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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

)	Case No. SACV 19-1333JVS (KESx)
FEDERAL TRADE COMMISSION,)	
Plaintiff,)	FINAL JUDGMENT
)	
vs.)	
)	
ELEGANT SOLUTIONS, INC., et al.,)	
Defendants.)	
)	

Plaintiff, the Federal Trade Commission, filed its Complaint 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 57(b), and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108. On motion by the FTC, on July 8, 2019, the Court entered an ex parte temporary restraining order with asset freeze, appointment of a Receiver, and other equitable relief. Dkt. No. 23. On July 17, 2019, the Court entered a stipulated preliminary injunction continuing the terms of the preliminary injunction. Dkt. No. 52. On March 9, 2020, the FTC moved for summary judgment as to all Defendants on all counts of the Complaint.

1 The Court, having considered the arguments, memoranda, and exhibits in
2 support of the FTC's Motion for Summary Judgment, and all other pleadings and
3 files in this action, hereby **GRANTS** the FTC's motion.

4 THEREFORE, IT IS ORDERED as follows:

5 **FINDINGS**

6 1. This Court has jurisdiction over this matter.

7 2. Venue in this District is proper under 15 U.S.C. § 53(b) and 28 U.S.C. §§
8 1391(b)(1), (b)(2), (c)(1), (c)(2), and (d).

9 3. The Complaint charges that Defendants participated in acts or practices that
10 violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC's
11 Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310. The Complaint seeks both
12 permanent injunctive relief and equitable monetary relief for Defendants'
13 deceptive and unlawful acts or practices as alleged therein.

14 4. The FTC has authority to seek the relief it has requested, pursuant to
15 Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15
16 U.S.C. §§ 53(b) and 57(b) and the Telemarketing and Consumer Fraud and Abuse
17 Prevention Act ("Telemarketing Act"), 15 U.S.C. §§ 6101-6108.

18 5. The activities of Defendants are in or affecting commerce, as "commerce" is
19 defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

20 6. The Complaint states a claim on which relief can be granted against
21 Defendants.

22 7. The allegations in the Complaint and the evidence supporting them establish
23 that Defendants violated Section 5 of the FTC Act, 15 U.S.C. § 45, and the TSR,
24 16 C.F.R. Part 310, in connection with the telemarketing of student loan debt relief
25 services.

26 8. In numerous instances, Defendants, in connection with the advertising,
27 marketing, promotion, offering for sale, or sale of student loan debt relief services,
28 have represented, directly or indirectly, expressly or by implication, that:

- 1 a. Consumers who purchased Defendants' debt relief services would be
- 2 enrolled in a repayment plan that would reduce their monthly
- 3 payments to a lower, specific amount or have their loan balances
- 4 forgiven in whole or in part;
- 5 b. Most or all of consumers' monthly payments to Defendants would be
- 6 applied toward consumers' student loans; or
- 7 c. Defendants would assume responsibility for the servicing of
- 8 consumers' student loans.

9 In fact, in numerous instances in which Defendants have made these
10 representations, such representations were false or not substantiated at the time
11 Defendants made them. Therefore, the making of these representations constitute a
12 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. §
13 45(a).

14 9. In numerous instances, in connection with the telemarketing of student loan
15 debt relief services, Defendants have requested or received payment of a fee or
16 consideration for debt relief services before: (a) Defendants have renegotiated,
17 settled, reduced, or otherwise altered the terms of at least one debt pursuant to a
18 settlement agreement, debt management plan, or other such valid contractual
19 agreement executed by the customer; and (b) the customer has made at least one
20 payment pursuant to that settlement agreement, debt management plan, or other
21 valid contractual agreement between the customer and the creditor, in violation of
22 Section 310.4(a)(5)(i) of the TSR, 16 C.F.R. § 310.4(a)(5)(i).

23 10. In numerous instances, Defendants, in connection with the telemarketing of
24 student loan debt relief services, have misrepresented, directly or indirectly,
25 expressly or by implication, material aspects of their debt relief services, including
26 but not limited to that: (a) Consumers who purchased Defendants' debt relief
27 services would be enrolled in a repayment plan that would reduce their monthly
28 payments to a lower, specific amount or have their loan balances forgiven in whole

1 or in part; (b) Most or all of consumers' monthly payments to Defendants would be
2 applied toward consumers' student loans; or (c) Defendants would assume
3 responsibility for the servicing of consumers' student loans, in violation of Section
4 310.3(a)(2)(x) of the TSR, 16 C.F.R. § 310.3(a)(2)(x).

5 11. Defendants received revenues of at least \$31,140,943.00 derived
6 unlawfully from payments by consumers as a direct result of Defendants'
7 violations of Section 5 of the FTC Act and the TSR. Of those revenues, they have
8 refunded approximately \$408,089.00, and paid approximately \$3,147,885.00 to
9 consumers' student loan servicers. Defendants have therefore caused consumer
10 injury in the amount of at least \$27,584,969.00.

11 12. Defendants Elegant Solutions, Inc., Trend Capital Ltd., Dark Island
12 Industries, Inc., Heritage Asset Management, Inc., and Tribune Management, Inc.
13 (collectively, "Corporate Defendants") operated as a common enterprise while
14 engaging in the unlawful acts and practices set forth in Findings 7 to 11 above.
15 Defendants have conducted the business practices described above through an
16 interrelated network of companies that have common ownership or officers,
17 business functions, employees, office locations, and that commingled funds.
18 Because these Corporate Defendants have operated as a common enterprise, each
19 of them is jointly and severally liable for the acts and practices set forth in Findings
20 7 to 11 above.

21 13. At all times material to the Complaint, Defendants Mazen Radwan, Rima
22 Radwan, Labiba Velazquez, and Dean Robbins (collectively, "Individual
23 Defendants") formulated, directed, controlled, had the authority to control, or
24 participated in the acts and practices of the Corporate Defendants that constitute
25 the common enterprise. Individual Defendants also each had actual knowledge of
26 the acts and practices set forth in Findings 7 to 11 above. Thus, Individual
27 Defendants are each jointly and severally liable for monetary and injunctive relief.
28

1 14. Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”),
2 15 U.S.C. §§ 53(b) and 57(b), empower this Court to issue injunctive and other
3 relief against violations of the FTC Act and, in the exercise of its equitable
4 jurisdiction, to award redress and restitution to remedy the injury to consumers, to
5 order disgorgement of profits resulting from Defendants’ unlawful acts or
6 practices, and issue other ancillary equitable relief.

7 15. This Court is persuaded that the danger of future violations by Defendants
8 justifies the issuance of injunctive relief. Specifically, it is proper in this case to
9 issue an injunction that: (a) permanently bans Defendants from advertising,
10 marketing, promoting, offering for sale, selling, or Assisting Others in the
11 advertising, marketing, promoting, offering for sale, or selling, of any Secured or
12 Unsecured Debt Relief Product or Service; (b) permanently bans Defendants from
13 participating or Assisting Others in Telemarketing, whether directly or through an
14 intermediary; (c) prohibits misrepresenting, or Assisting Others in misrepresenting,
15 expressly or by implication, any fact material to a consumer’s decision to purchase
16 a Financial Product or Service; (d) prohibits making any unsubstantiated
17 representation or Assisting Others in making any unsubstantiated representation,
18 expressly or by implication, about the benefits, performance, or efficacy of any
19 product or service; and (e) provides such other ancillary relief as is necessary to
20 assist the FTC and the Court in monitoring Defendants’ compliance with such
21 injunctive relief.

22 16. As set forth above, Defendants have unlawfully derived revenues of
23 \$27,584,969.00 from payments by consumers as a direct result of Defendants’
24 violations of Section 5 of the FTC Act and the TSR. It is therefore proper in this
25 case to enter a monetary judgment of \$27,584,969.00 against Defendants, jointly
26 and severally, as equitable monetary relief in the form of restitution, rescission of
27 contracts, and disgorgement for their violations of the FTC Act and the TSR.
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1 17. This action and the relief awarded herein are in addition to, and not in lieu
2 of, other remedies as may be provided by law, including both civil and criminal
3 remedies.

4 18. Pursuant to Federal Rule of Civil Procedure 65(d), the provisions of this
5 Order are binding upon each Defendant, their successors and assigns, and their
6 officers, agents, employees and attorneys, and upon those persons or entities in
7 active concert or participation with them who receive actual notice of this Order by
8 personal service or otherwise.

9 19. Entry of this Order is in the public interest.
10 .

11 **DEFINITIONS**

12 For purposes of this Order, the following definitions apply:

13 A. **“Assisting Others”** includes:

14 1. performing customer service functions, including receiving or
15 responding to consumer complaints;

16 2. formulating or providing, or arranging for the formulation or
17 provision of, any advertising or marketing material, including any telephone sales
18 script, direct mail solicitation, or the design, text, or use of images of any Internet
19 website, email, or other electronic communication;

20 3. formulating or providing, or arranging for the formulation or
21 provision of, any marketing support material or service, including web or Internet
22 Protocol addresses or domain name registration for any Internet websites, affiliate
23 marketing services, or media placement services;

24 4. providing names of, or assisting in the generation of, potential
25 customers;

26 5. performing marketing, billing, or payment services of any kind; or

27 6. acting or serving as an owner, officer, director, manager, or principal
28 of any entity.

1 B. **“Corporate Defendants”** means Elegant Solutions, Inc., also doing business
2 as Federal Direct Group, Trend Capital Ltd., also doing business as Mission Hills
3 Federal, Dark Island Industries, Inc., also doing business as Federal Direct Group
4 and Cosmopolitan Funding Inc., Heritage Asset Management, Inc., also doing
5 business as National Secure Processing, Tribune Management, Inc., also doing
6 business as the Student Loan Group, and each of their subsidiaries, affiliates,
7 successors, and assigns.

8 C. **“Defendants”** means all of the Corporate Defendants and Mazen Radwan
9 aka Michael or Mike Radwan, Rima Radwan, Labiba Velazquez aka Labiba
10 Radwan, and Dean Robbins, individually, collectively, or in any combination.

11 D. **“Financial Product or Service”** means any product, service, plan, or
12 program represented, expressly or by implication, to:

13 1. provide any consumer, arrange for any consumer to receive, or assist
14 any consumer in receiving, a loan or other extension of credit;

15 2. provide any consumer, arrange for any consumer to receive, or assist
16 any consumer in receiving, credit, debit, or stored value cards;

17 3. improve, repair, or arrange to improve or repair, any consumer’s
18 credit record, credit history, or credit rating; or

19 4. provide advice or assistance to improve any consumer’s credit record,
20 credit history, or credit rating.

21 E. **“Person”** means a natural person, organization, or other legal entity,
22 including a corporation, partnership, proprietorship, association, cooperative, or
23 any other group or combination acting as an entity.

24 F. **“Receiver”** means Thomas W. McNamara.

25 G. **“Receivership Entity”** means the Corporate Defendants, as well as any
26 other business related to Defendants’ mortgage assistance relief services business
27 and which the Receiver has reason to believe is owned or controlled in whole or in
28

1 part by any Defendant, including but not limited to any other mortgage assistance
2 relief services business operated by the Individual Defendants.

3 **H. “Secured or Unsecured Debt Relief Product or Service” means:**

4 1. With respect to any mortgage, loan, debt, or obligation between a
5 person and one or more secured or unsecured creditors or debt collectors, any
6 product, service, plan, or program represented, expressly or by implication, to:

7 a. stop, prevent, or postpone any mortgage or deed of foreclosure
8 sale for a person’s dwelling, any other sale of collateral, any repossession of a
9 person’s dwelling or other collateral, or otherwise save a person’s dwelling or
10 other collateral from foreclosure or repossession;

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

16 c. obtain any forbearance or modification in the timing of
17 payments from any secured or unsecured holder or servicer of any mortgage, loan,
18 debt, or obligation;

19 d. negotiate, obtain, or arrange any extension of the period of time
20 within which a person may (i) cure his or her default on the mortgage, loan, debt,
21 or obligation, (ii) reinstate his or her mortgage, loan, debt, or obligation, (iii)
22 redeem a dwelling or other collateral, or (iv) exercise any right to reinstate the
23 mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;

24 e. obtain any waiver of an acceleration clause or balloon payment
25 contained in any promissory note or contract secured by any dwelling or other
26 collateral; or

27 f. negotiate, obtain, or arrange (i) a short sale of a dwelling or
28 other collateral, (ii) a deed-in-lieu of foreclosure, or (iii) any other disposition of a

1 mortgage, loan, debt, or obligation other than a sale to a third party that is not the
2 secured or unsecured loan holder.

3 The foregoing shall include any manner of claimed assistance, including auditing
4 or examining a person's application for the mortgage, loan, debt, or obligation.

5 2. With respect to any loan, debt, or obligation between a person and one
6 or more unsecured creditors or debt collectors, any product, service, plan, or
7 program represented, expressly or by implication, to:

8 a. repay one or more unsecured loans, debts, or obligations; or
9 b. combine unsecured loans, debts, or obligations into one or more
10 new loans, debts, or obligations.

11 I. **“Telemarketing”** means any plan, program, or campaign which is
12 conducted to induce the purchase of goods or services by use of one or more
13 telephones, and which involves a telephone call, whether or not covered by the
14 Telemarketing Sales Rule.

15 **I.**

16 **BAN ON SECURED AND UNSECURED**
17 **DEBT RELIEF PRODUCTS AND SERVICES**

18 IT IS ORDERED that Defendants are permanently restrained and enjoined
19 from advertising, marketing, promoting, offering for sale, selling, or Assisting
20 Others in the advertising, marketing, promoting, offering for sale, or selling, of any
21 Secured or Unsecured Debt Relief Product or Service.

22 **II.**

23 **BAN ON TELEMARKETING**

24 IT IS FURTHER ORDERED that Defendants are permanently restrained
25 and enjoined from participating or Assisting Others in Telemarketing, whether
26 directly or through an intermediary.

27 **III.**

28 **PROHIBITION AGAINST MISREPRESENTATIONS**

1 **RELATING TO FINANCIAL PRODUCTS AND SERVICES**

2 IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,
3 employees, and attorneys, and all other Persons in active concert or participation
4 with any of them, who receive actual notice of this Order, whether acting directly
5 or indirectly, in connection with the advertising, marketing, promoting, offering for
6 sale, or selling of any Financial Product or Service, are permanently restrained and
7 enjoined from misrepresenting, or Assisting Others in misrepresenting, expressly
8 or by implication:

9 A. the terms or rates that are available for any loan or other extension of credit,
10 including:

- 11 1. closing costs or other fees;
- 12 2. the payment schedule, monthly payment amount(s), any balloon
13 payment, or other payment terms;
- 14 3. the interest rate(s), annual percentage rate(s), or finance charge(s), and
15 whether they are fixed or adjustable;
- 16 4. the loan amount, credit amount, draw amount, or outstanding balance;
17 the loan term, draw period, or maturity; or any other term of credit;
- 18 5. the amount of cash to be disbursed to the borrower out of the
19 proceeds, or the amount of cash to be disbursed on behalf of the borrower to any
20 third parties;
- 21 6. whether any specified minimum payment amount covers both interest
22 and principal, and whether the credit has or can result in negative amortization; or
23 7. that the credit does not have a prepayment penalty or whether
24 subsequent refinancing may trigger a prepayment penalty and/or other fees;

25 B. the ability to improve or otherwise affect a consumer’s credit record, credit
26 history, credit rating, or ability to obtain credit, including that a consumer’s credit
27 record, credit history, credit rating, or ability to obtain credit can be improved by
28 permanently removing current, accurate negative information from the consumer’s

1 credit record or history;

2 C. that a consumer will receive legal representation; or

3 D. any other fact material to consumers concerning any good or service, such
4 as: the total costs; any material restrictions, limitations, or conditions; or any
5 material aspect of its performance, efficacy, nature, or central characteristics.

6 **IV.**

7 **PROHIBITION AGAINST MISREPRESENTATIONS**
8 **RELATING TO ANY PRODUCTS OR SERVICES**

9 IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents,
10 employees, and attorneys, and all other Persons in active concert or participation
11 with any of them, who receive actual notice of this Order, whether acting directly
12 or indirectly, in connection with the advertising, marketing, promoting, offering for
13 sale, or selling of any product, service, plan, or program, are permanently
14 restrained and enjoined from misrepresenting, or Assisting Others in
15 misrepresenting, expressly or by implication:

16 A. any material aspect of the nature or terms of any refund, cancellation,
17 exchange, or repurchase policy, including the likelihood of a consumer obtaining a
18 full or partial refund, or the circumstances in which a full or partial refund will be
19 granted to the consumer;

20 B. that any Person is affiliated with, endorsed or approved by, or otherwise
21 connected to any other Person; government entity; public, non-profit, or other non-
22 commercial program; or any other program;

23 C. the nature, expertise, position, or job title of any Person who provides any
24 product, service, plan, or program; or

25 D. any other fact material to consumers concerning any good or service, such
26 as: the total costs; any restrictions, limitations, or conditions; or any aspect of its
27 performance, efficacy, nature, or central characteristics.

28 **V.**

1 **PROHIBITION AGAINST UNSUBSTANTIATED CLAIMS**

2 IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,
3 employees, and attorneys, and all other Persons in active concert or participation
4 with any of them, who receive actual notice of this Order, whether acting directly
5 or indirectly, in connection with the sale of any product or service, are permanently
6 restrained and enjoined from making any representation or Assisting Others in
7 making any representation, expressly or by implication, about the benefits,
8 performance, or efficacy of any product or service, unless the representation is
9 non-misleading, and, at the time such representation is made, that Defendant
10 possesses and relies upon competent and reliable evidence that is sufficient in
11 quality and quantity based on standards generally accepted in the relevant fields,
12 when considered in light of the entire body of relevant and reliable evidence, to
13 substantiate that the representation is true.

14 **VI.**

15 **MONETARY JUDGMENT AND PARTIAL SUSPENSION**

16 IT IS FURTHER ORDERED that:

- 17 A. Judgment in the amount of Twenty-Seven Million, Five Hundred Eighty-
18 Four Thousand, Nine Hundred Sixty-Nine Dollars (\$27,584,969.00) is entered in
19 favor of the Commission against Defendants, jointly and severally, as equitable
20 monetary relief.
- 21 B. The monetary judgment set forth in this Section VI is enforceable against any
22 asset, real or personal, whether located within the United States or outside the
23 United States, owned jointly or singly by, on behalf of, for the benefit of, in trust
24 by or for, or as a deposit for future goods or services to be provided to, any
25 Defendant, whether held as tenants in common, joint tenants with or without the
26 right of survivorship, tenants by the entirety, and/or community property.
- 27 C. Any financial or brokerage institution, escrow agent, title company,
28 commodity trading company, business entity, or Person, whether located within the

1 United States or outside the United States, that holds, controls, or maintains
2 accounts or assets of, on behalf of, or for the benefit of, any Receivership Entity,
3 whether real or personal, whether located within the United States or outside the
4 United States, shall, within ten (10) business days from receipt of a copy of this
5 Order, turn over such accounts or assets to the Receiver or his designated agent.

6 D. In partial satisfaction of the judgment against Defendants in Section VI.A,
7 any financial or brokerage institution, escrow agent, title company, commodity
8 trading company, business entity, or person, whether located within the United
9 States or outside the United States, that holds, controls, or maintains accounts or
10 assets of, on behalf of, or for the benefit of, any Individual Defendant, whether real
11 or personal, whether located within the United States or outside the United States,
12 shall, within ten (10) business days from receipt of a copy of this Order, turn over
13 such account or asset to the FTC or its designated agent, including, but not limited
14 to:

- 15 1. Wescom shall, within ten (10) business days of receipt of a copy of this
16 Order, transfer to the FTC or its designated agent all holdings in account
17 number xxxx9841 in the name of Dean Robbins;
- 18 2. Wescom shall, within ten (10) business days of receipt of a copy of this
19 Order, transfer to the FTC or its designated agent all holdings in account
20 number xxxx5924 in the name of Dean Robbins;
- 21 3. Orange County's Credit Union shall, within ten (10) business days of
22 receipt of a copy of this Order, transfer to the FTC or its designated agent
23 all holdings in checking and savings account numbers xxxx8000 in the
24 name of Mazen Radwan;
- 25 4. Orange County's Credit Union shall, within ten (10) business days of
26 receipt of a copy of this Order, transfer to the FTC or its designated agent
27 all holdings in account number xxxx3156 in the name of Mazen Radwan;

- 1 5. CalWest Bank shall, within ten (10) business days of receipt of a copy of
2 this Order, transfer to the FTC or its designated agent all holdings in
3 account number xxxx3941 in the name of Rima Radwan;
- 4 6. JP Morgan Chase shall, within ten (10) business days of receipt of a copy
5 of this Order, transfer to the FTC or its designated agent all holdings in
6 account number xxxx7434 in the name of Mazen Radwan;
- 7 7. JP Morgan Chase shall, within ten (10) business days of receipt of a copy
8 of this Order, transfer to the FTC or its designated agent all holdings in
9 account number xxxx7906 in the name of Mazen Radwan;
- 10 8. JP Morgan Chase shall, within ten (10) business days of receipt of a copy
11 of this Order, transfer to the FTC or its designated agent all holdings in
12 account number xxxx1828 in the name of Rima Radwan;
- 13 9. JP Morgan Chase shall, within ten (10) business days of receipt of a copy
14 of this Order, transfer to the FTC or its designated agent all holdings in
15 account number xxxx5760 in the name of Dean Robbins;
- 16 10. Edward Jones shall, within ten (10) business days of receipt of a copy of
17 this Order, transfer to the FTC or its designated agent all holdings in
18 account number xxxxxx4015 in the name of Dean Robbins;
- 19 11. Computershare shall, within ten (10) business days of receipt of a copy
20 of this Order, liquidate all holdings in account number xxxx5169 in the
21 name of Rima Radwan and transfer the proceeds of such liquidation to
22 the FTC or its designated agent; and
- 23 12. Golden 1 Credit Union shall, within ten (10) business days of receipt of a
24 copy of this Order, transfer to the FTC or its designated agent all
25 holdings in account number xxx9685 in the name of Dean Robbins.

26 E. The asset freeze is modified to permit the transfers identified in this Section.
27 Upon completion of those transfers, the asset freeze as to Defendants is dissolved.

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

4 G. All money paid to the FTC pursuant to this Order may be deposited into a
5 fund administered by the FTC or its designee to be used for equitable relief,
6 including consumer redress and any attendant expenses for the administration of
7 any redress fund. If a representative of the FTC decides that direct redress to
8 consumers is wholly or partially impracticable or money remains after redress is
9 completed, the FTC may apply any remaining money for such other equitable
10 relief (including consumer information remedies) as it determines to be reasonably
11 related to Defendants' practices alleged in the Complaint. Any money not used for
12 such equitable relief is to be deposited to the U.S. Treasury as disgorgement.
13 Defendants have no right to challenge any actions the FTC or its representatives
14 may take pursuant to this Subsection.

15 VII.

16 CONTINUATION OF RECEIVERSHIP

17 **IT IS FURTHER ORDERED** that Thomas McNamara, Esq., shall continue
18 as a permanent receiver over the Receivership Entities with full powers of a
19 permanent receiver, including but not limited to those powers set forth in the
20 Preliminary Injunction (ECF No. 52), and including full liquidation powers. The
21 Receiver is directed to wind up the Receivership Entities and liquidate all assets
22 within 180 days after entry of this Order. Any party or the Receiver may request
23 that the Court extend the Receiver's term for good cause. Upon termination of the
24 receivership and final payment to the Receiver of all approved fees, costs, and
25 expenses, the Receiver shall turn over to the FTC or its designated agent all
26 remaining assets in the receivership estate.

27 VIII.

1 **CUSTOMER INFORMATION**

2 IT IS FURTHER ORDERED that Defendants, Defendants’ officers, agents,
3 employees, attorneys, and all other Persons or entities in active concert or
4 participation with any of them, who receive actual notice of this Order, are
5 permanently restrained and enjoined from directly or indirectly:

6 A. failing to provide sufficient customer information to enable the Commission
7 to efficiently administer consumer redress. If a representative of the Commission
8 requests in writing any information related to redress, Defendants must provide it,
9 in the form prescribed by the Commission, within 14 days.

10 B. disclosing, using, or benefitting from customer information, including the
11 name, address, telephone number, email address, social security number, FSA ID,
12 other identifying information, or any data that enables access to a customer’s
13 account (including a student loan account, credit card, bank account, or other
14 financial account), that any Defendant obtained prior to entry of this Order in
15 connection with the marketing or sale of secured or unsecured debt relief products
16 or services; and

17 C. failing to destroy such customer information in all forms in their possession,
18 custody, or control within 30 days after receipt of written direction to do so from a
19 representative of the Commission.

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

23 **IX.**

24 **COOPERATION**

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

1 and testimony. Defendants must appear and must cause Defendants' officers,
2 employees, representatives, or agents to appear for interviews, discovery, hearings,
3 trials, and any other proceedings that a Commission representative may reasonably
4 request upon 5 days written notice, or other reasonable notice, at such places and
5 times as a Commission representative may designate, without the service of a
6 subpoena.

7 **X.**

8 **ORDER ACKNOWLEDGMENTS**

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

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

14 B. For 5 years after entry of this Order, Defendants Mazen Radwan, Rima
15 Radwan, Labiba Velazquez, and Dean Robbins for any business that he or she,
16 individually or collectively with any other Defendant, is the majority owner or
17 controls directly or indirectly, and Corporate Defendants must deliver a copy of
18 this Order to: (1) all principals, officers, directors, and LLC managers and
19 members; (2) all employees having managerial responsibilities for Financial
20 Products or Services, and all agents and representatives who participate in
21 Financial Products or Services; and (3) any business entity resulting from any
22 change in structure as set forth in the Section titled Compliance Reporting.
23 Delivery must occur within 7 days of entry of this Order for current personnel. For
24 all others, delivery must occur before they assume their responsibilities.

25 C. Defendants must obtain, within 30 days, a signed and dated
26 acknowledgment of receipt of this Order from each individual or entity to which
27 Defendants delivered a copy of this Order.

28 **XI.**

1 **COMPLIANCE REPORTING**

2 IT IS FURTHER ORDERED that Defendants make timely submissions to
3 the Commission:

4 A. One year after entry of this Order, each Defendant must submit a compliance
5 report, sworn under penalty of perjury:

6 1. Each Defendant must:

7 (a) identify the primary physical, postal, and email address and
8 telephone number, as designated points of contact, which
9 representatives of the Commission may use to communicate with that
10 Defendant;

11 (b) identify all of that Defendant’s businesses by all of their names,
12 telephone numbers, and physical, postal, email, and Internet
13 addresses;

14 (c) describe the activities of each business, including the goods and
15 services offered, the means of advertising, marketing, and sales, and
16 the involvement of any other Defendant (which Defendants Mazen
17 Radwan, Rima Radwan, Labiba Velazquez and Dean Robbins must
18 describe if he or she knows or should know due to his or her own
19 involvement);

20 (d) describe in detail whether and how that Defendant is in
21 compliance with each Section of this Order; and

22 (e) provide a copy of each Order Acknowledgment obtained pursuant
23 to this Order, unless previously submitted to the Commission.

24 2. Additionally, Defendants Mazen Radwan, Rima Radwan, Labiba
25 Velazquez and Dean Robbins must each:

26 (a) identify all telephone numbers and all physical, postal, email and
27 Internet addresses, including all residences;

1 (b) identify all business activities, including any business for which
2 such Defendant performs services whether as an employee or
3 otherwise and any entity in which such Defendant has any ownership
4 interest; and

5 (c) describe in detail such Defendant's involvement in each such
6 business, including title, role, responsibilities, participation, authority,
7 control, and any ownership.

8 B. For 20 years after entry of this Order, each 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 Defendant must report any change in:

12 (a) any designated point of contact; or

13 (b) the structure of any Defendant or any entity that any Defendant
14 has any ownership interest in or controls directly or indirectly that
15 may affect compliance obligations arising under this Order, including:
16 creation, merger, sale, or dissolution of the entity or any subsidiary,
17 parent, or affiliate that engages in any acts or practices subject to this
18 Order.

19 2. Additionally, Defendants Mazen Radwan, Rima Radwan, Labiba
20 Velazquez and Dean Robbins must report any change in (a) name, including alias
21 or fictional name, or residence address; or (b) title or role in any business activity,
22 including any business for which he or she performs services whether as an
23 employee or otherwise and any entity in which such Defendant has any ownership
24 interest, and identify the name, physical address, and any Internet address of the
25 business or entity.

1 C. Each Defendant must submit to the Commission notice of the filing of any
2 bankruptcy petition, insolvency proceeding, or similar proceeding by or against
3 such Defendant within 14 days of its filing.

4 D. Any submission to the Commission required by this Order to be sworn under
5 penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746,
6 such as by concluding: “I declare under penalty of perjury under the laws of the
7 United States of America that the foregoing is true and correct. Executed on:
8 _____” and supplying the date, signatory’s full name, title (if applicable), and
9 signature.

10 E. Unless otherwise directed by a Commission representative in writing, all
11 submissions to the Commission pursuant to this Order must be emailed to
12 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:
13 Associate Director for Enforcement, Bureau of Consumer Protection, Federal
14 Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The
15 subject line must begin: FTC v. Elegant Solutions, *et al.*, X190036.

16 XII.

17 RECORDKEEPING

18 IT IS FURTHER ORDERED that Defendants must create certain records for
19 20 years after entry of the Order, and retain each such record for 5 years.

20 Specifically, each Defendant for any business that such Defendant, individually or
21 collectively with any other Defendants, is a majority owner or controls directly or
22 indirectly, must create and retain the following records:

23 A. accounting records showing the revenues from all goods or services sold;

24 B. personnel records showing, for each person providing services, whether as
25 an employee or otherwise, that person’s: name; addresses; telephone numbers; job
26 titles or positions; dates of service; and (if applicable) the reason for termination;

27 C. records of all consumer complaints and refund requests, whether received
28 directly or indirectly, such as through a third party, and any response thereto;

1 D. all records necessary to demonstrate full compliance with each provision of
2 this Order, including all submissions to the Commission; and

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

4 **XIII.**

5 **COMPLIANCE MONITORING**

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

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

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

21 C. The Commission may use all other lawful means, including posing, through
22 its representatives as consumers, suppliers, or other individuals or entities, to
23 Defendants or any individual or entity affiliated with any Defendant, without the
24 necessity of identification or prior notice. Nothing in this Order limits the
25 Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of
26 the FTC Act, 15 U.S.C. §§ 49, 57b-1.

27 D. Upon written request from a representative of the Commission, any
28 consumer reporting agency must furnish consumer reports concerning Defendants

1 Mazen Radwan, Rima Radwan, Labiba Velzquez, or Dean Robbins, pursuant to
2 Section 604(1) of the Fair Credit Reporting Act, 15, U.S.C. § 1681(b)(a)(1).

3 **XV.**

4 **RETENTION OF JURISDICTION**

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

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9 **IT IS SO ORDERED:**

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14 JAMES V. SELNA
15 UNITED STATES DISTRICT JUDGE

16 DATED: July 17, 2020
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