

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

PRO CREDIT GROUP, LLC, *et al.*,

Defendants.

Case No. 8:12-cv-586-T35-EAJ

**STIPULATED FINAL JUDGMENT AND ORDER FOR
PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF
AS TO DEFENDANTS WILLIAM BALSAMO AND
FIRST FINANCIAL ASSET SERVICES, INC.**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its Complaint on March 19, 2012 for a permanent injunction and other equitable relief in this matter, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. § 6101 *et seq.* The Court entered an ATw 3 0 Td/P <</F,Co10(a)emr A 14.28 0.84Cb0(a)4(nd14 A)2(-2(on 1 T-5(F)9c 0 T)4(nou)4

1. **“Assets”** means any legal or equitable interest in, right to, or claim to, any real or

6. **“Outbound telephone call”** means a telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.
7. **“Settling Defendants”** means William Balsamo and First Financial Asset Services, Inc., individually, collectively, or in any combination.
8. **“Telemarketing”** means any plan, program or campaign that is conducted to induce the purchase of goods or services by means of the use of one or more telephones, and which involves a telephone call, whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310.

ORDER

I. PERMANENT BAN REGARDING DEBT RELIEF SERVICES

IT IS FURTHER ORDERED that Settling Defendants, whether acting directly or indirectly, are permanently restrained and enjoined from providing debt relief services or assisting others engaged in providing debt relief services.

Neither Section II nor Section III shall be construed as an exception to this Section I.

II. PROHIBITED TELEMARKETING ACTIVITIES

IT IS FURTHER ORDERED that Settling Defendants, their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are permanently restrained and enjoined from, in connection with the n etherer fr or

B. any aspect of the nature or terms of a policy regarding refunds, cancellations, exchanges, or repurchase; and

C. any other material fact, including but not limited to: any material restrictions, limitations, or conditions; or any material aspect of the performance, efficacy, nature, or central characteristics of the good or service.

**IV.
MONETARY JUDGMENT AND PARTIAL SUSPENSION**

A. Judgment in the amount of **Eleven Million, Two Hundred Thirty-Six Thousand, Five Hundred Six Dollars (\$11,236,506.00)** is entered in favor of the Commission against Settling Defendants, jointly and severally, as equitable monetary relief.

B. Settling Defendants are ordered to pay to the Commission all funds:

1. in the Ameritrade account identified in Defendant Balsamo's financial statement dated February 12, 2013; and

2. in the Royal Bank of Canada account identified in Defendant Balsamo's financial statement dated February 12, 2013.

Such payments must be made within 7 days of entry of this Order by electronic fund transfer in accordance with instructions previously provided by a representative of the Commission.

C. Settling Defendants are ordered to, within 7 days of entry of this Order, transfer possession of the Sea Doo Challenger identified in Defendant Balsamo's financial statement dated February 12, 2013 to the Receiver appointed by the Court on October 17, 2012 (Order Granting Preliminary Injunction). Settling Defendants are

E. Until Settling Defendants surrender possession and legal and equitable title of the properties set forth in Subsections

I. If the suspension of the judgment is lifted, the judgment becomes immediately due in the amount specified in Subsection A above (which the parties stipulate only for the purposes of this Section represents the consumer injury), less: (i) any payment previously made pursuant to Subsection B; (ii) the proceeds from the sale of the property set forth in Subsections C and D; and (iii) \$149,792.41 (the amount of money previously transferred to the Receiver by Settling Defendants), plus interest computed from the date of entry of this Order.

**V.
ADDITIONAL MONETARY PROVISIONS**

IT IS FURTHER ORDERED that:

A. Settling Defendants relinquish dominion over and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order. They also relinquish dominion over and all legal and equitable right, title, and interest in all assets held by the Receiver in the name or for the benefit of First Financial Asset Services and Calif Management. Settling Defendants shall not seek the return of any assets.

B. The facts alleged in the Amended Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the Commission, including in a proceeding to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Amended Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

D. Settling Defendants ackno

October 17 Orders, shall be modified to permit the payments and transfers identified in the Monetary Judgment Section. Upon completion of those payments and transfers, the asset freeze is dissolved.

VII.

A. Each Settling Defendant, within 7 days of entry of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. For 10 years after entry of this Order, the Individual Defendant, for any business that he is the majority owner or directly or indirectly controls, and the Corporate Defendant, must deliver a copy of 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 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 delivers a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

X.
COMPLIANCE REPORTING

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

A. Within 180 days after entry of this Order, each Settling Defendant must submit a compliance report, sworn under penalty of perjury.

1. Each Settling 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, and the involvement of any other Settling Defendant (which Individual Defendant must describe if he knows or should know due to his own involvement); (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 such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest; and (c) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For 10 years following entry of this Order, each Settling Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Settling Defendant must report any change in: (a) any designated point of contact; or (b) the structure of any 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 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 Settling Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or any 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. Pro Credit Group, LLC, Matter No. X120037.

XI.
RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain

XII.
COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendants' compliance with this Order and any failure to transfer any assets as required by this Order:

A. Within 14 days of receipt of a written request from a representative of the Commission, each Settling 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. The Commission is also 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.

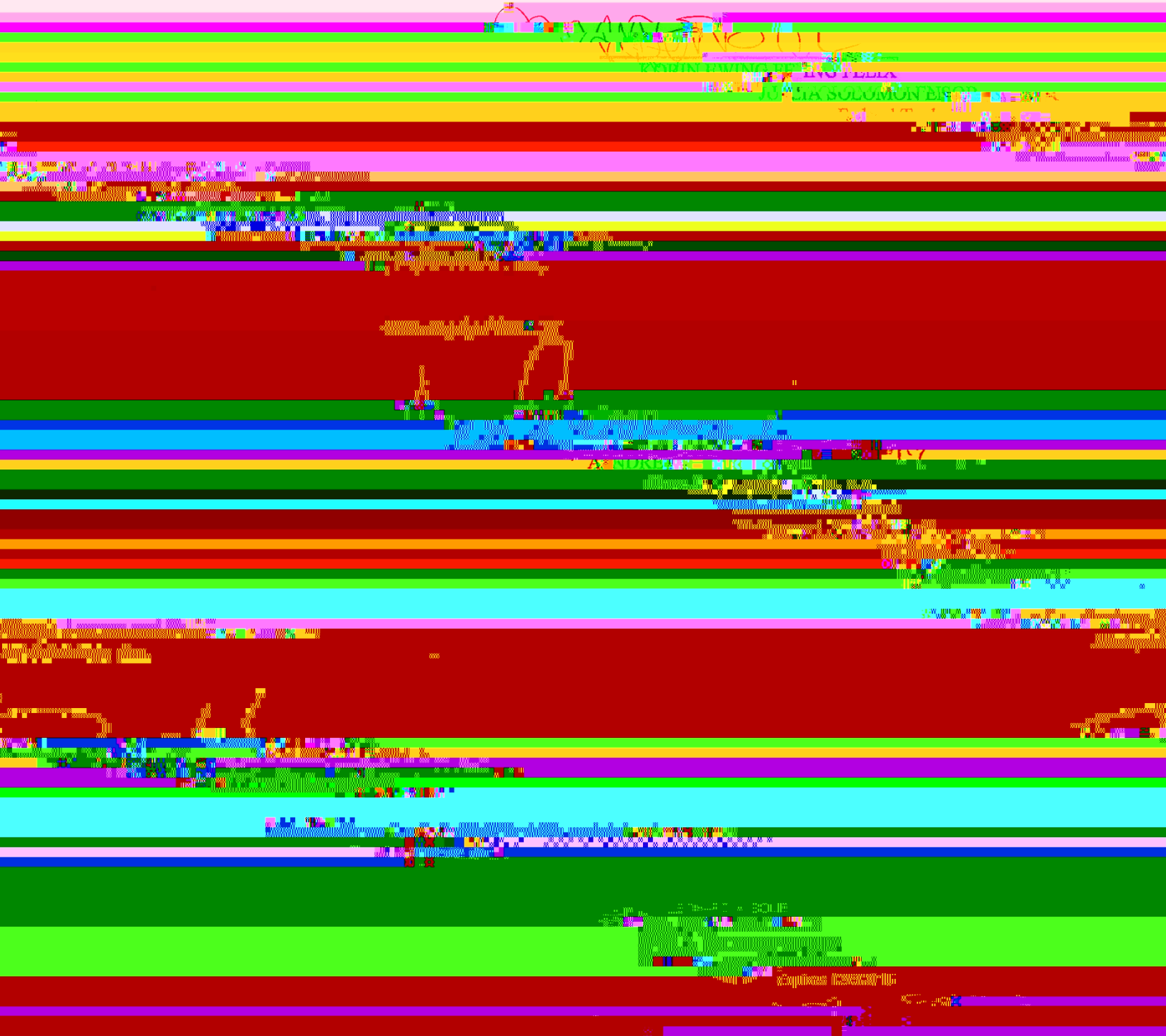
B. For matters concerning this Order, the Commission is authorized to communicate directly with each Settling Defendant. Settling Defendants must permit representatives of the Commission to interview any employee or other person affiliated with any Settling Defendant who has agreed to such an interview. The person

B.

XIII.
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.

THIS DOCUMENT CONTAINS UNCLASSIFIED INFORMATION



DONE and ORDERED, in Tampa, Florida, this 5th day of September, 2013, at
10:18 a.m.



MARY S. SURIVEN
UNITED STATES DISTRICT JUDGE