

FINDINGS

By stipulation of the parties, the Court finds as follows:

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Settling Defendants participated in deceptive, abusive, and unfair debt collection practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 5 and the FDCPA, 15 U.S.C. §§ 1692 and 1692p.
3. Settling Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Settling Defendants admit the facts necessary to establish jurisdiction.
4. Settling Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the entry of this Order, and agree to bear their own costs and attorney fees.
5. Settling Defendants waive all rights to appeal or otherwise challenge or contest the validity of this Order.
6. Entry of this Order is in the public interest.

DEFINITIONS

For the purpose of this Order, the following definitions apply:

- A. 'Credit Repair Service' (PHDQV VHOOLQJ SURYLQJLFRU SUHUIRU representing that such service can or will be sold, provided, or performed) through the use of any instrumentality of interstate commerce or the mails, in return for the payment of money or other valuable consideration, for the express or implied purpose of (1) LPSURYLQJ DQ\FRQVXPHU\VFUHGLW UHFRUG FUHGLW advice or assistance to a consumer with regard to any activity or service described in

clause (1).

- B. "Debt" means any obligation or alleged obligation to pay money arising out of a transaction, whether or not such obligation has been reduced to judgment
- C. "Debt Collection Activities" means activities of a Debt Collector to collect or attempt to collect, directly or indirectly, Debt owed or due, or asserted to be owed or due
- D. "Debt Collector" means a Person who uses any instrumentality of interstate commerce or the mail in any business the principal purpose of which is the collection of Debts, or who regularly collects or attempts to collect, directly or indirectly, Debts owed or due or asserted to be owed or due another. The term also includes any creditor or the process of collecting its own Debts, uses any name other than its own which would indicate that a third Person is collecting or attempting to collect such Debts. The term also includes any Person to the extent such Person collects or attempts to collect any Debt that was in default at the time it was obtained by such Person.

1. An extension of consumer credit;
2. Any Credit Repair Service; or 2.

ORDER

I. BAN ON DEBT COLLECTION AND DEBT BROKERING ACTIVITIES

IT IS THEREFORE ORDERED that Settling Defendants, whether acting directly or through any other Person, are permanently restrained and enjoined from:

- A. Participating in Debt Collection Activities; and
- B. Advertising, marketing, promoting, offering for sale, selling, or buying any consumer or commercial Debt or any information regarding a consumer relating Debt.

II.

and not obsolete;

3. Any aspect of an ~~Secured or Unsecured Debt Relief~~ Product or Service, including but not limited to (a) the amount of savings a consumer will receive from purchasing, using, or enrolling in such ~~Secured or Unsecured Debt Relief Product or Service~~; (b) the amount of time before which a consumer will receive settlement ~~H Q W R I W K D D E B S R Q Y K E P R O D U C T I O N~~ or cessation of collection calls;
4. That a consumer will receive legal representation; and
5. That any particular outcome or result from ~~Financial Related Product or Service~~ is guaranteed, assured, highly ~~likely~~ or probable, or very likely or probable; and

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

III. PROHIBITION AGAINST MISREPRESENTATIONS RELATING TO ANY PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that ~~Settling Defendants~~, their officers, agents, and employees, and all other ~~Persons~~ in active concert ~~(BI)4 (T)j E 612(EL)b2 (B.)Tj ET EMC /Span <</MC~~

refund, or the circumstances in which a full or partial refund will be provided to the consumer; and

xx2595 in the name of Omar Hussain and (c) account number xx0090 the name of Omar Hussain

3. L2 Capital, LLC shall, within ten (10) business days of receipt of a copy of this Order, transfer to the FTC or its designee agent all funds, if any, in the name of Omar Hussain
- C. Upon completion of the asset transfers and the liquidation of all assets of the Settling Receivership Entities as set forth in Sections IV.B and V of this Order, the remainder of the judgment as to Settling Defendants is suspended, subject to the Subsections below.
- D. The asset freeze is modified to permit the transfers identified in this Section upon

- G. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Settling Defendant in the amount specified in Subsection A above (which the parties stipulate only for purposes of this Section represents the consumer injury caused by Settling Defendants less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order).
- H. Settling Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order and may not seek the return of any assets
- I. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the FTC to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability

fund. If a representative of the FTC decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the FTC may apply any remaining money for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to equitable relief is to be deposited to the U.S. Treasury as disgorgement. Defendants have no right to challenge any actions the FTC or its representatives may take pursuant to this Subsection.

V. CONTINUATION OF RECEIVERSHIP

IT IS FURTHER ORDERED that A. Cotten Wright Esq., shall continue as a permanent receiver over the Settling Receivership Entities with full powers of a permanent receiver, including but not limited to those powers set forth in the Preliminary Injunction (No. 22), and including full liquidation powers. The Receiver is directed to wind up the Settling Receivership Entities and liquidate all assets within 365 days after entry of this Order. Any party in possession of any assets of the Settling Receivership Entities shall deliver such assets to the Receiver by the termination of the receivership and final payment to the Receiver of all approved costs and expenses, the Receiver shall turn over to the FTC or its designated agent all remaining assets in the receivership estate.

VI. COOPERATION

IT IS FURTHER ORDERED that Settling Defendants must fully cooperate with representatives of the FTC in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint. Settling Defendants must provide truthful and complete information, evidence and testimony. Settling Defendants must

appear for interviews, discovery, hearings, trials, and any other proceedings that an FTC representative may reasonably request upon 5 days written notice, or other reasonable notice, at such places and times as an FTC representative may designate, with service of a subpoena.

VII. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Settling Defendants, their officers, agents, and employees, 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 directly or indirectly:

- A. Failing to provide sufficient customer information to enable the FTC to administer efficiently consumer redress. A representative of the FTC requests in writing any information related to redress. Settling 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 (such as driver's license number, credit card, bank account, or other financial account), that any Defendant obtained prior to entry of this Order in connection with any Debt Collection Activities; 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.

VIII. ORDER ACKNOWLEDGMENTS

IT IS FURTHER ORDERED that Settling Defendants obtain acknowledgments of receipt of this Order:

- A. Settling Defendants within 7 days of entry of this Order, must submit to the FTC an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. For 5 years after entry of this Order each Individual Settling Defendant for any business that such Defendant individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, and the Corporate Settling 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 Settling Defendant delivered a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

IX. COMPLIAN

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 FTC may use to communicate with that Settling Defendant; (b) identify all of that Settling 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 that Settling Defendant (which Individual Settling Defendants must describe if they know or should know due to their own involvement); (d) describe in detail whether and how that Settling 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 FTC.
 2. Additionally, each Individual Settling 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 that Individual Settling Defendant performs services whether as an employee or otherwise and any entity in which such Individual Settling Defendant has any ownership interest; and (c) describe in detail that Individual Settling Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.
- B. For 10 years after 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 entity that Settling 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, each Individual Settling 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 Individual Settling Defendant performs services whether as an employee or otherwise and any entity in which that Individual Settling 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 FTC notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against Settling 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, as by FRQFOXGLQJ³, GHFODUH XQGHU SHQDOW\ RI SHUMX \$PHULFD WKDW WKH IRUHJRLQJ LV WUXH DQG FRUUHF WKH GDWH IXQDQDWRU\ WLV WOH LI DSSOLFDEOH DQG
- E. Unless otherwise directed by an FTC representative in writing, all submissions to the FTC 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: FTCAFS Group X190013.

X. RECORDKEEPING

IT IS FURTHER ORDERED that Settling Defendants must create certain records for 10 years after entry of the Order, and retain each such record for 5 years. Specifically, Corporate Settling Defendants and each Individual Settling Defendant for any business that such Defendant, individually or collectively with any other Defendants, is a majority owner or controls directly or indirectly, 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, the name, title, 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, including all submissions to the FTC; and
- E. A copy of each materially different advertisement or other marketing material.

XI. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Settling Defendants' compliance with this Order, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets required by this Order:

A. Within 14 days of receipt of a written request from a representative of the ~~FTC~~,
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 FTC is also authorized to

D. Upon written request from a representative of the FTC, any consumer reporting agency must furnish consumer reports concerning Settling Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XII. ENTRY OF JUDGMENT

IT IS FURTHER ORDERED that there is no just reason for delay of entry of this judgment, and that, pursuant to Federal Rule of Civil Procedure 54(b), the Clerk immediately shall enter this Order as a final judgment as to Defendants Omar Hussain and Cedar Rose Holdings & Development, Inc.

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.



