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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION, et
al.,

Plaintiff,

v.

GREEN EQUITABLE SOLUTIONS, et
al.,

Defendants.

Case No. 2:22-cv-06499-FLA (MARx)

ORDER GRANTING PLAINTIFFS'
MOTION FOR SUMMARY
JUDGMENT AGAINST
DEFENDANTS MI CHAEL NABATI,
ARMANDO SOLIS BARRON,
DOMINIC AHIGA, AND ROGER
SCOTT DYER [DKT. 184]

RULING

Before the court is Plaintiffs’ the Federal Trade Commission (“FTC”) and the California Department of Financial Protection and Innovation’s (“DFPI”) (collectively, “Plaintiffs”) Motion for Summary Judgment (the “Motion”) against Individual Defendants Michael Nabati (“Nabati”), Armando Solis Barron (“Barron”), Dominic Ahiga (“Ahiga”), and Roger Scott Dyer (“Dyer”) (collectively, the “Individual Defendants”). Dkt. 184 (“Mot”). On August 14, 2023, the court found this matter appropriate for resolution without oral argument and vacated the hearing set for September 22, 2023. Dkt. 244. Fed. R. Civ. P. 78(b); Local Rule 7-15.

For reasons discussed below, the court GRANTS the Motion and ENTERS summary judgment against the Individual Defendants.

BACKGROUND

This matter arises from an alleged mortgage assistance relief services scam, through which Plaintiffs claim Defendants promised homeowners lower interest rates, reduced principal balances, and loan forgiveness in exchange for large sums of money, but ultimately failed to deliver any promised services. Mot. at 7. The relevant, undisputed facts are as follows.

¹ Plaintiffs also sued Corporate Defendants Green Equitable Solutions, South West Consulting, Apex Consulting, Infocom Entertainment, Equity Relief Funding, Advent Consulting Tc -0.002 Tw -15.605 -1.7ndiporate Def 0.001 Tc -0.0012 21 16.93632 Td (

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1 A. Mortgage Relief Services Scam

2 The Individual Defendants orchestrated a fraudulent scheme to extract large
3 sums of upfront payments by promising to reduce homeowners' mortgage interest
4 rates and principal balances. Dkt. 185 ("SUF") ¶ 37. The Individual Defendants
5 marketed their "services" to homeowners primarily through telemarketing, including
6 by calling numbers on the national Do Not Call registry, and falsely represented that
7 the consumers' homes could not be foreclosed while they were paying for the
8 fraudulent services, the homeowners need not and should not make their regular
9 mortgage payments or communicate with their mortgage providers, and that the
10 services were associated with a government program related to Covid-19 relief
11 assistance.

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1 B. Temporary Restraining Order

2 In September 2022, Plaintiffs filed the instant action and applied ~~for~~ for a
3 Temporary Restraining Order (“TRO”). Dkt. 9. In support of their TRO application,
4 Plaintiff submitted over a dozen sworn declarations from consumers who had been
5 harmed by both the Individual and Corporate Defendants’ practices. See Dkts. 13-18.
6 The court entered the TRO, and later a preliminary injunction, after Defendants failed
7 to respond to the court’s order to show cause why a preliminary injunction should not
8 be entered. Dkts. 25, 40.

9 C. Plaintiff’s Discovery Requests

10 On December 27, 2022, Plaintiffs served requests for production of documents,
11 interrogatories, and requests for admission on the Individual Defendants seeking
12 information regarding their involvement in the scheme. SUF ¶ 51. As relevant here,
13 Plaintiffs asked each Individual Defendant to admit that he served as an officer,
14 director, shareholder, manager, employee, and agent of each of the Corporate
15 Defendants. Id. ¶ 52. None of the Individual Defendants served responses to
16 Plaintiffs’ discovery requests by the deadline of January 26, 2023, and were deemed
17 to have admitted the matters set forth in Plaintiffs’ Requests for Admission. Id. at ¶¶
18 53-58; Fed. R. Civ. P. 36(b)(3). Defendant Nabati later responded on March 3, 2023,
19 and admitted he served as an officer and agent of each of the Corporate Defendants.
20 SUF ¶ 59. Docu

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evidence and justifiable inferences “in the light most favorable to the nonmoving party.” Id. at 630–31. However, a party cannot defeat summary judgment based solely on the allegations or denials in its pleadings, conclusory statements, or unsupported conjecture. *Hernandez v. Spacelabs Med.*, 1843 F.3d 1107, 1112 (9th Cir. 2003); see also *FTC v. Publ’g Clearing House*, 1104 F.3d 1168, 1171 (9th Cir. 1997) (“A conclusory, self-serving affidavit, lacking detailed facts and any supporting evidence, is insufficient to create a genuine issue of material fact.”).

II. Analysis

Plaintiffs seek summary judgment against the Individual Defendants on grounds that the Corporate Defendants violated various federal statutes, and the Individual Defendants, therefore, are liable as a matter of law by virtue of their admissions of agency of each of the Corporate Defendants. See generally *Mot.* The court agrees, and discusses first the Corporate Defendants’ liability, and then addresses the liability of the Individual Defendants.

A. Corporate Liability

Plaintiffs argue the Corporate Defendants are liable under the Federal Trade Commission Act (“FTC Act”), Mortgage Assistance Relief Services (“MARS”) Rule, Telemarketing Sales Rule (“TSR”), Civil 19 Consumer Protection Act (“CCPA”), and California Consumer Financial Prote

1 SJO (OPx), 2007 WL 9728965, at *2 (C.D. Cal. Feb. 21, 2007). Plaintiffs have
2 provided ample evidence that the Corpora defendants violated the FTC Act.

3 In support of their TRO application and
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1 their services. 12 C.F.R. § 1015.5. The MARS Rule also requires providers to make
2 certain disclosures to consumers prior to providing relief services. 12 C.F.R. §
3 1015.4(b)(1)-(3), (c). For the same reasons articulated above, and additionally
4 because Plaintiffs have established that Corporate Defendants illegally instructed
5 clients not to contact their lenders, misrepresented various aspects of their services,
6 and failed to make any requisite disclosures, the court finds the Corporate Defendants
7 violated the MARS Rule as a matter of law. Dkt. 9 at 14-17.

8 3. TSR

9 The TSR requires telemarketers to pay a fee to access the National Do Not Call
10 Registry (the “Registry”) and prohibit telemarketers from contacting consumers
11 registered on the list. 16 C.F.R. §§ 310.30.4(b)(1)(iii)(B). Plaintiffs have not
12 located any records indicating the Corporate Defendants paid for access to the
13 Registry, SUF ¶ 98, nor have the Individual Defendants claimed as such. Additionally,
14 Cabral stated in her declaration that she was “not aware of anyone at the company
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1 consumer with ... modifying the terms of any extension of credit[] or avoiding
2 foreclosure,” qualifies as a “financial product or service.” Cal. Fin. Code §
3 90005(k)(8)(B). For the same reasons above, the court finds the Corporate
4 Defendants engaged in unlawful, unfair, and deceptive practices with respect to
5 financial services in violation of the CCFPL.

6 B. Common Enterprise

7 Plaintiffs also allege it is undisputed the Corporate Defendants acted as a
8 common enterprise. Mot. at 19. “Where one or more corporate entities operate in
9 common enterprise, each may be held liable for the deceptive acts and practices of the
10 others.” F.T.C. v. John Beck Amazing Profits, LLC, 865 F. Supp. 2d 1052, 1082 (C.D.
11 Cal. 2012). In making this determination, courts look to four factors: “(1) common
12 control; (2) sharing office space and office; (3) whether business is transacted
13 through a ‘maze of interrelated companies’; and (4) commingling of funds.” Id. The
14 court finds all four factors have been satisfied.

15 First, by failing to respond to Plaintiffs’ Requests for Admission, each
16 Individual Defendant admitted they were officers, directors, and managers of each of
17 the Corporate Defendants. SUF ¶¶ 54-56, 62. Indeed, Defendant Nabati
18 affirmatively admitted so in his untimely response. ¶ 59. Cabral too confirmed in
19 her declaration that the “company was managed by four men: [Barron, Nabati, Ahiga,
20 and Dyer].” SUF ¶ 74. Second, the Corporate Defendants all used the same office
21 space to conduct operations. SUF ¶¶ 21, 105. Third, each of the Corporate
22 Defendants used essentially the same premises to conduct business and employees
23 regularly performed work for each of these

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1 C. Liability of the Individual Defendants

2 Individual liability for corporate wrongdoing exists where “(1) the corporation
3 committed misrepresentations of a kind usually relied on by a reasonably prudent
4 person and resulted in consumer injury, and (2) individuals participated directly in the
5 violations or had authority to control the entities.” T.C. v. Grant Connect, LLC, 763
6 F.3d 1094, 1101 (9th Cir. 2014). Though a plaintiff must show that each individual
7 had “knowledge that the corporation or one of its agents engaged in dishonest or
8 fraudulent conduct,” it “need not show that a defendant intended to defraud consumers”
9 and “the extent of an individual’s involvement in a fraudulent scheme alone is
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1 Next, in addition to stating Defendant Barron was one of the four men who
2 managed the Corporate Defendants, *see id.* ¶ 74, Cabral also attested Defendant
3 Barron “was responsible for determining what kinds of offers the Sales representatives
4 could present to the client. For example, [he] would tell the Sales representatives
5 what interest rates they could offer to a particular client. He would instruct employees
6 on the Submissions team as to whether or not offers made by mortgage companies
7 and/or servicers were good enough to relay to consumers.” *Id.* ¶ 76⁴ Defendant
8 Barron also admitted he was an officer, director, shareholder, manager, employee, and
9 agent of each of the Corporate Defendants by failing to respond timely to Plaintiffs’
10 requests for admission.

11 Defendant Barron requests the court allow him to withdraw his admission,
12 relying on *Dillon v. United States*, 357 F. Supp. 3d 49 (D. Mass. 2019). Barron Opp’n
13 at 8. As an initial matter, *Dillon* is not binding on this court. More importantly, the
14 court in *Dillon* granted the government’s motion to withdraw admissions after it
15 “inadvertently failed to respond.” *Dillon*, 357 F Supp. 3d at 55. Here, Defendant
16 Barron has made no showing of inadvertence or anything less than conscious
17 disregard for Plaintiffs’ discovery requests, and inexplicably waited until the filing of
18 his opposition to request withdrawal of his admission. Though Defendant Barron did
19 state in separate discovery responses that he “did not engage in any unlawful
20 mortgage loan modification schemes, and was not ... an officer, director, controller in
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22 ⁴ Defendant Barron disputes this fact, but does not meet his burden to produce any
23 evidence to the contrary. Instead, he relies on boilerplate evidentiary objections
24 based on lack of foundation. These objections are not cognizable at this stage of the
25 proceedings. See *Fraser v. Goodale*, 342 F.3d 1032, 1036-37 (9th Cir. 2003) (“At the
26 summary judgment stage, we do not focus on the admissibility of the evidence’s form.
27 We instead focus on the admissibility of its contents.”) See *Block v. City of L.A.*, 253 F.3d
28 410, 418-19 (9th Cir. 2001) (“To survive summary judgment, a party does not
necessarily have to produce evidence in a form that would be admissible at trial, as
long as the party satisfies the requirements of Federal Rule of Civil Procedure 56.”).



1 D. Relief Defendant

2 Plaintiffs also seek disgorgement from Relief Defendant for assets received
3 from the common enterprise. ~~Ma~~ at 27-28. To obtain disgorgement against a relief
4 defendant, a plaintiff must show that a nominal defendant “(1) received ill-gotten
5 funds and (2) do[es] not have a legitimate claim to those funds.” SEC v. World
6 Capital Mark1 T-d

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1 **CONCLUSION**

2 For the foregoing reasons, the court GRANTS summary judgment in Plaintiffs’
3 favor and enters judgment against each of the Individual Defendants. The court
4 further ORDERS as follows:

5 **I. DEFINITIONS**

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

7 A. **“Assisting Others”** includes:

- 8 1. performing customer service functions, including receiving or
9 responding to consumer complaints;
- 10 2. formulating or providing, or arranging for the formulation or
11 provision of, any advertising or marketing material, including any
12 telephone sales script, direct mail solicitation, or the design, text,
13 or use of images of any Internet website, email, or other electronic
14 communication;
- 15 3. formulating or providing, or arranging for the formulation or
16 provision of, any marketing support material or service, including
17 web or Internet Protocol addresses or domain name registration for
18 any Internet websites, affiliate marketing services, or media
19 placement services;
- 20 4. providing names of, or assisting in the generation of, potential
21 customers; or
- 22 5. performing marketing, billing, or payment services of any kind.

23 B. **“Corporate Defendants”** means Advent Consulting, Inc.; Apex
24 Consulting & Associates Inc., also d/b/a Golden Home Services America and Home
25 Matters USA Consulting; Equity Relief Funding, Inc., also d/b/a Academy Home
26 Services America, Atlantic Pacific Service United, Golden Home Services United,
27 and Home Matters USA Group; Green Equitable Solutions, also d/b/a Academy
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1 any right to reinstate the mortgage, loan, debt, or
2 obligation or redeem a dwelling or other collateral;

3 e. obtain any waiver of an acceleration clause or balloon
4 payment contained in any promissory note or contract
5 secured by any dwelling or other collateral; or

6 f. negotiate, obtain, or arrange (i) a short sale of a dwelling
7 or other collateral, (ii) a deed-in-lieu of foreclosure, or
8 (iii) any other disposition of a mortgage, loan, debt, or
9 obligation other than a sale to a third party that is not the
10 secured or unsecured loan holder.

11 The foregoing shall include any manner of claimed assistance,
12 including auditing or examining a Person's application for the
13 mortgage, loan, debt, or obligation.

14 2. With respect to any loan, debt, or obligation between a Person and
15 one or more unsecured creditors or debt collectors, any Product or
16 Service represented, expressly or by implication, to:

- 17 a. repay one or more unsecured loans, debts, or obligations;
18 or
19 b. combine unsecured loans, debts, or obligations into one
20 or more new loans, debts, or obligations.

21 D. **“Defendants”** means all of the Individual Defendants and the Corporate
22 Defendants, individually, collectiv

23 **D. Defendants” pay l 2/2 Tw -1 2. 652 -l o a n h o l d e 23**

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1 H. “Receiver” means David P. Stapleton of the Stapleton Group.

2 I. “Relief Defendant” means MostCap Enterprises Corp, and its successors
3 and assigns.

4 J. “Telemarketing” means any plan, program, or campaign which is
5 conducted to induce the purchase of goods or services by use of one or more
6 telephones, and which involves a telephone call, whether or not covered by the
7 Telemarketing Sales Rule.

8 **II. BAN ON DEBT RELIEF PRODUCTS AND SERVICES**

9 IT IS ORDERED that the Individual Defendants are permanently restrained and
10 enjoined, whether acting directly or through an intermediary, from advertising,
11 marketing, promoting, offering for sale, or selling, or Assisting Others in the
12 advertising, marketing, promoting, offering for sale, or selling, of any Debt Relief
13 Product or Service.

14 **III. BAN ON TELEMARKETING**

15 IT IS FURTHER ORDERED that the Individual Defendants are permanently
16 restrained and enjoined from participating in Telemarketing, whether directly or
17 through an intermediary.

18 **IV. PROHIBITION AGAINST MISREPRESENTATIONS**

19 IT IS FURTHER ORDERED that Individual Defendants, Individual
20 Defendants’ officers, agents, employees, and attorneys, and all other Persons in active
21 concert or participation with any of them, who receive actual notice of this Order,
22 whether acting directly or indirectly, in connection with the advertising, marketing,
23 promoting, offering for sale, or selling of any Product or Service, are permanently
24 restrained and enjoined from misrepresenting, or Assisting Others in misrepresenting,
25 expressly or by implication:

- 26 A. any material aspect of the nature or terms of any refund, cancellation,
27 exchange, or repurchase policy, including the likelihood of a consumer
28 obtaining a full or partial refund, or the circumstances in which a full or

1 partial refund will be granted to the consumer;

2 B. that any Person is affiliated with, endorsed or approved by, or otherwise
3 connected to any other Person; government entity; public, non-profit, or
4 other non-commercial program, including any government homeowner
5 assistance plan or government mortgage relief program related to
6 COVID-19; or any other program;

7 C. the nature, expertise, position, or job title of any Person who provides
8 any Product or Service; or

9 D. any other fact material to consumers concerning any Product or Service,
10 such as: the total costs; any material restrictions, limitations, or
11 conditions; or any material aspect of its performance, efficacy, time
12 frame in which consumers can expect certain results; nature, or central
13 characteristics.

14 **V. PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS**

15 IT IS FURTHER ORDERED that the Individual Defendants, the Individual
16 Defendants' officers, agents, employees, and attorneys, and all other Persons in active
17 concert or participation with any of them, who receive actual notice of this Order,
18 whether acting directly or indirectly, in connection with the promoting or offering for
19 sale of any Product or Service, are permanently restrained and enjoined from making
20 any representation or Assisting Others in making any representation, expressly or by
21 implication, about the benefits, performance, or efficacy of any Product or Service,
22 unless the representation is nonmisleading, including that, at the time such
23 representation is made, they possess and rely upon competent and reliable evidence
24 that is sufficient in quality and quantity based on standards generally accepted in the
25 relevant fields, when considered in light of the entire body of relevant and reliable
26 evidence, to substantiate that the representation is true.

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1 **VI. MONETARY JUDGMENT FOR RELIEF AGAINST INDIVIDUAL**
2 **DEFENDANTS**

3 IT IS FURTHER ORDERED that judgment in the amount of Fifteen Million
4 Eight Hundred Ninety-One Thousand and Five Hundred Thirty-Six Dollars and
5 Ninety-Seven Cents (\$15,891,536.97) is entered in favor of Plaintiffs against the
6 Individual Defendants, jointly and severally, as monetary relief.

7 **VII. MONETARY JUDGMENT FOR RELIEF AGAINST RELIEF**
8 **DEFENDANT**

9 IT IS FURTHER ORDERED that judgment in the amount of Fifty Thousand
10 Nine Hundred Dollars and Zero Cents (\$50,900.00) is entered in favor of Plaintiffs
11 against Relief Defendant as monetary relief.

12 **VIII. MONETARY JUDGMENT FOR CIVIL PENALTY**

13 IT IS FURTHER ORDERED that judgment in the amount of Three Million and
14 Ninety Five Thousand Dollars and Zero Cents (\$3,095,000.00) is entered in favor of
15 Plaintiff DFPI against the Individual Defendants, jointly and severally, as a civil
16 penalty.

17 **IX. ADDITIONAL MONETARY PROVISIONS**

18 IT IS FURTHER ORDERED that:

- 19 A. The monetary judgments set forth in Sections V to VII are enforceable
20 against any asset, real or personal, whether located within the United
21 States or outside the United States, owned jointly or singly by, on behalf
22 of, for the benefit of, in trust by or for, or as a deposit for future goods or
23 services to be provided to, any Individual Defendant or the Relief
24 Defendant, whether held as tenants in common, joint tenants with or
25 without the right of survivorship, tenants by the entirety, and/or
26 community property.
- 27 B. In partial satisfaction of the judgment against the Individual Defendants
28 in Sections V and VII, any financial or brokerage institution, escrow

1 agent, title company, commodity trading company, business entity, or
2 Person, whether located within the United States or outside the United
3 States, that holds, controls, or maintains accounts or assets of, on behalf
4 of, or for the benefit of, any Individual Defendant, whether real or
5 personal, whether located within the United States or outside the United
6 States, shall, within ten (10) business days from receipt of a copy of this
7 Order, turn over such account or asset to Plaintiffs or their designated
8 agent, including, but not limited to:

9 **Accounts in the Name of Roger Dyer**

- 10 i. Wells Fargo Bank shall, within ten (10) business days of
11 receipt of a copy of this Order, transfer to the Receiver or his
12 designated agent all funds, if any, in account number
13 xxxx4768 in the name of Roger Dyer.
- 14 ii. Fidelity Brokerage shall, within ten (10) business days of
15 receipt of a copy of this Order, transfer to the Receiver or his
16 designated agent all funds, if any, in:
- 17 a. Account number xxxx0167 in the name of Roger Dyer;
18 b. Account number xxxx5103 in the name of Roger Dyer;
19 and
20 c. Account number xxxx4656 in the name of Roger Dyer.
- 21 iii. JPMorgan Chase shall, within ten (10) business days of
22 receipt of a copy of this Order, transfer to the Receiver or his
23 designated agent all funds, if any, in account number
24 xxxx5861 in the name of Roger Dyer.

25 **Accounts in the Name of Dominic Ahiga**

- 26 i. PNC Bank shall, within ten (10) business days of receipt of a
27 copy of this Order, transfer to the Receiver or his designated
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1 agent all funds, if any, in account number xxxx5848 in the
2 name of Dominic Ahiga.

3 **Accounts in the Name of Dominic Ahiga Revocable Living Trust,**
4 **Dominic Ahiga Trustee**

- 5 i. Wells Fargo Bank shall, within ten (10) business days of
6 receipt of a copy of this Order, transfer to the Receiver or his
7 designated agent all funds, if any, in account number
8 xxxx7453 in the name of Dominic Ahiga Revocable Living
9 Trust, Dominic Ahiga Trustee.

10 **Accounts in the Name of Michael D. Grinnell**

- 11 i. Capital One Bank shall, within ten (10) business days of
12 receipt of a copy of this Order, transfer to the Receiver or his
13 designated agent all funds, if any, in account number
14 xxxx2884 in the name of Michael D. Grinnell.

15 **Accounts in the Name of Armando Solis Barron**

- 16 i. Wells Fargo Bank shall, within ten (10) business days of
17 receipt of a copy of this Order, transfer to the Receiver or his
18 designated agent all funds, if any, in:
19 a. Account xxxx8611, in the name of Armando Solis
20 Barron;
21 b. Account number xxxx50177, in the name of Armando
22 Solis Barron; and
23 c. Account number xxxx8140 in the name of Armando
24 Solis Barron.
25 ii. Navy Federal Credit Union shall, within ten (10) business
26 days of receipt of a copy of this Order, transfer to the
27 Receiver or his designated agent all funds, if any, in:
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- 1 e. Account number xxxx7629 in the name of Michael R.
- 2 Nabati;
- 3 f. Account number xxxx3602 in the name of Michael R.
- 4 Nabati;
- 5 g. Account number xxxx3306 in the name of Michael R.
- 6 Nabati;
- 7 h. Account number xxxx5971 in the name of Michael R.
- 8 Nabati;
- 9 i. Account number xxxx5292 in the name of Michael R.
- 10 Nabati;
- 11 j. Account number xxxx7931 in the name of Michael R.
- 12 Nabati;
- 13 k. Account number xxxx1227 in the name of Michael R.
- 14 Nabati;
- 15 l. Account number xxxx7524 in the name of Michael R.
- 16 Nabati;
- 17 m. Account number xxxx1504 in the name of Michael R.
- 18 Nabati;
- 19 n. Account number xxxx7098 in the name of Michael R.
- 20 Nabati;
- 21 o. Account number xxxx8652 in the name of Michael R.
- 22 Nabati;
- 23 p. Account number xxxx9776 in the name of Michael R.
- 24 Nabati;
- 25 q. Account number xxxx3123 in the name of Michael R.
- 26 Nabati;
- 27 r. Account number xxxx9685 in the name of Michael R.
- 28 Nabati;

s. Account number xxxx0914 in

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1 located within the United States or outside the United States, shall, within
2 ten (10) business days from receipt of a copy of this Order, turn over
3 such accounts or assets to the Receiver or his designated agent, including,
4 but not limited to:

5 **Accounts in the name of MostCap Enterprises, Corp.**

6 i. Wells Fargo Bank shall, within ten (10) business days of
7 receipt of a copy of this Order, transfer to the Receiver or his
8 designated agent all funds, if any, in account number
9 xxxx3506 in the name of Mostcap Enterprises, Corp.

- 10 D. The Individual Defendants and the Relief Defendant shall disclose all
11 assets, including personal property, not previously disclosed to Plaintiffs
12 and the Receiver.
- 13 E. The Individual Defendants and the Relief Defendant shall cooperate fully
14 with Plaintiffs and the Receiver and shall takes steps as any of them may
15 require to transfer possession of the assets covered by Sections V to VII
16 and to assist in the final liquidation of the assets, including executing any
17 documents, procuring the signatures of any person or entity under their
18 control, providing access to the assets, providing any necessary
19 information, and turning over the assets.
- 20 F. The asset freeze is modified to permit the transfers identified in this
21 Section. Upon satisfaction of the monetary judgments set forth in
22 Sections V to VII, the asset freeze as to the Individual Defendants and
23 Relief Defendant is dissolved.
- 24 G. The Individual Defendants and Relief Defendant relinquish dominion and
25 all legal and equitable right, title, and interest in all assets transferred
26 pursuant to this Order and may not seek the return of any assets.
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1 reporting on any delinquent amount arising out of this Order, in
2 accordance with 31 U.S.C. §7701.

3 **X. CUSTOMER INFORMATION**

4 IT IS FURTHER ORDERED that the Individual Defendants, the Individual
5 Defendants' officers, agents, employees, and attorneys, and all other Persons in active
6 concert or participation with any of them, who receive actual notice of this Order,
7 whether acting directly or indirectly, in connection with the promoting or offering for
8 sale of any Product or Service, are permanently restrained and enjoined from directly
9 or indirectly:

- 10 A. failing to provide sufficient customer information to enable Plaintiffs to
11 efficiently administer consumer redress. If representatives of the
12 Plaintiffs request in writing any information related to redress, the
13 Individual Defendants must provide it, in the form prescribed by the
14 Commission, within fourteen (14) days;
- 15 B. disclosing, using, or benefitting from customer information, including the
16 name, address, telephone number, email address, social security number,
17 other identifying information, or any data that enables access to a
18 customer's account (including a credit card, bank account, or other
19 financial account), that any Defendant obtained prior to entry of this
20 Order in connection with any Debt Relief Product or Service; and
- 21 C. failing to destroy such customer information in all forms in their
22 possession, custody, or control within thirty (30) days after receipt of
23 written direction to do so from representatives of Plaintiffs.

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

27 **XI. ORDER ACKNOWLEDGMENTS**

1 IT IS FURTHER ORDERED that the Individual Defendants and Relief
2 Defendant obtain acknowledgments of receipt of this Order:

3 A. Each Individual Defendant and Relief Defendant, within seven (7) days
4 of entry of this Order, must submit to Plaintiffs an acknowledgment of
5 receipt of this Order sworn under penalty of perjury.

6 B. For five (5) years after entry of this Order, each Individual Defendant for
7 any business that such Defendant, individually or collectively with any
8 other Defendant(s), is the majority owner or controls directly or
9 indirectly must deliver a copy of this Order to: (1) all principals, officers,
10 directors, and LLC managers and members; (2) all employees having
11 managerial responsibilities for conduct related to the subject matter of the
12 Order and all agents and representatives who participate in conduct
13 related to the subject matter of the Order; and (3) any business entity
14 resulting from any change in structure as set forth in the Section titled
15 Compliance Reporting. Delivery must occur within seven (7) days of
16 entry of this Order for current personnel. For all others, delivery must
17 occur before they assume their responsibilities.

18 C. From each individual or entity to which an Individual Defendant
19 delivered a copy of this Order, that Defendant must obtain, within thirty
20 (30) days, a signed and dated acknowledgment of receipt of this Order.

21 **XII. COMPLIANCE REPORTING**

22 IT IS FURTHER ORDERED that the Individual Defendants make timely
23 submissions to the Commission:

24 A. One (1) year after entry of this Order, each Individual Defendant must
25 submit a compliance report, sworn under penalty of perjury, that must:
26 (a) identify all telephone numbers and all physical, postal, email and
27 Internet addresses, including all residences; (b) identify all business
28 activities, including any business for which such Defendant performs

1 services whether as an employee or otherwise and any entity in which
2 such Defendant has any ownership interest; and (c) describe in detail
3 such Defendant's involvement in each such business, including title, role,
4 responsibilities, participation, authority, control, and any ownership.

5 B. For twenty (20) years after entry of this Order, each Individual Defendant
6 must submit a compliance notice, sworn under penalty of perjury, within
7 fourteen (14) days of any change in the following:

8 1. Each Individual Defendant must report any change in: (a) any
9 designated point of contact; or (b) the structure of any Corporate
10 Defendant or any entity that the Individual Defendant has any
11 ownership interest in or controls directly or indirectly that may
12 affect compliance obligations arising under this Order, including:
13 creation, merger, sale, or dissolution of the entity or any
14 subsidiary, parent, or affiliate that engages in any acts or practices
15 subject to this Order.

16 2. Additionally, each Individual Defendant must report any change
17 in: (a) name, including aliases or fictitious name, or residence
18 address; or (b) title or role in any business activity, including any
19 business for which such Defendant performs services whether as
20 an employee or otherwise and any entity in which such Defendant
21 has any ownership interest, and identify the name, physical
22 address, and any Internet address of the business or entity.

23 C. Each Individual Defendant must submit to the Commission notice of the
24 filing of any bankruptcy petition, insolvency proceeding, or similar
25 proceeding by or against such Defendant within fourteen (14) days of its
26 filing.

27 D. Any submission to the Commission required by this Order to be sworn
28 under penalty of perjury must be true and accurate and comply with 28

1 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury
2 under the laws of the United States of America that the foregoing is true
3 and correct. Executed on: _____” and supplying the date, signatory’s
4 full name, title (if applicable), and signature.

- 5 E. Unless otherwise directed by a Commission representative in writing, all
6 submissions to the Commission pursuant to this Order must be emailed to
7 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal
8 Service) to: Associate Director for Enforcement, Bureau of Consumer
9 Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW,
10 Washington, DC 20580. The subject line must begin: FTC, et al. v.
11 Green Equitable Solutions, et al.

12 **XIII. RECORDKEEPING**

13 IT IS FURTHER ORDERED that the Individual Defendants must create certain
14 records for twenty (20) years after entry of the Order, and retain each such record for
15 five (5) years. Specifically, each Individual Defendant for any business that such
16 Defendant, individually or collectively with any other Defendant(s), is a majority
17 owner or controls directly or indirectly, must create and retain the following records:

- 18 A. accounting records showing the revenues from all goods or services sold;
19 B. personnel records showing, for each person providing services, whether
20 as an employee or otherwise, that person’s: name; addresses;

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1 IT IS FURTHER ORDERED that, for the purpose of monitoring the Individual
2 Defendants' and the Relief Defendants' compliance with this Order, including any
3 failure to transfer any assets as required by this Order:

4 A. Within fourteen (14) days of receipt of a written request from a
5 representative of Plaintiffs, each Individual Defendant and Relief
6 Defendant must: submit additional compliance reports or other requested
7 information, which must be sworn under penalty of perjury; appear for
8 depositions; and produce documents for inspection and copying.
9 Plaintiffs are also authorized to obtain discovery, without further leave of
10 court, using any of the procedures prescribed by Federal Rules of Civil
11 Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45,
12 and 69.

13 B. For matters concerning this Order, Plaintiffs are authorized to
14 communicate directly with each Individual Defendant and the Relief
15 Defendant. The Individual Defendants and the Relief Defendant must
16 permit representatives of Plaintiffs
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1 Individual Defendants, pursuant to Section 604(1) of the Fair Credit
2 Reporting Act, 15 U.S.C. § 1681b(a)(1).

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4 **XV. RETENTION OF JURISDICTION**

5 IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter
6 for purposes of construction, modification, and enforcement of this Order.
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8 IT IS SO ORDERED.
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10 Dated: February 2, 2024

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12 **FERNANDO L. AENLLE-ROCHA**
13 United States District Judge
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