

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

FEDERAL TRADE COMMISSION and
OFFICE OF THE ATTORNEY
GENERAL, STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiffs,

v.

Case No: 6:20-cv-1192-WWB-DCI

GDP NETWORK LLC, G & G
SUCCESS LLC, G & N SQUARED LLC,
GINO DE PAZ, GRACE DE PAZ and
SHABANA KHUBLAL,

Defendants.

_____ /

ORDER

THIS CAUSE is before the Court on Plaintiffs' Unopposed Motion for Entry of Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Gino de Paz and Grace de Paz (Doc. 95). Therein, Plaintiffs request that this Court enter the proposed Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Gino de Paz and Grace de Paz (Doc. 95-1) and retain jurisdiction to enforce the same.

"It is well-established in this circuit that an injunction demanding that a party do nothing more specific than 'obey the law' is impermissible." _____, 471 F.3d 1199, 1209 (11th Cir. 2006) (citing _____, 178 F.3d 1175, 1201 (11th Cir. 1999)). Section III of the Proposed Permanent Injunction, "Prohibition Against Deceptive and Abusive Telemarketing Acts and Practices," does nothing more than require Defendants, Defendants' officers, agents, employees, and attorneys, and all other

persons in active concert or participation with any of them to obey the law. Therefore, the Motion will be denied in this respect.

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

- 1.

A. **“Asset Freeze”** means the provisions of the Preliminary Injunction (Doc. 50) that restrain and enjoin the use or sale of assets, including, but not limited to, the provisions of Sections V, VI, VIII and IX of the Preliminary Injunction.

B. **“Assisting Others”** includes:

1.

means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure is made in only one means.

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.

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.

D. **“Corporate Defendants”** means GDP Network LLC; G & G Success LLC, also doing business as YF Solution LLC, QSC Professionals, and G.C.D. Management LLC; and G & N Squared LLC, also doing business as Dynamic Solution Group, and each of their subsidiaries, affiliates, successors, and assigns, and by whatever other names they may be known, and their successors and assigns, as well as any subsidiaries, affiliates, and any fictitious business entities or business names created or used by these entities, or any of them.

E. **“Debt Relief Product or Service”** means:

1. With respect to any mortgage, loan, debt, or obligation between a Person and one or more secured or unsecured creditors or debt collectors, any Product or Service represented, expressly or by implication, to:
 - a. stop, prevent, or postpone any mortgage or deed of foreclosure sale for a Person’s dwelling, any other sale of collateral, any repossession of a Person’s dwelling or other collateral, or otherwise save a Person’s dwelling or other collateral from foreclosure or repossession;
 - b. negotiate, obtain, or arrange a modification, or renegotiate, settle, or in any way alter any terms of the mortgage, loan, debt, or obligation, including a reduction in the amount of interest, principal balance,

monthly payments, or fees owed by a Person to a secured or unsecured creditor or debt collector;

- c. obtain any forbearance or modification in the timing of payments from any secured or unsecured holder or servicer of any mortgage, loan, debt, or obligation;
- d. negotiate, obtain, or arrange any extension of the period of time within which a Person may (i) cure his or her default on the mortgage, loan, debt, or obligation, (ii) reinstate his or her mortgage, loan, debt, or obligation, (iii) redeem a dwelling or other collateral, or (iv) exercise any right to reinstate the mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;
- e. obtain any waiver of an acceleration clause or balloon payment contained in any promissory note or contract secured by any dwelling or other collateral; or
- f. negotiate, obtain, or arrange (i) a short sale of a dwelling or other collateral, (ii) a deed-in-lieu of foreclosure, or (iii)

- a. repay one or more unsecured loans, debts, or obligations; or
- b.

L. **“Remotely Created Payment Order”**

A. Misrepresenting, or assisting others in misrepresenting, expressly or by implication:

1. a

IV. PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS

Stipulating Defendants and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order and Permanent Injunction, whether acting directly or indirectly, in connection with the promoting or offering for sale of any product or service, are permanently restrained and enjoined from making any representation or assisting others in making any representation, expressly or by implication, about the benefits, performance, or efficacy of any product or service, unless the representation is non-misleading, including that, at the time such representation is made, they possess and rely upon competent and reliable evidence that is sufficient in quality and quantity based on standards generally accepted in the relevant fields, when considered in light of the entire body of relevant and reliable evidence, to substantiate that the representation is true.

V. PROHIBITED PAYMENT PRACTICES

Stipulating Defendants and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order and Permanent Injunction, whether acting directly or indirectly, in connection with the promoting or offering for sale of any product or service, are permanently restrained and enjoined from:

- A. Obtaining payment by taking a cash advance against a consumer's credit card; and
- B. Causing billing information to be submitted for payment without first having obtained the consumers' express, informed consent.

VI. MONETARY JUDGMENT AND PARTIAL SUSPENSION

The judgment set forth in this Order and Permanent Injunction shall be subject to the following terms and conditions:

A. Stipulating Defendants are ordered to pay to the Federal Trade Commission (“**FTC**” or “**Commission**”) \$225,000.00 as follows:

1. Within seven days of entry of this Order and Permanent Injunction, Stipulating Defendants are ordered to pay to the FTC \$17,000.00, which is held by their counsel of record in escrow for the purpose of payment to the FTC.
2. Additionally, Stipulating Defendants are ordered to pay to the FTC \$208,000.00 no later than six months from the date of entry of this Order and Permanent Injunction.

B. All payments set forth in this Section shall be made by electronic fund transfer in accordance with instructions to be provided by a representative of the FTC. Upon completion of such payments, the remainder of the judgment is suspended, subject to the provisions of this Order and Permanent Injunction.

C. As security for the payments set forth in this Section, Stipulating Defendants grant the FTC a security interest in certain property and proceeds thereof (“**Collateral**”), as set forth in the Mortgage and Security Agreement (“**Mortgage**,” Doc. 95-1 at 54–57), and the Assignment of Life Insurance Policy or Annuity Contract as Collateral Security (“**Assignment**,” Doc. 95-1 at 59–61). These interests are incorporated by reference as if fully set forth verbatim and grant a security interest in the following Collateral:

1. Stipulating Defendants hereby grant to the FTC a lien and mortgage on the Dune Stock Property, as specified in the attached Mortgage; and
2. Stipulating Defendants hereby grant to the FTC an Assignment of Life

documents and representations (collectively, “**financial representations**”) submitted to Plaintiffs, namely:

1. the Financial Statement of Individual Defendant Gino de Paz signed on July 22, 2020, including the attachments;
2. the Financial Statement of Individual Defendant Grace de Paz signed on July 22, 2020, including the attachments;
3. the additional financial documents and materials and responses to financial questions provided by counsel for Individual Defendants Gino de Paz and Grace de Paz to counsel for the Commission on or about November 18, 2020;
4. the additional financial documents and information provided by counsel for Individual Defendants Gino de Paz and Grace de Paz to counsel for the Commission on or about March 27, 2021;
5. that Stipulating Defendants have the right and authority to enter into the Mortgage;
6. that the Dune Stock Property is not encumbered by any lien or other encumbrance except: (a) the mortgage held by M&T Bank ISAOA, as first mortgagee, given by Stipulating Defendants, dated March 30, 2016, and recorded April 4, 2016, as Document Number 20160165914 in the Office of the Comptroller of Orange County, Florida, and (b) the mortgage held by the U.S. Small Business Administration, as second mortgagee, given by Stipulating Defendants, dated on or about November 16, 2017, and

recorded March 13, 2018, as Document Number 20180146708 in the Office of the Comptroller of Orange County, Florida; and

7. t

The liquidation receiver will have the rights and powers, and privileges of

may serve as the basis to recover any surety bond, letter of credit, certificate of deposit, or other form of security filed with the Florida Department of Agriculture and

C. Failing to destroy such customer information in all forms in their possession, custody, or control within thirty days after receipt of written direction to do so from a representative of Plaintiffs.

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.

VIII. COOPERATION WITH PLAINTIFFS

officers, directors, and managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and Permanent Injunction and all agents and representatives who participate in conduct related to the subject matter of the Order and Permanent Injunction; 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 days of entry of this Order and Permanent Injunction for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Stipulating Defendant delivered a copy of this Order and Permanent Injunction, that Stipulating Defendant shall obtain, within thirty days, a signed and dated acknowledgment of receipt of this Order and Permanent Injunction.

X. COMPLIANCE REPORTING

Stipulating Defendants shall timely make the following submissions to the FTC:

A. One year after entry of this Order and Permanent Injunction, each Stipulating Defendant must submit a compliance report, sworn under

affiliate that engages in any acts or practices subject to this Order and Permanent Injunction.

C. Each Stipulating Defendant must submit to the FTC notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Stipulating Defendant within fourteen days of its filing.

D. Any submission to the Commission required by this Order and Permanent Injunction 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 (or certify, verify, or state) 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 an FTC representative in writing, all submissions to the FTC pursuant to this Order and Permanent Injunction must be emailed to DEbrief@ftc.gov or mailed by overnight courier (not the U.S. Postal Service) to:

owner or controls directly or indirectly, individually or collectively with any other Defendants, 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, address, telephone numbers, job title or position, dates of service, and (if applicable) the reason for termination;
- C. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
- D. All records necessary to demonstrate full compliance with each provision of this Order and Permanent Injunction, including all submissions to the FTC and the State of Florida;
- E. A copy of each unique advertisement or other marketing material; and
- F. Copies of agreements, applications, and contracts with suppliers, payment processors, and list brokers.

XII. COMPLIANCE MONITORING

For the purpose of monitoring Stipulating Defendants' compliance with this Order and Permanent Injunction, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets as required by this Order and Permanent Injunction:

- A. Within fourteen days of receipt of a written request from a representative of Plaintiffs, each Stipulating 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. Plaintiffs are authorized

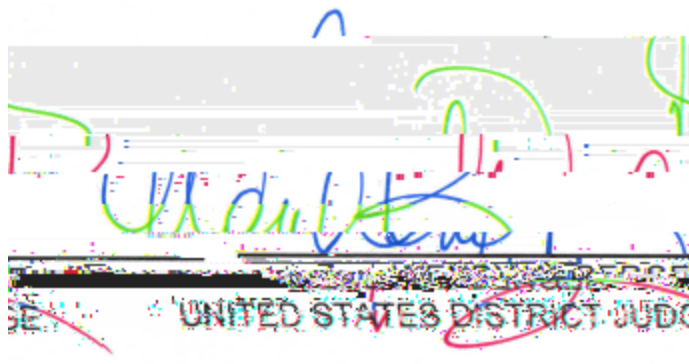
to obtain discovery, without further leave of Court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

B. For matters concerning this Order and Permanent Injunction, Plaintiffs are authorized to communicate directly with each Stipulating Defendant. Stipulating Defendant must permit representatives of Plaintiffs to interview any employee or other person affiliated with any Stipulating Defendant who has agreed to such an interview. The person interviewed may have counsel present.

C. Plaintiffs may use all other lawful means, including posing, through their representatives as consumers, suppliers, or other individuals or entities, to Stipulating Defendant or any individual or entity affiliated with Stipulating Defendants, without the necessity of identification or prior notice. Nothing in this Order and Permanent Injunction limits the FTC's lawful use of compulsory process, pursuant to 15 U.S.C. §§ 49, 57b-1.

D. Upon written request from a representative of Plaintiffs, any consumer reporting agency must furnish consumer reports concerning Stipulating Defendants, pursuant to 15 U.S.C. § 1681b(a)(1).

XIII.



Copies furnished to:
Counsel of Record