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**FINDINGS**

By stipulation of the parties and being advised of the premises, the Court finds:

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1 Urban Development (“HUD”), the HOPE NOW Alliance, the Homeownership  
2 Preservation Foundation, or any other HUD-approved housing counseling agency.

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1 The foregoing shall include any manner of claimed assistance, including, but not  
2 limited to, debt, credit, budget, or financial counseling; receiving money for the  
3 purpose of distributing it to creditors; contacting creditors or servicers on behalf of  
4 the consumer; and giving advice of any kind with respect to filing for bankruptcy.

5 10. **“Person”** means a natural person, organization, or other legal entity,  
6 including a corporation, partnership, proprietorship, association, cooperative, or any  
7 other group or combination acting as an entity.

8 12. **“Receiver”** or **“Permanent Receiver”** means Robb Evans and Robb  
9 Evans & Associates, LLC.

10 12. **“Servicer”** means any beneficiary, mortgagee, trustee, loan servicer, loan  
11 holder, or other entity that performs loan or credit account administration or  
12 processing services and/or its authorized agents.

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14 **ORDER**

15 **I.**

16 **BAN ON MORTGAGE LOAN MODIFICATION AND FORECLOSURE**  
17 **RELIEF SERVICES**

18 **IT IS THEREFORE ORDERED** that Defendant, whether acting directly or  
19 through any other person, is permanently restrained and enjoined from:

20 A. Advertising, marketing, promoting, offering for sale, or selling any  
21 mortgage loan modification or foreclosure relief service; and

22 B. Assisting others engaged in advertising, marketing, promoting, offering  
23 for sale, or selling any mortgage loan modification or foreclosure relief service.

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1 **II.**

2 **PROHIBITED REPRESENTATIONS RELATING TO FINANCIAL**  
3 **RELATED GOODS AND SERVICES**

4 **IT IS FURTHER ORDERED** that Defendant and his agents, servants,  
5 employees, and attorneys, and those persons or entities in active concert or  
6 participation with any of them who receive actual notice of this Order by personal  
7 service, facsimile transmission, email, or otherwise, whether acting directly or  
8 through any corporation, subsidiary, division, or other device, in connection with the  
9 advertising, marketing, promotion, offering for sale or sale of any financial related  
10 good or service, are hereby permanently restrained and enjoined from:

11 A. Misrepresenting or assisting others in misrepresenting, expressly or by  
12 implication, any material fact, including but not limited to:

13 1. The terms or rates that are available for any loan or other  
14 extension of credit, including but not limited to:

- 15 (a) closing costs or other fees;
- 16 (b) the payment schedule, the monthly payment amount(s), or  
17 other payment terms, or whether there is a balloon payment; interest rate(s), annual  
18 percentage rate(s), or finance charge; the loan amount, the amount of credit, the draw  
19 amount, or outstanding balance; the loan term, the draw period, or maturity; or any  
20 other term of credit;
- 21 (c) the savings associated with the credit;
- 22 (d) the amount of cash to be disbursed to the borrower out of  
23 the proceeds, or the amount of cash to be disbursed on behalf of the borrower to any  
24 third parties;
- 25 (e) whether the payment of the minimum amount specified  
26 each month covers both interest and principal, and whether the credit has or can result  
27 in negative amortization;
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1 (f) that the credit does not have a prepayment penalty or that  
2 no prepayment penalty and/or other fees or costs will be incurred if the consumer  
3 subsequently refinances; and

4 (g) that the interest rate(s) or annual percentage rate(s) are  
5 fixed rather than adjustable or adjustable rather than fixed;

6 2. That any person can improve any consumer's credit record, credit  
7 history, or credit rating by permanently removing negative information from the  
8 consumer's credit record, credit history, or credit rating, even where such information  
9 is accurate and not obsolete;

10 3. Any person's ability to improve or otherwise affect a consumer's  
11 credit record, credit history, or credit rating or ability to obtain credit;

12 4. Any aspect of any debt relief good or service, including but not  
13 limited to, the amount of savings a consumer will receive from purchasing, using, or  
14 enrolling in such debt relief good or service; the amount of time before which a  
15 consumer will receive settlement of the consumer's debts; or the reduction or  
16 cessation of collection calls; and

17 5. That a consumer will receive legal representation;

18 B. Advertising or assisting others in advertising credit terms other than  
19 those terms that actually are or will be arranged or offered by a creditor or lender.

20 **III.**

21 **PROHIBITED REPRESENTATIONS RELATING TO ANY GOODS OR**  
22 **SERVICES**

23 **IT IS FURTHER ORDERED** that Defendant and his agents, servants,  
24 employees, and attorneys, and those persons or entities in active concert or  
25 participation with any of them who receive actual notice of this Order by personal  
26 service, facsimile transmission, email, or otherwise, whether acting directly or  
27 through any corporation, subsidiary, division, or other device, in connection with the  
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1 advertising, marketing, promotion, offering for sale or sale of any good, service, plan,  
2 or program are hereby permanently restrained and enjoined from misrepresenting or  
3 assisting others in misrepresenting, expressly or by implication, any material fact,  
4 including but not limited to:

5       A. Any material aspect of the nature or terms of any refund, cancellation,  
6 exchange, or repurchase policy, including, but not limited to, the likelihood of a  
7 consumer obtaining a full or partial refund, or the circumstances in which a full or  
8 partial refund will be granted to the consumer;

9       B. That any person is affiliated with, endorsed or approved by, or otherwise  
10 connected to any other person, government entity, any federal homeowner relief or  
11 financial stability program, or any other program;

12       C. The total costs to purchase, receive, or use, and the quantity of, the good  
13 or service;

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1 Inc., prior to the effective date of this Order.

2 V.

3 **PROHIBITION ON SALE OF CUSTOMER INFORMATION**

4 **IT IS FURTHER ORDERED** that Defendant and his agents, servants,  
5 employees, and attorneys, and those persons or entities in active concert or  
6 participation with any of them who receive actual notice of this Order by personal  
7 service or otherwise, whether acting directly or through any corporation, subsidiary,  
8 division, or other device, are permanently restrained and enjoined from:

9 A. disclosing, using, or benefitting from customer information, including  
10 the name, address, telephone number, email address, social security number, other  
11 identifying information, or any data that enables access to a customer's account  
12 (including a credit card, bank account, or other financial account), of any person  
13 which any Defendant obtained prior to entry of this Order in connection with the  
14 advertising, marketing, promotion, offering for sale or sale of any mortgage loan  
15 modification or foreclosure relief service; and

16 B. failing to dispose of such customer information in all forms in their  
17 possession, custody, or control within thirty (30) days after entry of this Order.  
18 Disposal shall be by means that protect against unauthorized access to the customer  
19 information, such as by burning, pulverizing, or shredding any papers, and by erasing  
20 or destroying any electronic media, to ensure that the customer information cannot  
21 practicably be read or reconstructed.

22 *Provided, however,* that customer information need not be disposed of, and  
23 may be disclosed, to the extent requested by a government agency or required by a  
24 law, regulation, or court order.

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1 **VI.**

2 **MONETARY RELIEF**

3 **IT IS FURTHER ORDERED** that Judgment is hereby entered against  
4 Defendant Tapia in the amount of \$12,000,000 (TWELVE MILLION DOLLARS);  
5 *provided, however,* that this judgment shall be suspended upon Defendant Tapia's  
6 payment to the FTC of all funds remaining as of the date of entry of this Order in the  
7 accounts belonging to or held in the name of Defendant Tapia at Bank of America  
8 ending in 9396, 8707 and 3361. Toward satisfying this judgment, Defendant hereby  
9 authorizes, and the Court hereby directs, Bank of America to release to the FTC all  
10 funds remaining in the accounts belonging to or held in the name of Defendant Tapia  
11 ending in 9396, 8707 and 3361. Such funds shall be paid to the FTC within five [5]  
12 business days after this Order has been served by fax upon said financial  
13 institution(s) (or as otherwise agreed between Plaintiff and the financial institution).  
14 Payment shall be made by wire transfer or check, as directed by the FTC, its counsel  
15 or other representative. After all funds have been transferred from these accounts to  
16 the FTC, all holds or freezes on these accounts shall be lifted.

17 A. All funds paid to the FTC pursuant to this Paragraph shall be deposited  
18 into a fund administered by the Commission or its agent to be used for equitable  
19 relief, including but not limited to restitution and any attendant expenses for the  
20 administration of any restitution fund. In the event that direct restitution to  
21 consumers is wholly or partially impracticable or funds remain after restitution is  
22 completed, the Commission may apply any remaining funds for such other equitable  
23 relief (including consumer information remedies) as it determines to be reasonably  
24 related to the practices alleged in the Complaint. Any funds paid to the FTC and not  
25 used for such equitable relief shall be deposited to the Department of the Treasury as  
26 disgorgement and not as a fine or penalty. The Commission shall have full and sole  
27 discretion to:

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1 **VII.**

2 **RELIANCE ON REPRESENTATIONS**

3 **IT IS FURTHER ORDERED** that the Commission's agreement to, and the  
4 Court's approval of, this Order is expressly premised upon the truthfulness, accuracy,  
5 and completeness of Defendant's financial condition, as represented in the financial  
6 statement dated February 2, 2010, which the Commission relied upon in negotiating  
7 and agreeing to the terms of this Order. If, upon motion by the Commission to the  
8 Court, the Court finds that Defendant, in any of the above-referenced materials, failed  
9 to disclose any asset with a value in excess of \$1,000, materially misrepresented the  
10 value of any asset, or made any other material misrepresentation or omission, the  
11 suspended judgment against Defendant Tapia above in Paragraph VI in the amount of  
12 \$12,000,000.00 (TWELVE MILLION DOLLARS) shall become immediately due  
13 and payable, less any payments already made by any Defendant in this action, plus  
14 interest from the date of entry of this Order as allowed by law; provided, however,  
15 that in all other respects this Order shall remain in full force and effect unless  
16 otherwise ordered by the Court; and, provided further, that proceedings instituted  
17 under this provision would be in addition to, and not in lieu of, any other civil or  
18 criminal remedies as may be provided by law, including any other proceedings that  
19 the Commission may initiate to enforce this Order. For purposes of this Section,  
20 Defendant Tapia waives any right to contest any of the allegations in the Complaint.

21 **VIII.**

22 **COMPLIANCE MONITORING**

23 **IT IS FURTHER ORDERED** that, for the purpose of (i) monitoring and  
24 investigating compliance with any provision of this Order, and (ii) investigating the  
25 accuracy of the Defendant's financial statement upon which the Commission's  
26 agreement to this Order is expressly premised:

- 27 A. Within ten (10) days of receipt of written notice from a representative of  
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1           A. Defendant shall, for a period of five (5) years after the date of entry of  
2 this Order, notify the Commission of the following:

3                 1. Any changes in Defendant's residence, mailing addresses, and  
4 telephone numbers, within ten (10) days of the date of such change;

5                 2. Any changes in Defendant's employment status (including  
6 self-employment), and any change in Defendant's ownership in any business entity,  
7 within ten (10) days of the date of such change. Such notice shall include the name  
8 and address of each business that Defendant is affiliated with, employed by, creates  
9 or forms, or performs services for; a detailed description of the nature of the business;  
10 and a detailed description of Defendant's duties and responsibilities in connection  
11 with the business or employment; and

12                 3. Any changes in Defendant's name or use of any aliases or  
13 fictitious names, within ten (10) days of the date of such change.

14           B. Defendant shall, for a period of five (5) years after the date of entry of  
15 this Order, notify the Commission of any changes in any business entity that  
16 Defendant directly or indirectly controls, or has an ownership interest in, that may  
17 affect compliance obligations arising under this Order, including but not limited to:  
18 incorporation or other organization; a dissolution, assignment, sale, merger, or other  
19 action; the creation or dissolution of a subsidiary, parent, or affiliate that engages in  
20 any acts or practices subject to this Order; or a change in the business name or  
21 address, at least thirty (30) days prior to such change, provided that, with respect to  
22 any proposed change in the business entity about which Defendant learns less than  
23 thirty (30) days prior to the date such action is to take place, Defendant shall notify  
24 the Commission as soon as is practicable after obtaining such knowledge;

25           C. One hundred eighty (180) days after the date of entry of this Order and  
26 annually thereafter for a period of five (5) years, Defendant shall provide a written  
27 report to the FTC, which is true and accurate and sworn to under penalty of perjury,  
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1 with each provision of this Order, including but not limited to, copies of  
2 acknowledgments of receipt of this Order, required by Paragraph XI.C, below, and all  
3 reports submitted to the FTC pursuant to Paragraph IX, above (entitled “Compliance  
4 Reporting By Defendant”).

5 **XI.**

6 **DISTRIBUTION OF ORDER BY DEFENDANT**

7 **IT IS FURTHER ORDERED** that, for a period of five (5) years from the date  
8 of entry of this Order, Defendant shall deliver copies of this Order as directed below:

9 A. Defendant as Control Person: For any business that Defendant controls,  
10 directly or indirectly, or in which Defendant has a majority ownership interest,  
11 Defendant must deliver a copy of this Order to (1) all principals, officers, directors,  
12 and managers of that business; (2) all employees, agents, and representatives of that  
13 business who engage in conduct related to the subject matter of the Order; and (3)  
14 any business entity resulting from any change in structure set forth in Paragraph  
15 IX.B, above (titled “Compliance Reporting by Defendant”). For current personnel,  
16 delivery shall be within five (5) days of service of this Order upon Defendant. For  
17 new personnel, delivery shall occur prior to them assuming their responsibilities. For  
18 any business entity resulting from any change in structure set forth in Paragraph  
19 IX.B, above (titled “Compliance Reporting by Defendant”), delivery shall be at least

1 copy of the Order pursuant to this Paragraph.

2 **XII.**

3 **ACKNOWLEDGMENT OF RECEIPT OF ORDER**

4 **BY DEFENDANT**

5 **IT IS FURTHER ORDERED** that, within five (5) business days of receipt of  
6 this Order as entered by the Court, Defendant must submit to the Commission a  
7 truthful sworn statement acknowledging receipt of this Order.

8 **XIII.**

9 **COOPERATION WITH FTC COUNSEL**

10 **IT IS FURTHER ORDERED** that Defendant shall, in connection with this  
11 action or any subsequent investigations related to or associated with the transactions  
12 or the occurrences that are the subject of the FTC's Complaint, cooperate in good  
13 faith with the FTC and appear at such places and times as the FTC shall reasonably  
14 request, after written notice, for interviews, conferences, pretrial discovery, review of  
15 documents, and for such other matters as may be reasonably requested by the FTC. If  
16 requested in writing by the FTC, Defendant shall appear and provide truthful  
17 testimony in any trial, deposition, or other proceeding related to or associated with  
18 the transactions or the occurrences that are the subject of the Complaint, without the  
19 service of a subpoena.

20 **XIV.**

21 **SEVERABILITY**

22 **IT IS FURTHER ORDERED** that the provisions of this Order are separate  
23 and severable from one another. If any provision is stayed or determined to be  
24 invalid, all of the remaining provisions shall remain in full force and effect.

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**XV.**

**RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for purposes of construction, modification and enforcement of this Order.

**IT IS SO ORDERED.**

DATED: September 21, 2010



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**DAVID O. CARTER**  
United States District Judge

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