

Defendants.

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) CASE NO. 3:19-CV-00055-GCM  
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) STIPULATED FINAL ORDER FOR  
) PERMANENT INJUNCTION AND  
) SETTLEMENT OF CLAIMS AS TO  
) DEFENDANTS JEREMY SCINTA  
) AND LLI BUSINESS  
) INNOVATIONS, LLC  
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3 ODLQWLII ) HGHU DO 7UDGH & RPPLVLRQ February 4, 2019, by filing its Complaint pursuant to Section 13(b) of the Federal Trade Commission Act  
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) ' & 3 \$ ' 8 6 & (a) † On February 4, 2019, on motion by the FTC, the Court  
entered an ex parte W H P S R U D U \ U H V W U D L Q L Q J R U G H U ' 3 7 5 2 ' Z L W K D  
receiver, and other equitable relief against Defendants. (ECF No. 5). On March 5, 2019, the  
Court entered a Stipulated Preliminary Injunction against Defendants Jeremy Scinta and LLI  
Business Innovations, LLC. (ECF No. 39). Now, the FTC, Receiver, and Defendant  
Jeremy Scinta and LLI Business Innovations, LLC, by and through their undersigned counsel,  
stipulate and agree to the entry of this Final Order for Permanent Injunction and Settlement of  
& ODLPV ' 3 2 UGHU ' WR UHV R O N s a c t i o n D e c e e d t h e n . H U V L Q G L V S X W

## 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. § 1692a, § 1692b, and the FDCPA, 15 U.S.C. §§ 1692a-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

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.
- E. "Defendants" means Global Asset Financial Services Group, LLC, Regional Asset Maintenance, LLC, 10D Holdings, Inc., Trans America Consumer Solutions, LLC, Midwestern Alliance, LC, LLI Business Innovations, LLC, TACS I, LLC, TACS II, LLC, TACS III, LLC, Cedar Rose Holdings & Development, Inc., Ankh Ali, Aziza Ali, Kenneth Moody, David Carr, Jeremy Scinta, and Omar Hussain individually, collectively, or in any combination.
- F. "Financial-Related Product or Service" means any product or service represented, expressly or by implication, to provide to any consumer, arrange for any

1. An extension of consumer credit;
2. Any Credit Repair Service; or
3. Any Secured or Unsecured Debt Relief P

collateral, or (d) exercise any right to reinstate the mortgage, ~~Debt~~, or obligation or redeem a dwelling or other collateral;

5. Obtain any waiver of an acceleration clause or balloon payment contained in any promissory note or contract secured ~~by~~ a dwelling or other collateral; or
6. Negotiate, obtain, or arrange, (a) a short sale of a dwelling or other collateral, (b) a deed-in-lieu of foreclosure, or (c) any other disposition of a mortgage, ~~Debt~~, or obligation other than a sale to a third party that is not the secured or unsecured loan holder.

The foregoing shall include any manner of claimed assistance, including, but not limited to, auditing or examining ~~PHUVRQTV DSSOLF DWLR Debt, PU WKH PRUWJ~~ obligation.

- I. ~~Settling Defendants' PHDQV WKH , QGLYLGXDO 6HWWOLQJ 'HIHQ~~  
Settling Defendant ~~LQGLYLGXDOO\ FROOHFW Corpate RU LQ DQ\~~  
Settling Defendant ~~PH DLB Business Innovations, LLC and its successors re W\* n BT /TT0 12 T~~



3. Any aspect of any 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 of its Debt, or (c) the reduction 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, 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 or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with promoting or offering for sale any product or service are permanently restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication:

A. That any Person is an attorney or affiliated or associated with an attorney or law firm

B.

consumer; and

- D. Any other IDFW PDWHULDO WR D FRQVXPHU¶V GHFLVLRQ V such as (1) the total costs to purchase, receive, or use, and the quantity of, any good or service (2) any material restriction, limitation, or condition to purchase, receive, or use any good or service, or (3) any material aspect of the performance, efficacy, nature, or central characteristics of any good or service

#### IV. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment in the amount THREE MILLION AND ONE HUNDRED THOUSAND DOLLARS (\$3,100,000) is entered in favor of the FTC against



- F. 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 stipulated 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).
- G. 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
- H. 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 complaint in any bankruptcy case.
- I. The facts alleged in the Complaint establish all elements necessary to sustain an action by the FTC 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.
- J. Settling Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Settling Defendants previously submitted to the FTC, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.
- K. All money paid to the FTC pursuant to this Order may be deposited into a fund administered by the FTC or its designee to be used for equitable relief, including consumer redress and any attendant expenses for the administration of that redress

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. 99), 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 by party R U W K H 5 H F H L Y H P 0 q à y...4†q ' H L @ X L ` u 0 P \$ € q P 0 5 H P 0 L P \$ €

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, without the 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. If 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, state identification number, or other identifying information), credit card, bank account, or other financial account), that a defendant obtained prior to entry of this Order in connection with 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 disclosed, and may be disclosed, to the extent requested by a government agency or required by law,

regulation, or court order.

VIII.

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 any other 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, 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: (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 C.F.R. § 1746, such as by FRQFOXGLQJ<sup>3</sup>, GHFODUH XQGHU SHQDOW\ RI SHUMX \$PHULFD WKDW WKH IRUHJRLQJ LV WUXH DQG FRUUHF WKH GDWH VLJQDWRU\ 1 V IX OSQDUPH WLWOH LI DSS
- 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: FTC v. GAFS 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, the Corporate Settling Defendant and each Individual Settling Defendant for any business that such

- A. Within 14 days of receipt of a written request from a representative of the FTC, Settling Defendants 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 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; provided that a Settling Defendant, after attempting to resolve a dispute without court action and for good cause shown, may file a motion with this Court seeking an order for one or more of the protections set forth in Rule 26(c).
- B. For matters concerning this Order, the FTC is authorized to communicate directly with each Settling Defendant. Settling Defendants must permit representatives of the FTC to interview any employee or other Person affiliated with any Defendant who has agreed to such an interview. Person interviewed may have counsel present.
- C. The FTC may use all other lawful means, including posing, through its representatives as consumers, suppliers, or individuals or entities, to Settling Defendants or any individual or entity affiliated with Settling Defendants, without the QHFHVVLW\RI LGHQWLILFDWLRQ RUSULRUQRWLFH lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57d.



D. Upon written request from a representative of the FTC, any consumer reporting agency must furnish consumer reports concerning 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 Jeremy Scinta and LLI Business Innovations, LLC

## 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.



