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1 that can be traced directly to Defendants' ~~diver~~ acts or practices, and she has no legitimate
2 claim to those funds.

3 3. Settling Defendants and Settling Relief Defendant neither admit nor deny any of
4 the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of
5 this action, Settling Defendants and Settling Relief Defendant ~~admit~~ admit the facts necessary to
6 establish jurisdiction.

7 4. Settling Defendants and Settling Relief Defendant waive any claim that they may
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1 June 25, 2014, together with any other easements, improvements, appurtenances,
2 hereditaments, and other rights pertaining or belonging thereto.

3 D. "Real Property Net Proceeds" means the total proceeds from the sale or auction of the
4 Real Property after payment of any reasonable customary fees and costs, including
5 real estate agent fees, auction fees, and escrow costs, incurred in connection with such
6 sale or auction.

7 E. "Secured or unsecured debt relief product or service" means:

8 1. with respect to any mortgage, loan, debt obligation between a person and one
9 or more secured or unsecured creditors or debt collectors, any product, service,
10 plan, or program represented, expressly or by implication, to:

11 i. stop, prevent, or postpone any mortgage foreclosure sale for a
12 person's dwelling, any other sale of real property, any repossession of a
13 person's dwelling or other collateral, or otherwise save a person's
14 dwelling or other collateral from foreclosure or repossession;

15 ii. negotiate, obtain, or arrange a modification, or renegotiate, settle, or in any
16 way alter any terms of the mortgage, loan, debt, or obligation, including a
17 reduction in the amount of interest, principal balance, monthly payments,
18 or fees owed by a person to a secured or unsecured creditor or debt
19 collector;

20 iii. obtain any forbearance or modification of the timing of payments from
21 any secured or unsecured holder or servicer of any mortgage, loan, debt,
22 or obligation;

23 iv. negotiate, obtain, or arrange any extension of the period of time within
24 which a person may (a) cure his or her default on the mortgage, loan, debt,
25 or obligation, (b) reinstate his or her mortgage, loan, debt, or obligation,
26 (c) redeem a dwelling or other collateral, or (d) exercise any right to
27 reinstate the mortgage, loan, debt, or obligation or redeem a dwelling or

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other collateral;
v. obtain any waiver of an acceleration

1 J. "Settling Defendants" means Settling Corporate Defendants and Settling Individual
2 Defendants individually, collectively, or any combination, and each of them by
3 whatever names each might be known.

4 K. "Telemarketing" means a plan, program, or campaign which is conducted to induce the
5 purchase of goods or services or a charitable contribution, by use of one or more
6 telephones and which involves more than interstate telephone calls. The term does
7 not include the solicitation of sales through the mailing of a catalog which: contains a
8 written description or illustration of the goods or services offered for sale; includes the
9 business address of the seller; includes multiple pages of written material or illustrations;
10 and has been issued not less frequently than once a year, when the person making the
11 solicitation does not solicit customers by telephone but only receives calls initiated by
12 customers in response to the catalog and during those calls makes only without
13 further solicitation. For purposes of the previous sentence, the term "further solicitation"
14 does not include providing the customer with information about, or attempting to sell,
15 any other item included in the same catalog which prompted the customer's call or in a
16 substantially similar catalog.

17 ORDER

18 BAN ON SECURED AND UNSECURED DEBT RELIEF PRODUCTS AND SERVICES

19 I. IT IS ORDERED that Settling Defendants are permanently restrained and enjoined

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1 G. the total costs to purchase, receive, or use, or the quantity of, the product or
2 service;

3 H. any material restriction, limitation, or condition on purchasing, receiving, or using
4 the product or service; or

5 I. any other fact material to consumers concerning any product or service, including
6 any material aspect of the performance, efficacy, nature, or characteristics of the
7 product or service.

8 SUBSTANTIATION FOR BENEFIT, PERFORMANCE, AND EFFICACY CLAIMS

9 IV. IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants' officers,
10 agents, servants, employees, and attorneys, and all other persons in active concert or
11 participation with any of them, who receive actual notice of this Order, whether acting
12 directly or indirectly, in connection with the advertising, marketing, promotion, offering
13 for sale, or sale of any financial related product or service are hereby permanently
14 restrained and enjoined from making any representation or assisting others in making any
15 representation, expressly or by implication, about the benefits, performance, or efficacy
16 of any financial related product service, unless at the time such representation is made,
17 Settling Defendants possess and rely upon competent and reliable evidence that
18 substantiates that the representation is true.

19 BAN ON TELEMARKETING

20 V. IT IS FURTHER ORDERED that Settling Defendants are permanently restrained and
21 enjoined from engaging, whether directly or through an intermediary, in telemarketing.

22 MONETARY JUDGMENT AND PARTIAL SUSPENSION

23 VI. IT IS FURTHER ORDERED that:

24 A. Judgment in the amount of TWENTY-EIGHT MILLION SIX HUNDRED
25 THOUSAND DOLLARS (\$28,600,000) is entered in favor of the Commission
26 against Settling Defendants jointly and severally, as equitable monetary relief.

27 B. Judgment in the amount of TWO HUNDRED THIRTY-TWO THOUSAND

1 EIGHT HUNDRED DOLLARS (\$232,800) entered in favor of the
2 Commission against Settling Relief Defendant as equitable monetary relief.

3 C. Settling Individual Defendant and Settling Relief Defendant is ordered, within
4 seven (7) business days of entry of this Order, to transfer all funds held in trust by
5 Counsel for Settling Individual Defendant and Settling Relief Defendant, which
6 was approximately \$10,350.00, to the Commission by electronic fund transfer in
7 accordance with instructions provided by a representative of the Commission.

8 D. Settling Individual Defendant is ordered to liquidate the Real Property and turn
9 over all Real Property Net Proceeds to the Commission within seven (7) business
10 days of the closing of any sale or auction by electronic fund transfer in accordance
11 with instructions provided by a representative of the Commission. In liquidating
12 the Real Property, Settling Individual Defendant is ordered to:

- 13 1. Market in a commercially reasonable manner and sell the Real Property
14 for fair market value within 90 days of entry of this Order. In marketing
15 the Real Property, Settling Individual Defendant is ordered to have the
16 Real Property listed on the multiple listing service until it is sold.
- 17 2. In the event that the Real Property does not sell as set forth in Subsection
18 VI.D.1 of this Order, Settling Individual Defendant is ordered to promptly
19 have the Real Property auctioned by an auction company at a public
20 auction to be held as soon as practicable and, in no event, not more than
21 120 days from the date of entry of this Order.
- 22 3. Individual Defendant is ordered to keep the Real Property in good repair
23 and to timely pay all taxes, fees, and all other attendant expenses related to
24 the maintenance and ownership of the Real Property until paying the
25 Commission as required by this Subsection VI.D. Settling Individual
26 Defendant is further ordered to maintain insurance on the Real Property in
27 an amount not less than the full replacement value of the Real Property

1 until paying the Commission as required by this Subsection VI.D. In the
2 event that the Real Property suffers any loss or damage covered by such
3 insurance policy, Settling Individual Defendant is ordered to make such
4 claims that are permitted by the insurance policy and shall assign or remit
5 any insurance payment he receives as a result of such loss or damage to
6 the Commission.

7 E. In partial satisfaction of the judgment, Settling Corporate Defendants are ordered,
8 as follows:

- 9 1. Within ten (10) business days from receipt of a copy of this Order, Bank
10 of the West shall transfer to the FTC or its designated agent all funds held
11 in account #7804 in the name of Direct Results Solutions, LLC, which was
12 approximately \$1,006.17 as of June 25, 2014;
- 13 2. Within ten (10) business days from receipt of a copy of this Order, Bank
14 of the West shall transfer to the FTC or its designated agent all funds held
15 in account #8788 in the name of Strata G Solutions, LLC, which was
16 approximately \$11,060.11 as of June 25, 2014;
- 17 3. Within ten (10) business days from receipt of a copy of this Order,
18 Chesapeake Bank shall transfer to the FTC or its designated agent all
19 funds held in account #8110 in the name of Strata G Solutions, LLC,
20 which was approximately \$25,819.58 as of June 25, 2014; and
- 21 4. Within ten (10) business days from receipt of a copy of this Order, Global
22 Payments shall transfer to the FTC or its designated agent all funds held in
23 account #0138 in the name of Strata G Solutions, which was
24 approximately \$183.26 as of July 1, 2014.

25 F. Upon such payments and all other assets from, if any, specified in this Section,
26 the remainder of the judgment is suspended as to Settling Individual Defendant
27 and Settling Relief Defendant, subject to the Subsections below.

1 G. The Commission's agreement to the suspension of the remainder of the judgment
2 is expressly premised upon the truthfulness, accuracy, and completeness of
3 Settling Defendant's and Settling Relief Defendant's sworn financial statements
4 and related documents (collectively, "financial attestations") submitted to the
5 Commission, namely:

- 6 1. the financial statement of Settling Individual Defendant Tony D. Norton
7 signed on June 25, 2014, including the attachments;
- 8 2. the financial statement of Settling Relief Defendant April D. Norton
9 signed on June 25, 2014, including the attachments;
- 10 3. the financial statement of Defendant Foundation Business Solutions, LLC
11 signed by Tony D. Norton on June 27, 2014, including the attachments;
- 12 4. the financial statement of Settling Corporate Defendant Direct Results
13 Solutions, LLC signed by Tony D. Norton on June 25, 2014, including the
14 attachments; and
- 15 5. the financial statement of Settling Corporate Defendant Strata G Solutions,
16 LLC signed by Tony D. Norton on June 25, 2014, including the
17 attachments.

18 H. The suspension of the judgment will be lifted as to Settling Individual Defendant
19 or Settling Relief Defendant if, upon motion by the Commission, the Court finds
20 that Settling Individual Defendant or Settling Relief Defendant failed to disclose
21 any material asset, materially misstated the value of any asset, or made any other
22 material misstatement or omission in the financial attestations identified above.

23 I. If the suspension of the judgment is lifted, the judgment becomes immediately
24 due as to Settling Individual Defendant or Settling Relief Defendant in the amount
25 specified in Subsection A (which the parties stipulate only for purposes of this
26 Section represents the consumer injury alleged in the Complaint) or Subsection B
27 above, less any payment previously made pursuant to this Section, plus interest

1 computed from the date of entry of this Order.

2 J. Settling Defendants and Settling Relief Defendant relinquish dominion and all
3 legal and equitable right, title, and interest in all assets transferred pursuant to this
4 Order and may not seek the return of any assets.

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

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

13 M. Settling Defendants and Settling Relief Defendant acknowledge that their
14 Taxpayer Identification Numbers (Social Security Numbers or Employer
15 Identification Numbers), which Settling Defendants and Settling Relief Defendant
16 previously submitted to the Commission, may be used for collecting and reporting
17 on any delinquent amount arising out of this Order, in accordance with 31 U.S.C.
18 § 7701.

19 N. All money paid to the Commission pursuant to this Order may be deposited into a
20 fund administered by the Commission or its designee to be used for equitable
21 relief, including consumer redress and any attendant expenses for the
22 administration of any redress fund. If a representative of the Commission decides
23 that direct redress to consumers is wholly or partially impracticable or money
24 remains after redress is completed, the Commission may apply any remaining
25 money for such other equitable relief (including consumer information remedies)
26 as it determines to be reasonably related to Defendants' practices alleged in the
27 Complaint. Any money not used for such equitable relief is to be deposited to the

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U.S. Treasury as disgorgement. The Defendants and Settling Relief
Defendant have no right to challenge any actions the

1 regulation, or court order.

2 COOPERATION

3 IX. IT IS FURTHER ORDERED that Settling Defendants and Settling Relief Defendant
4 must fully cooperate with representatives of the Commission in this case and in any
5 investigation related to or associated with the transactions or the occurrences that are the
6 subject of the Complaint. Such Settling Defendants and Settling Relief Defendant must
7 provide truthful and complete information, evidence, and testimony. Such Settling
8 Individual Defendants and Settling Relief Defendant must appear and such Settling
9 Corporate Defendants must cause Settling Corporate Defendants' officers, employees,
10 representatives, or agents to appear for interviews, discovery, hearings, trials, and any
11 other proceedings that a Commission representative may reasonably request upon 5 days
12 written notice, or other reasonable notice, at such places and times as a Commission
13 representative may designate, without the service of a subpoena.

14 ORDER ACKNOWLEDGMENTS

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1 from any change in structure as set forth in the Section titled Compliance
2 Reporting. Delivery must occur within 7 days of entry of this Order for current
3 personnel. For all others, delivery must occur before they assume their
4 responsibilities.

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

8 COMPLIANCE REPORTING

9 XI. IT IS FURTHER ORDERED that Settling Defendants make timely submissions to the
10 Commission:

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

- 13 1. Each Settling Defendant must: (a) identify the primary physical, postal,
14 and email address and telephone number designated points of contact,
15 which representatives of the Commission and may use to communicate
16 with Settling Defendant; (b) identify all of that Settling Defendant's
17 businesses by all of their names, telephone numbers, and physical, postal,
18 email, and Internet addresses; (c) describe the activities of each business,
19 including the goods and services offered, the means of advertising,
20 marketing, and sales, and the involvement of any other Defendant (which
21 Settling Individual Defendants must describe if they know or should know
22 due to their own involvement); (d) describe in detail whether and how that
23 Settling Defendant is in compliance with each Section of this Order; and
24 (e) provide a copy of each Order Acknowledgment obtained pursuant to
25 this Order, unless previously submitted to the Commission.
- 26 2. Additionally, each Settling Individual Defendant must: (a) identify all
27 telephone numbers and all physical, postal and Internet addresses,

1 including all residences; (b) identify all business activities, including any
2 business for which such Settling Individual Defendant performs services
3 whether as an employee or otherwise and any entity in which such Settling
4 Individual Defendant has any ownership interest; and (c) describe in detail
5 such Settling Individual Defendant's involvement in each such business,
6 including title, role, responsibilities, participation, authority, control, and
7 any ownership.

8 B. For 20 years after entry of this Order each Settling Defendant must submit a
9 compliance notice, sworn under penalty of perjury, within 14 days of any change
10 in the following:

- 11 1. Each Settling Defendant must report any change in: (a) any designated
12 point of contact; or (b) the structure of any Settling Corporate Defendant
13 or any entity that Settling Defendant has any ownership interest in or
14 controls directly or indirectly that may affect compliance obligations
15 arising under this Order, including creation, merger, sale, or dissolution
16 of the entity or any subsidiary, parent, or affiliate that engages in any acts
17 or practices subject to this Order.
- 18 2. Additionally, each Settling Individual Defendant must report any change
19 in: (a) name, including aliases or fictitious name, or residence address; or
20 (b) title or role in any business activity, including any business for which
21 such Settling Individual Defendant performs services whether as an
22 employee or otherwise and any entity which such Settling Individual
23 Defendant has any ownership interest, and identify the name, physical
24 address, and any Internet address of the business or entity.

25 C. Each Settling Defendant must submit the Commission notice of the filing of
26 any bankruptcy petition, insolvency proceeding, or similar proceeding by or
27 against such Settling Defendant within 14 days of its filing.

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1 Order, including all submissions to the Commission; and

2 E. a copy of each unique advertisement or other marketing material.

3 COMPLIANCE MONITORING

4 XIII. IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendants'
5 and Settling Relief Defendant's compliance with this Order, including the financial
6 attestations upon which part of the judgment was suspended and any failure to transfer
7 any assets as required by this Order:

8 A. Within 14 days of receipt of a written request from a representative of the
9 Commission each Settling Defendant and Settling Relief Defendant must submit
10 additional compliance reports or other requested information, which must be
11 sworn under penalty of perjury; appear for depositions; and produce documents
12 for inspection and copying. The Commission is also authorized to obtain
13 discovery, without further leave of court, using any of the procedures prescribed
14 by Federal Rules of Civil Procedure 20, (including telephonic depositions), 31,
15 33, 34, 36, 45, and 69.

16 B. For matters concerning this Order, the Commission is authorized to communicate
17 directly with each Settling Defendant and Settling Relief Defendant. Settling
18 Defendant and Settling Relief Defendant must permit representatives of the
19 Commission to interview any employee or other person affiliated with any
20 Settling Defendant and Settling Relief Defendant who has agreed to such an
21 interview. The person interviewed may have counsel present.

22 C. The Commission may use all other lawful means, including posing, through its
23 representatives as consumers, suppliers, or individuals or entities, to Settling
24 Defendants, Settling Relief Defendant, or any individual or entity affiliated with
25 Settling Defendants and Settling Relief Defendant, without the necessity of
26 identification or prior notice. Nothing in this Order limits the Commission's
27 lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act,

1 15 U.S.C. §§ 49, 57b-1.

2 ENTRY OF JUDGMENT

3 XIV. IT IS FURTHER ORDERED that there is no just reason for delay of entry of this
4 judgment, and that, pursuant to Federal Rule of Civil Procedure 54(b), the Clerk
5 immediately shall enter this Order as a final judgment as to Settling Defendants Direct
6 Results Solutions, LLC; Strata G Solutions, LLC; and Tony D. Norton and Settling Relief
7 Defendant April D. Norton.

8 RETENTION OF JURISDICTION

9 XV. IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for
10 purposes of construction, modification, and enforcement of this Order.

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14 IT IS SO ORDERED:

15
16 GLORIA M. NAVARRO, CHIEF JUDGE
17 UNITED STATES DISTRICT COURT

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19 DATED: _____

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