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

Bureau of Consumer Financial
Protection, et al.,

Plaintiffs,

v.

Consumer Advocacy Center Inc., d/b/a
Premier Student Loan Center, et al.,

Defendants.

CASE NO. 8:19-cv-01998 MWF (KSx)

**STIPULATED FINAL JUDGMENT
AND ORDER AS TO RELIEF
DEFENDANTS 1st GENERATION
HOLDINGS, LLC AND INFINITE
MANAGEMENT CORP., F/K/A
INFINITE MANAGEMENT
SOLUTIONS INC.**

Court: Hon. Michael W. Fitzgerald
Courtroom 5A

**STIPULATED FINAL JUDGMENT AND ORDER AS TO RELIEF
DEFENDANTS 1st GENERATION HOLDINGS, LLC AND INFINITE
MANAGEMENT CORP.**

1 Plaintiffs the Bureau of Consumer Financial Protection (Bureau), the State
2 of Minnesota, the State of North Carolina, and the People of the State of California
3 (collectively, Plaintiffs) commenced this civil action on October 21, 2019, filed an
4 amended complaint on February 24, 2020, and a second amended complaint
5 (Second Amended Complaint) on April 20, 2021, to obtain permanent injunctive
6 relief, damages, rescission or reformation of contracts, refunds of moneys paid,
7 restitution, disgorgement or compensation for unjust enrichment, civil money
8 penalties, and other monetary and equitable relief from: (1) Defendants Consumer
9 Advocacy Center Inc., d/b/a Premier Student Loan Center; True Count Staffing
10 Inc., d/b/a SL Account Management; Prime Consulting LLC, d/b/a Financial
11 Preparation Services; TAS 2019 LLC, d/b/a Trusted Account Services; Horizon
12 Consultants LLC; First Priority LLC, d/b/a Priority Account Management; Albert
13 Kim; Kaine Wen in his individual capacity and as trustee of the Kaine Wen 2017
14 Trust; and Tuong Nguyen; and (2) Relief Defendants Infinite Management Corp.,
15 f/k/a Infinite Management Solutions Inc.; Hold the Door, Corp.; TN Accounting
16 Inc.; Mice and Men LLC; Sarah Kim; 1st Generation Holdings, LLC; Anan
17 Enterprise, Inc.; and Judy Dai in her individual capacity and as trustee of the Judy
18 Dai 2017 Trust.

19 The Second Amended Complaint alleges violations of sections 1031(a) and
20 1036(a) of the Consumer Financial Protection Act of 2010, 12 U.S.C. §§ 5531(a),
21 5536(a); the Telemarketing and Consumer Fraud and Abuse Prevention Act,
22 15 U.S.C. § 6102(c)(2), based on alleged violations of the Telemarketing Sales
23 Rule, 16 C.F.R. pt. 310; the Minnesota Prevention of Consumer Fraud Act, Minn.
24 Stat. §§ 325F.68-.694; the Minnesota Uniform Deceptive Trade Practices Act,
25 Minn. Stat. §§ 325D.43-.48; the North Carolina Debt Adjusting Act, N.C. Gen.
26 Stat. § 14-423 *et seq.*; the North Carolina Telephonic Seller Registration Act, N.C.
27 Gen. Stat. § 66-260 *et seq.*; the North Carolina Unfair and Deceptive Practices Act,

1 N.C. Gen. Stat. § 75-1.1; and the California Unfair Competition Law, Ca. Bus. &
2 Prof. Code §17200 *et seq.* in connection with the above-named defendants’
3 marketing and sale of debt-relief services. The Second Amended Complaint also
4 includes claims for avoidance of fraudulent transfers under the Federal Debt
5 Collection Procedures Act, 28 U.S.C. §§ 3001-3308, and the California Uniform
6 Voidable Transactions Act, Cal Civ. Code §§ 3439-3439.14.

7 The (1) Plaintiffs, (2) Relief Defendant 1st Generation Holdings, LLC, and
8 (3) Relief Defendant Infinite Management Corp., agree to entry of this Stipulated
9 Final Judgment and Order (Order), without adjudication of any issue of fact or law,
10 to settle and resolve all matters in dispute between them arising from the conduct
11 alleged in the Second Amended Complaint.

12 **THEREFORE, IT IS ORDERED:**

13 **FINDINGS**

14 1. This Court has jurisdiction over the parties and the subject matter of
15 this action.

16 2. Settling Relief Defendants neither admit nor deny the allegations in
17 the Second Amended Complaint, except as specifically stated herein. For purposes
18 of this Order, Settling Relief Defendants admit the facts necessary to establish the
19 Court’s jurisdiction over them and the subject matter of this action.

20 3. Settling Relief Defendants waive all rights to seek judicial review or
21 otherwise challenge or contest the validity of this Order and any claim each of
22 them may have under the Equal Access to Justice Act, 28 U.S.C § 2412,
23 concerning the prosecution of this action to the date of this Order. Each Party
24 agrees to bear its own costs and expenses, including, without limitation, attorneys’
25 fees.

26 4. Entry of this Order is in the public interest.
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DEFINITIONS

The following definitions apply to this Order:

5. “1st Generation Holdings” means 1st Generation Holdings, LLC, and its successors and assigns, and any other names by which it might be known.

6. “Affected Consumers” includes any consumer who paid Defendants or their officers, agents, servants, employees, or attorneys for any Debt-Relief Service from November 2, 2015, to October 23, 2019.

7. “Assets” means any legal or equitable interest in, right to, or claim to any real, personal, or intellectual property owned or controlled by, or held, in whole or in part for the benefit of, or subject to access by any Defendant or Relief Defendant, wherever located, whether in the United States or abroad. This includes, but is not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, contracts, mail or other deliverables, shares of stock, commodities, futures, inventory, checks, notes, accounts, credits, receivables (as those terms are defined in the Uniform Commercial Code), funds, cash, and trusts.

8. “Bureau” means the Bureau of Consumer Financial Protection.

9. “Defendants” means Corporate Defendants and Individual Defendants, individually, collectively, or in any combination, and each of them by whatever names each might be known:

a. “Corporate Defendants” means Consumer Advocacy Center Inc., True Count Staffing Inc., Prime Consulting LLC, TAS 2019 LLC, Horizon Consultants LLC, and First Priority LLC, collectively, or in any combination, and their successors and assigns, and each of them by any other names by which they might be known, including South Coast Financial Center, Direct Account Services, Financial Loan Advisors, Account Preparation Services, Administrative

1 Financial, Tangible Savings Solutions, Coastal Shores Financial
2 Group, First Choice Financial Centre (a/k/a First Choice Financial
3 Center), Administrative Account Services, Primary Account
4 Solutions, Prime Document Services, Financial Accounting Center,
5 Doc Management Solutions, ALW Loans, Administrative Accounting
6 Center, Best Choice Financial Center, First Document Services,
7 Global Direct Accounting Solutions, Keystone Document Center,
8 Pacific Palm Financial Group, Pacific Shores Advisory, Sequoia
9 Account Management, Signature Loan Solutions, Yellowstone
10 Account Services, ClearStudentLoanDebt, Clear Student Loan Debt,
11 Trusted Account Services, Premier Student Loan Center, and Priority
12 Account Management;

13 b. “Individual Defendants” means Albert Kim, a/k/a Albert King;
14 Kaine Wen, a/k/a Wenting Kaine Dai, Wen-Ting Dai, Wen Ting Dai,
15 Kaine Dai, and Kaine Wen Dai, in his individual capacity and as
16 trustee of the Kaine Wen 2017 Trust; and Tuong Nguyen, a/k/a Tom
17 Nelson, collectively, or in any combination, and each of them by any
18 other names by which they might be known;

19 c. “Receivership Defendants” means True Count Staffing Inc.,
20 Prime Consulting LLC, TAS 2019 LLC, Horizon Consultants LLC,
21 and First Priority LLC, collectively, or in any combination, and their
22 successors and assigns;

23 d. “Relief Defendants” means:

24 i. Infinite Management Corp., f/k/a Infinite Management
25 Solutions Inc.; Hold the Door, Corp.; TN Accounting Inc.; Mice
26 and Men LLC; 1st Generation Holdings, LLC; and Anan
27 Enterprise, Inc., collectively, or in any combination, and their
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1 successors and assigns, and each of them by any other names by
2 which they might be known; and

3 ii. Sarah Kim and Judy Dai in her individual capacity and as
4 trustee of the Judy Dai 2017 Trust, and any other names by
5 which they might be known.

6 10. “Debt-Relief Service” means any program or service represented,
7 directly or by implication, to renegotiate, settle, or in any way alter the terms of
8 payment or other terms of the debt between a consumer and one or more unsecured
9 creditors or debt collectors, including but not limited to, a reduction in the balance,
10 interest rate, or fees owed by a consumer to an unsecured creditor or debt collector.

11 11. “Effective Date” means the date on which this Order is entered by the
12 Court.

13 12. “Enforcement Director” means the Assistant Director of the Office of
14 Enforcement for the Bureau of Consumer Financial Protection, or his or her
15 delegate.

16 13. “Infinite Management Corp.” means Infinite Management Corp., and
17 its successors and assigns, and by any other names by which it might be known,
18 including its former name, Infinite Management Solutions Inc.

19 14. “Judgment Amount” refers to the judgments for monetary relief this
20 Court entered against Prime Consulting, LLC, and Tuong Nguyen in the amount of
21 \$95,057,757. (ECF Nos. 205, 210).

22 15. “Person” means an individual, partnership, company, corporation,
23 association (incorporated or unincorporated), trust, estate, cooperative
24 organization, or other entity.

25 16. “Plaintiffs” means the Bureau of Consumer Financial Protection, the
26 State of Minnesota, the State of North Carolina, and the People of the State of
27 California, collectively, or in any combination.

1 17. "Receiver" means Thomas W. McNamara.

2 18. "Related Consumer Action" means a private action by or on behalf of
3 one or more consumers or an enforcement action by another governmental agency
4 brought against any Settling Relief Defendant based on substantially the same facts
5 as described in the Second Amended Complaint.

6 19. "Settling Relief Defendants" means 1st Generation Holdings, LLC
7 and Infinite Management Corp.

8 20. "States" means the State of Minnesota, the State of North Carolina,
9 and the People of the State of California.

10 21. "Subject Accounts" means the accounts appearing in Attachment A in
11 the name of 1st Generation Holdings, LLC.

12 **MONETARY PROVISIONS**

13 **I**

14 **Order to Pay Redress**

15 **It is FURTHER ORDERED that:**

16 22. A judgment for monetary relief is entered in favor of Plaintiffs and
17 against Settling Relief Defendants as set forth below:

18 a. Settling Relief Defendant 1st Generation Holdings, LLC shall
19 be jointly and severally liable for the amount of \$3,984,779.28 of the
20 Judgment Amount. Settling Relief Defendant 1st Generation
21 Holdings, LLC is further ordered to disgorge any funds held in the
22 Subject Accounts in excess of this amount, including any income such
23 as interest, dividends, and capital gains, as of the date the funds are
24 transferred pursuant to Paragraph 25. All funds referenced in this
25 subparagraph shall be treated in accordance with Paragraphs 30-31.

26 b. Settling Relief Defendant Infinite Management Corp. shall be
27 jointly and severally liable for the amount of \$2,049,189.07 of the
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1 Judgment Amount, such amount being for the purpose of providing
2 redress to Affected Consumers.

3 23. Full payment of Settling Relief Defendant Infinite Management
4 Corp.'s portion of the judgment set forth in Paragraph 22 will be suspended, based
5 on its inability to pay, upon its satisfaction of the obligations in Paragraphs 24-27
6 of this Section, Paragraph 38 of Section III, and subject to Section II of this Order.

7 24. Settling Relief Defendants hereby grant to the Bureau all rights and
8 claims they have to all Assets subject to the asset freeze imposed by the
9 Preliminary Injunction entered on November 15, 2019 (ECF No. 103), which are
10 listed in Attachment A and Attachment B.

11 25. Within 10 business days from receipt of a copy of this Order by any
12 means, including but not limited to via facsimile or email, JP Morgan Chase Bank,
13 N.A., UBS Financial Services Inc., and Wells Fargo Bank, N.A. shall transfer to
14 the Bureau or its designated agent all funds held in the accounts listed in
15 Attachment A by wire transfer to the Bureau or the Bureau's agent according to the
16 Bureau's wiring instructions.

17 26. To the extent they have not already done so, Settling Relief
18 Defendants relinquish to the Bureau, or to its designated agent, dominion and all
19 legal and equitable right, title, and interest in the Assets listed on Attachment B.

20 27. Settling Relief Defendants hereby grant to the Bureau all rights and
21 claims they have to any Assets that are currently in the possession, custody, or
22 control of the Receiver, and shall forfeit any rights and claims to the funds in the
23 receivership estate, including but not limited to: all funds held, obtained, or to be
24 obtained by the Receiver since the inception of the receivership whether through
25 this Order or otherwise.

26 28. The suspension of the monetary judgment in Paragraph 23 shall not
27 affect the Receiver's ability to pursue recovery of funds from any third parties,
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1 including family members of Defendants, to satisfy all or a portion of the full
2 monetary judgment entered in Paragraph 22. Settling Relief Defendant Infinite
3 Management Corp. shall remain jointly and severally liable for full payment of its
4 respective judgment to the extent that funds to satisfy all or a portion of this
5 judgment are able to be recovered from third parties by the Receiver acting on
6 behalf of the Receivership Defendants.

7 29. With regard to any redress that Settling Relief Defendants pay under
8 this Section, if Settling Relief Defendants receive, directly or indirectly, any
9 reimbursement or indemnification from any source, including but not limited to
10 payment made under any insurance policy, or if Settling Relief Defendants secure
11 a tax deduction or tax credit with regard to any federal, state, or local tax, Settling
12 Relief Defendants must: (a) immediately notify the Enforcement Director and
13 States in writing, and (b) within 10 days of receiving the funds or monetary
14 benefit, Settling Relief Defendants must transfer the full amount of such funds or
15 monetary benefit (Additional Payment) to the Bureau or to the Bureau's agent
16 according to the Bureau's wiring instructions. After the Bureau receives the
17 Additional Payment, the amount of the suspended judgment referenced in
18 Paragraph 23 will be reduced by the amount of the Additional Payment and the
19 Additional Payment will be applied toward satisfaction of the monetary judgment
20 entered in Paragraph 22.

21 30. Any funds received by the Bureau in satisfaction of this judgment will
22 be deposited into a fund or funds administered by the Bureau or to the Bureau's
23 agent according to applicable statutes and regulations to be used for redress for
24 Affected Consumers, including but not limited to refund of moneys, restitution,
25 damages or other monetary relief, and for any attendant expenses for the
26 administration of any such redress.

1 Relief Defendant Infinite Management Corp shall be immediately due and payable,
2 less any amounts it paid to the Bureau under Section I of this Order.

3 35. If the Court terminates the suspension of the monetary judgment
4 under this Section, the Bureau will be entitled to interest on the judgment,
5 computed from the date of entry of this Order, at the rate prescribed by 28 U.S.C.
6 § 1961, as amended, on any outstanding amounts not paid.

7 36. In all other respects this Order shall remain in full force and effect
8 unless otherwise ordered by the Court; and, proceedings instituted under this
9 Section would be in addition to, and not in lieu of any other civil or criminal
10 remedies as may be provided by law, including any other proceedings that
11 Plaintiffs may initiate to enforce this Order.

12 III

13 Additional Monetary Provisions

14 **It is FURTHER ORDERED that:**

15 37. In the event of any default on Settling Relief Defendants' obligations
16 to make payment under this Order, interest, computed under 28 U.S.C. § 1961, as
17 amended, will accrue on any outstanding amounts not paid from the date of default
18 to the date of payment, and will immediately become due and payable.

19 38. Settling Relief Defendants relinquish all dominion, control, and title
20 to the funds and all other Assets transferred or paid under this Order to the fullest
21 extent permitted by law and no part of the funds or other Assets may be returned to
22 them.

23 39. The facts alleged in the Second Amended Complaint will be taken as
24 true and given collateral estoppel effect, without further proof, in any proceeding
25 based on the entry of the Order, or in any subsequent civil litigation by or on behalf
26 of the Plaintiffs, including in a proceeding to enforce their rights to any payment or
27 monetary judgment under this Order, such as a non-dischargeability complaint in
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1 any bankruptcy case.

2 40. The facts alleged in the Second Amended Complaint establish all
3 elements necessary to sustain an action by the Plaintiffs under section 523(a)(2)(A)
4 of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and for such purposes this
5 Order will have collateral estoppel effect against each Settling Relief Defendant,
6 even in such Defendants' capacity as debtor-in-possession.

7 41. Under 31 U.S.C. § 7701, Settling Relief Defendants, unless they have
8 already done so, must furnish to Plaintiffs any taxpayer-identification numbers
9 associated with them or their Assets, which may be used for purposes of collecting
10 and reporting on any delinquent amount arising out of this Order.

11 42. Within 30 days of the entry of a final judgment, order, or settlement in
12 a Related Consumer Action, Settling Relief Defendants must notify the
13 Enforcement Director of the final judgment, order, or settlement in writing. That
14 notification must indicate the amount of redress, if any, that the Settling Relief
15 Defendant paid or is required to pay to consumers and describe the consumers or
16 classes of consumers to whom that redress has been or will be paid.

17 **IV**

18 **Lifting of Asset Freeze**

19 **It is FURTHER ORDERED that:**

20 43. The freeze on the Assets of Settling Relief Defendants is modified to
21 permit the transfers of Assets identified in Sections I and III of this Order. Upon
22 completion of all payments and other obligations identified in Sections I and III of
23 this Order, the freeze of the Settling Relief Defendants' Assets pursuant to the
24 Preliminary Injunction entered on November 15, 2019 (ECF No. 103), shall be
25 dissolved.

1 **COMPLIANCE PROVISIONS**

2 **V**

3 **Notices**

4 **It is FURTHER ORDERED that:**

5 44. Unless otherwise directed in writing by the Bureau, Settling Relief
6 Defendants must provide all submissions, requests, communications, or other
7 documents relating to this Order in writing, with the subject line, “*CFPB, et al., v.*
8 *CAC, et al.*, Case No. 8:19-cv-01998-MWF-KS” and send them by overnight
9 courier or first-class mail to the below address and contemporaneously by email to
10 Enforcement_Compliance@cfpb.gov:

11 Assistant Director for Enforcement
12 Bureau of Consumer Financial Protection
13 ATTENTION: Office of Enforcement
14 1700 G Street, N.W.
15 Washington, D.C. 20552

16 45. Unless otherwise directed by a representative of the State of
17 Minnesota in writing, all submissions to the State of Minnesota pursuant to this
18 Order must be sent by overnight courier or first-class mail to the below address and
19 contemporaneously by email to evan.romanoff@ag.state.mn.us:

20 Evan Romanoff, Assistant Attorney General
21 Office of the Minnesota Attorney General
22 445 Minnesota Street, Suite 1200
23 St. Paul, Minnesota 55101

24 46. Unless otherwise directed by a representative of the State of North
25 Carolina in writing, all submissions to the State of North Carolina pursuant to this
26 Order must be sent by overnight courier or first-class mail to the below address and
27 contemporaneously by email to lweaver@ncdoj.gov:

1 M. Lynne Weaver, Special Deputy Attorney General
2 North Carolina Department of Justice
3 114 W. Edenton Street
4 Raleigh, North Carolina 27603

5 47. Unless otherwise directed by the State of California in writing, all
6 submissions to the State of California pursuant to this Order must be sent by
7 overnight courier or first-class mail to the below address and contemporaneously
8 by email to christina.tusan@lacity.org:

9 Christina Tusan
10 Supervising Deputy City Attorney
11 Los Angeles City Attorney’s Office
12 200 N. Main Street, 5th Floor
13 Los Angeles, CA 90012

14 **VI**

15 **Cooperation with Plaintiffs**

16 **It is FURTHER ORDERED that:**

17 48. Settling Relief Defendants must cooperate fully to help Plaintiffs
18 determine the identity, location, and contact information of any Defendant and any
19 Person who might have contact information for any Defendant. Settling Relief
20 Defendants must provide such information in their or their agents’ possession or
21 control within 14 days of receiving a written request from any Plaintiff.

22 49. Settling Relief Defendants must cooperate fully to help Plaintiffs
23 determine the identity and location of, and the amount of injury sustained by, each
24 Affected Consumer. Settling Relief Defendants must provide such information in
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1 their or their agents' possession or control within 14 days of receiving a written
2 request from any Plaintiff.

3 **VII**

4 **Compliance Monitoring**

5 **It is FURTHER ORDERED that**, to monitor Settling Relief Defendants'
6 compliance with this Order, including the financial representations upon which
7 part of the judgment was suspended:

8 50. Within 14 days of receipt of a written request from any Plaintiff, each
9 Settling Relief Defendant must submit Compliance Reports or other requested
10 information, which must be made under penalty of perjury; provide sworn
11 testimony; or produce documents.

12 51. For purposes of this Section, Plaintiffs may communicate directly
13 with each Settling Relief Defendant, unless the Settling Relief Defendant retains
14 counsel related to these communications.

15 52. Each Settling Relief Defendant must permit Plaintiffs' representatives
16 to interview any employee or other Person affiliated with the Settling Relief
17 Defendant who has agreed to such an interview. The Person interviewed may have
18 counsel present. Nothing in this Order will limit the Bureau's lawful use of civil
19 investigative demands under 12 C.F.R. § 1080.6 or any Plaintiff's use of other
20 compulsory process.

21 **VIII**

22 **Receivership**

23 **It is FURTHER ORDERED that:**

24 53. The receivership imposed by this Court shall continue in the manner
25 set forth in the Preliminary Injunction issued on November 15, 2019 (ECF No.
26 103), as to all Defendants and Relief Defendants, except as modified by this
27 Section and Section IV, and the Receiver shall continue to have the full powers of
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1 an equity receiver, as an agent of the Court, pursuant to Sections XIV and XV of
2 the Preliminary Injunction, which shall remain in effect until further order of the
3 Court.

4 54. The Receiver and his representatives shall continue to be entitled to
5 reasonable compensation for the performance of their duties pursuant to this Order
6 from the Assets of the Receivership Defendants. The Receiver and his
7 representatives shall not increase their hourly rates without prior approval of the
8 Court.


9 **IX**

10 **Retention of Jurisdiction**

11 **It is FURTHER ORDERED that:**

12 55. The Court will retain jurisdiction of this matter for the purpose of
13 enforcing this Order.

14 It is **SO ORDERED**, this first day of July, 2021.

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17 MICHAEL W. FITZGERALD
18 United States District Judge
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ATTACHMENT A

List of Assets Transferred Pursuant to Paragraphs 24-25 of the Order

Any and all Assets at the following financial institutions and in the following accounts:

1. JP Morgan Chase Bank, N.A., account number ending in 3880 in the name of Infinite Management Solutions, Inc.
2. UBS Financial Services Inc., account number ending in 6198 in the name of 1st Generation Holdings LLC
3. Wells Fargo Bank, N.A.:
 - a. account number ending in 5580 in the name of 1st Generation Holdings LLC
 - b. account number ending in 5598 in the name of 1st Generation Holdings LLC

ATTACHMENT B

Relief Defendant Infinite Management Corp. grants to the Bureau all rights and claims it has to the following Assets pursuant to Paragraph 24 and 26 of the Order:

1. The following vehicles:
 - a. 2016 Bentley Continental GT, VIN ending in 7293, owned by and registered to Sarah Kim, CA Registration No. 8EAP909; and
 - b. 2016 Mercedes Benz G550, VIN ending in 2027, owned by and registered to Sarah Kim, CA Registration No. L411MO.

2. The following Assets, identified at Item no. 23 on the Financial Statement of Infinite Management Corp.:
 - a. Audemars Piguet, Royal Offshore watch, \$58,000 acquisition cost, owned by Albert Kim;
 - b. Rolex Day Date Presidential watch, \$30,000 acquisition cost, owned by Sarah Kim;
 - c. Rolex Submariner watch, \$14,000 acquisition cost, owned by Albert Kim;
 - d. 3 caret solitaire diamond engagement ring, \$53,000 acquisition cost, owned by Sarah Kim;
 - e. Gucci earrings, \$4,500 acquisition cost, owned by Sarah Kim;
 - f. Furniture, acquisition cost unknown; and
 - g. Electronics, acquisition cost unknown.