannot or should not contact or communicate with his or her
2 lender or service in violation of Section 1015.3(a) of Regulation 102, C.F.R. § 1015.3(a).

3 § 1015.3(a)(1)(i) and (ii) are not applicable to a consumer who is not a "covered person" as defined in § 1015.3(a)(1)(i) and (ii).
4 § 1015.3(a)(1)(i) and (ii) are not applicable to a consumer who is not a "covered person" as defined in § 1015.3(a)(1)(i) and (ii).

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- 1 2. formulating or providing, or arranging for the formulation or provision of, any
- 2 advertising or marketing material, including any telephone sales script, direct mail
- 3 solicitation, or the design, text or use of images of any Internet website, email, or other
- 4 electronic communication
- 5
- 6 3. formulating or providing, or arranging for the formulation or provision of, any marketing
- 7 support material or service, including web or Internet Protocol addresses and name
- 8 registration for any Internet websites, affiliate marketing services, or media placement
- 9 services
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- 11 4. providing names of, or assisting in the generation of, potential customers
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- 2. With respect to any loan, debt, or obligation between ~~creditor~~ and one or more unsecured creditors or debt collectors, any product, service, plan, or program represented, expressly or by implication, to:
 - a. repay one or more unsecured loans, debts, or ~~obligations~~
 - b. combine unsecured loans, debts, or obligations into one or more new loans, debts, or obligations.

ORDER

BAN ON SECURED AND UNSECURED DEBT RELIEF PRODUCTS AND SERVICES

I. ~~36 (b) 5P (bi)-2ReO11611 H (t)28IB (l)-T , .222 13 3. /G~~

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- A. failing to provide sufficient customer information to enable ~~the~~ FTC to efficiently administer consumer redress; a representative of the FTC requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the FTC, within 14 days;
- B. disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer’s account (including a credit card, bank account, or other financial account), that any Defendant obtained prior to entry of this Order in connection with the marketing sale of Secured or Unsecured Debt Relief Products or Services; and
- C. failing to destroy such customer information in all forms in their possession, custody, or control within 30 days after receipt of written direction to do so from a representative of the FTC.
- D. 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.

MONETARY JUDGMENT

VI. IT IS FURTHER ORDERED that:

- A. Judgment in the amount ~~of~~ EIGHTEEN MILLION, FOUR HUNDRED TWENTY EIGHT THOUSAND, THREE HUNDRED AND SEVENTY DOLLARS (\$18,428,370) is entered in favor of the ~~FTC~~ against Defendants jointly and severally with post-judgment interest at the legal rate, as equitable monetary relief.

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B. The monetary judgment set forth in this Section is enforceable against any asset or personal, whether located within the United States or outside the United States, jointly or singly by, on behalf of, for the benefit of, in trust by or for, or as a deposit for future goods or services to be provided by Defendant, whether he is tenants in common, joint tenants with or without the right of survivorship, tenants by the entirety, and/or community property.

C. All financial or brokerage institution, escrow agent, title company, commodity trading company, business entity, or Person, whether located within the United States or outside the United States, that holds, controls, or maintains accounts or assets on behalf of, or for the benefit of any Receivership Entity, whether real or personal, whether located within the United States or outside the United States, shall, within ten (10) business days from receipt of a copy of this Order

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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 such Defendant 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 FTC 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 FTC 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 suppl [(pe)-60 Tc 0.05 Tw

1 Corporate Defendant and each Individual Defendant for any business that such
2 Defendant, individually or collectively with any other Defendants, is a majority owner or
3 controls directly or indirectly, must create and retain the following records:

- 4
- 5 A. accounting records showing the revenues from all products and services sold;
 - 6 B. personnel records showing, for each Person providing services, whether as an
7 employee or otherwise, that Person's: name; addresses; telephone numbers; job title
8 or position; dates of service; and (if applicable) the reason for termination;
 - 9 C. records of all consumer complaints and refund requests, whether received directly or
10 indirectly, such as through a third party, and any response;
 - 11 D. all records necessary to demonstrate full compliance with each provision of this
12 Order, including all submissions to the FTC; and
 - 13 E. a copy of each unique advertisement or other marketing material.
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15 **COMPLIANCE MONITORING**

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17 **XI. IT IS FURTHER ORDERED** that, for the purpose of monitoring M(of)3 (w)--1-n orie(pos)- (on7 (AI-

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