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

FEDERAL TRADE COMMISSION,
Plaintiff,

v.

SL FINANCE LLC, a California limited liability company,
MICHAEL CASTILLO, individually
and as an officer of SL Finance LLC,
CHRISTIAN CASTILLO, individually
and as an officer of SL Finance LLC,
Defendants.

Case No. 8:23-cv-0698-JWH-ADS

**ORDER GRANTING
STIPULATION FOR PERMANENT
INJUNCTION, MONETARY
RELIEF, AND OTHER RELIEF**

1 Plaintiff, the Federal Trade Commission (“FTC”), filed its Complaint
2 for Permanent Injunction, Monetary Relief, and Other Relief (the “Complaint”)
3 pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (the
4 “FTC Act”), 15 U.S.C. §§ 53(b) and 57b, the Telemarketing and Consumer
5 Fraud and Abuse Prevention Act (the “Telemarketing Act”), 15 U.S.C.
6 §§ 6101-6108, Section 1401(c) of the COVID-19 Consumer Protection Act of
7 the 2021 Consolidated Appropriations Act, Pub. L. No. 116-260, 134 Stat. 1182,
8 Div. FF, Title XIV, § 1401(c) (Prohibiting Deceptive Acts or Practices in
9 Connection With the Novel Coronavirus) (the “COVID-19 Consumer
10 Protection Act”), and Section 522(a) of the Gramm-Leach-Bliley Act (the
11 “GLB Act”), 15 U.S.C. § 6822(a). The FTC and Defendants stipulate to the
12 entry of this [Proposed] Order for Permanent Injunction, Monetary Relief, and
13 Other Relief (the “Order”) to resolve all matters in dispute in this action
14 between them.

15 I. FINDINGS

16 Therefore, good cause appearing, the Court hereby makes the following
17 **FINDINGS:**

18 A. This Court has jurisdiction over this matter.

19 B. The Complaint charges that Defendants participated in deceptive
20 acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),
21 the Telemarketing Sales Rule (the “TSR”), 16 C.F.R. Part 310, Section 1401 of
22 the COVID-19 Consumer Protection Act of the 2021 Consolidated
23 Appropriations Act (the “COVID-19 Act”), Pub. L. No. 116-260, 134 Stat. 1182,
24 Div. FF, Title XIV, § 1401, and Section 521 of the Gramm-Leach-Bliley Act (the
25 “GLB Act”), 15 U.S.C. § 6821, in the deceptive marketing and sale of student
26 loan debt relief services.

27 C. Only for purposes of this action, Defendants admit the facts
28 necessary to establish jurisdiction.

1 D. Defendants waive any claim that they may have under the Equal
2 Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this
3 action through the date of this Order, and agree to bear their own costs and
4 attorney fees.

5 E. Defendants waive all rights to appeal or otherwise challenge or
6 contest the validity of this Order.

7 II. DEFINITIONS

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

9 A. “Assisting Others” includes:

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

26 B. “Defendants” means the Individual Defendants and the Corporate
27 Defendants, individually, collectively, or in any combination.

28

1 1. “Corporate Defendant(s)” means SL Finance LLC, and
2 each of its subsidiaries, affiliates successors and assigns.

3 2. “Individual Defendants” means Michael Castillo and
4 Christian Castillo, individually, collectively, or in any combination.

5 C. “National Do Not Call Registry” means the “do-not-call” registry
6 of telephone numbers maintained by the FTC pursuant to 16 C.F.R.
7 § 310.4(b)(1)(iii)(B).

8 D. “Outbound Telephone Call” means a telephone call initiated by a
9 Telemarketer to induce the purchase of goods or services or to solicit a
10 charitable contribution.

11 E. “Person” means a natural person, organization, or other legal
12 entity, including a corporation, partnership, proprietorship, association,
13 cooperative, or any other group or combination acting as an entity.

14 F. “Receiver” means Thomas W. McNamara.

15 G. “Receivership Entity(ies)” means the Corporate Defendant(s), as
16 well as any other entity that has conducted any business related to Defendants’
17 student loan debt relief services business, including receipt of assets derived
18 from any activity that is the subject of the Complaint in this matter, and which
19 the Receiver has reason to believe is owned or controlled in whole or in part by
20 any Defendant.

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

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

26 a. to stop, prevent, or postpone any mortgage or deed of
27 foreclosure sale for a person’s dwelling, any other sale of collateral,
28 any repossession of a person’s dwelling or other collateral, or

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otherwise save a person's dwelling or other collateral from foreclosure or repossession;

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

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

d. to negotiate, obtain, or arrange any extension of the period of time within which a person may:

- i. cure his or her default on the mortgage, loan, debt, or obligation,
- ii. reinstate his or her mortgage, loan, debt, or obligation,
- iii. redeem a dwelling or other collateral, or
- iv. exercise any right to reinstate the mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;

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

- f. to negotiate, obtain, or arrange:
 - i. a short sale of a dwelling or other collateral,
 - ii. a deed-in-lieu of foreclosure, or

1 1. Defendants are permanently **RESTRAINED** and **ENJOINED**
2 from advertising, marketing, promoting, offering for sale, selling, or Assisting
3 Others in the advertising, marketing, promoting, offering for sale, or selling, of
4 any Secured or Unsecured Debt Relief Product or Service.

5 2. Defendants and Defendants' officers, agents, employees, and
6 attorneys, and all other Persons in active concert or participation with any of
7 them, who receive actual notice of this Order, whether acting directly or
8 indirectly, in connection with the advertising, marketing, promoting, offering for
9 sale, or selling of any product, service, plan, or program are permanently
10 **RESTRAINED** and **ENJOINED** from misrepresenting, or Assisting Others in
11 misrepresenting, expressly or by implication:

12 a. any material aspect of the nature or terms of any refund,
13 cancellation, exchange, or repurchase policy, including the likelihood of a
14 consumer obtaining a full or partial refund, or the circumstances in which
15 a full or partial refund will be granted to the consumer;

16 b. that any Person is affiliated with, endorsed or approved by, or
17 otherwise connected to any other Person; government entity; public, non-
18 profit, or other non-commercial program; or any other program;

19 c. any fact material to consumers concerning any good or
20 service associated with the treatment, cure, prevention, mitigation, or
21 diagnosis of COVID-19; or any fact material to consumers concerning any
22 government benefit related to COVID-19;

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

25 e. that the ability to improve or otherwise affect a consumer's
26 credit record, credit history, credit rating, or ability to obtain credit,
27 including that a consumer's credit record, credit history, credit rating, or
28 ability to obtain credit can be improved by permanently removing negative

1 information from the consumer's credit record or history, even where
2 such information is accurate and not obsolete;

3 f. that a consumer will save money; or

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

8 3. Defendants and Defendants' officers, agents, employees, and
9 attorneys, and all other Persons in active concert or participation with any of
10 them, who receive actual notice of this Order, whether acting directly or
11 indirectly, in connection with the advertising, marketing, promoting, offering for
12 sale, or selling of any product, service, plan, or program are permanently
13 **RESTRAINED** and **ENJOINED** from making any representation or Assisting
14 Others in making any misrepresentation, expressly or by implication, about the
15 benefits, performance, or efficacy of any product or service, unless the
16 representation is non-misleading, and, at the time such representation is made,
17 that Defendant possesses and relies upon competent and reliable evidence that is
18 sufficient in quality and quantity based on standards generally accepted in
19 relevant fields, when considered in light of the entire body of relevant and
20 reliable evidence, to substantiate that the representation is true.

21 4. Defendants and Defendants' officers, agents, employees, and
22 attorneys, and all other Persons in active concert or participation with any of
23 them, who receive actual notice of this Order, whether acting directly or
24 indirectly are permanently **RESTRAINED** and **ENJOINED** from:

25 a. obtaining, or attempting to obtain customer information of a
26 financial institution (including bank account routing number, account
27 number, or log-in credentials) from a consumer by making false, fictitious,
28 or fraudulent representations to any consumer or financial institution; or

1 b. violating the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801-
2 6809, §§ 6821-6827, a copy of which is attached as **ATTACHMENT A**.

3 5. Defendants, Defendants' officers, agents, employees, and
4 attorneys, and all other Persons in active concert or participation with any of
5 them, who receive actual notice of this Order, whether acting directly or
6 indirectly, in connection with Telemarketing are permanently **RESTRAINED**
7 and **ENJOINED** from engaging in, or assisting and facilitating others in
8 engaging in, any of the following practices:

9 a. initiating any Outbound Telephone Call to a Person when
10 that Person has previously stated that he or she does not wish to receive
11 an Outbound Telephone Call:

12 i. made by or on behalf of the Seller whose goods or
13 services are being offered; or

14 ii. made on behalf of a charitable organization for which a
15 charitable contribution is being solicited.

16 b. initiating any Outbound Telephone Call to a telephone
17 number within a given area code unless the Seller, either directly or
18 through another Person, has paid the annual fee for access to the
19 telephone numbers within that area code that are included in the National
20 Do Not Call Registry; and

21 c. violating the Telemarketing Sales Rule, 16 C.F.R. Part 310,
22 attached as **ATTACHMENT B**.

23 6. Monetary Judgment and Partial Suspension:

24 a. Judgment in the amount of five million, seven hundred
25 ninety-eight thousand, nine hundred forty-six dollars and thirty-two cents
26 (\$5,798,946.32) is entered in **FAVOR** of the FTC and **AGAINST** the
27 Individual Defendants and Corporate Defendants, jointly and severally, as
28 monetary relief.

1 b. The monetary judgment set out in Paragraph 6(a) above is
2 enforceable against any asset, real or personal, whether located within the
3 United States or outside the United States, owned jointly or singly by, on
4 behalf of, for the benefit of, in trust by or for, or as a deposit for future
5 goods or services to be provided to, any Defendant, whether held as
6 tenants in common, joint tenants with or without the right of
7 survivorship, tenants by the entirety, and/or community property.

8 c. In partial satisfaction of the judgment against Defendants:

9 i. Defendants shall, within twenty (20) days after the
10 date of entry of this Order, either:

11 (1) transfer to the FTC or its designated agent cash
12 in the amount of \$230,962.95; or

13 (2) transfer to the Receiver title to the property
14 located at 2546 Veronella Street, Henderson, NV 89044, in
15 which case Defendants shall cooperate fully with the Receiver
16 and shall execute any instrument or document presented by
17 the Receiver, and do whatever else the Receiver deems
18 necessary or desirable to effect such transfer.

19 Upon such transfer, the real property shall be an asset of the
20 receivership estate, to be governed by Paragraph 10 of this Order.

21 ii. Defendant Michael Castillo shall, within twenty (20)
22 days after the date of entry of this Order, either:

23 (1) transfer to the FTC or its designated agent cash
24 in the amount of \$13,723; or

25 (2) transfer to the Receiver title to the 2017 Tesla
26 Model 3 listed on his financial statement, in which case
27 Defendants shall cooperate fully with the Receiver and shall
28 execute any instrument or document presented by the

1 Receiver, and do whatever else the Receiver deems necessary
2 or desirable to effect such transfer.

3 Upon such transfer, the 2017 Tesla Model 3 shall be an asset of the
4 receivership estate, to be governed by Paragraph 10 of this Order.

5 iii. In addition to the amounts set forth in
6 Paragraph 6(c)(i)-(ii) above, any financial or brokerage institution,
7 escrow agent, title company, commodity trading company, business
8 entity, or person, whether located within the United States or
9 outside the United States, that holds, controls, or maintains
10 accounts or assets of, on behalf of, or for the benefit of, any
11 Receivership Entity, whether real or personal, whether located
12 within the United States or outside the United States, shall, within
13 ten (10) business days from receipt of a copy of this Order, turn
14 over such accounts or assets to the Receiver or his designated
15 agent.

16 iv. In addition to the amounts set forth in
17 Paragraphs 6(c)(i)-(iii) above, any financial or brokerage institution,
18 escrow agent, title company, commodity trading company, business
19 entity, or person, whether located within the United States or
20 outside the United States, that holds, controls, or maintains
21 accounts or assets of, on behalf of, or for the benefit of, any
22 Individual Defendant, whether real or personal, whether located
23 within the United States or outside the United States, shall, within
24 ten (10) business days from receipt of a copy of this order, liquidate
25 and turn over such account or asset to the FTC or its designated
26 agent, including, but not limited to:

27 (1) Bank of America, N.A (“Bank of America”)
28 shall, within ten (10) days of receipt of a copy of this Order,

1 transfer to the FTC or its designated agent all holdings in
2 account number xxxx4697 in the name of Christian Castillo;

3 (2) Bank of America shall, within ten (10) days of
4 receipt of a copy of this Order, transfer to the FTC or its
5 designated agent all holdings in account number xxxx3848 in
6 the name of Christian Castillo;

7 (3) Bank of America shall, within ten (10) days of
8 receipt of a copy of this Order, transfer to the FTC or its
9 designated agent all holdings in account number xxxx3598 in
10 the name of Michael Castillo;

11 (4) Bank of America shall, within ten (10) days of
12 receipt of a copy of this Order, transfer to the FTC or its
13 designated agent all holdings in account number xxxx0458 in
14 the name of Michael Castillo;

15 (5) JP Morgan Chase Bank (“Chase”) shall, within
16 ten (10) days of receipt of a copy of this Order, transfer to the
17 FTC or its designated agent all holdings in account number
18 xxxx5623 in the name of Christian Castillo;

19 (6) Chase shall, within ten (10) days of receipt of a
20 copy of this Order, transfer to the FTC or its designated
21 agent all holdings in account number xxxx8776 in the name of
22 Christian Castillo;

23 (7) Chase shall, within ten (10) days of receipt of a
24 copy of this Order, transfer to the FTC or its designated
25 agent all holdings in account number xxxx6730 in the name
26 of Michael Castillo;

27 (8) Chase shall, within ten (10) days of receipt of a
28 copy of this Order, transfer to the FTC or its designated

1 agent all holdings in account number xxxx1923 in the name of
2 Michael Castillo;

3 (9) Robinhood Markets, Inc. (“Robinhood”) shall,
4 within ten (10) days of receipt of a copy of this Order,
5 liquidate and transfer to the FTC or its designated agent all
6 holdings in account number xxxx5072 and all other holdings
7 in the name of Christian Castillo;

8 (10) Robinhood shall, within ten (10) days of receipt
9 of a copy of this Order, liquidate and transfer to the FTC or
10 its designated agent all holdings in account number xxxx6589
11 and all other holdings in the name of Michael Castillo;

12 (11) Coinbase Global Inc. shall, within ten (10) days
13 of receipt of a copy of this Order, liquidate and transfer to the
14 FTC or its designated agent all holdings held in the name of
15 Christian Castillo;

16 (12) Webull Corporation shall, within ten (10) days
17 of receipt of a copy of this Order, liquidate and transfer to the
18 FTC or its designated agent all holdings in account number
19 xxxx4689 in the name of Christian Castillo.

20 d. Upon such payment and all other asset transfers, as set forth
21 in Paragraphs 6(c) above and Paragraph 7 below, the remainder of the
22 judgment is suspended, subject to the Paragraphs below.

23 e. The asset freeze is modified to permit the transfers and
24 liquidations identified in this Paragraph. Upon completion of those
25 transfers, the asset freeze as to Defendants is dissolved.

26 f. The FTC’s agreement to the suspension of part of the
27 judgment is expressly premised upon the truthfulness, accuracy, and
28 completeness of Defendants’ sworn financial statements and related

1 documents (collectively, the “financial representations”) submitted to
2 the FTC, namely:

3 i. the Financial Statement of Individual Defendant
4 Christian Castillo signed on May 19, 2023, including the
5 attachments;

6 ii. the Financial Statement of Individual Defendant
7 Michael Castillo signed on May 17, 2023, including the
8 attachments;

9 iii. the Financial Statement of Corporate Defendant SL
10 Finance LLC signed by Michael Castillo, CEO, on May 19, 2023,
11 including the attachments;

12 iv. The additional documentation submitted by email
13 from Defendants’ counsel Karl Kronenberger to FTC counsel
14 Katherine Aizpuru dated May 30, 2023, attaching a receipt for
15 deposit of \$9,000 into Bank of America account xxxx3848 in the
16 name of Christian Castillo; and

17 v. The additional documentation submitted by email
18 from Defendants’ counsel Karl Kronenberger to FTC counsel
19 Katherine Aizpuru dated June 2, 2023, attaching:

20 (1) Supplement to Fin. Statement—Indv.

21 (Christian Castillo) for Item 11;

22 (2) Supplement to Fin. Statement—Indv. (Michael
23 Castillo) for Item 11;

24 (3) Supplement to Fin. Statement—Indv. (Michael
25 Castillo) for Item 10;

26 (4) bank statements associated with Bank of
27 America accounts in the name of Michael Castillo; and
28

1 (5) a bank statement associated with a Chase
2 account in the name of Christian Castillo.

3 vi. The additional documentation submitted by email
4 from Defendants' counsel Karl Kronenberger to FTC counsel
5 Katherine Aizpuru dated June 8, 2023, attaching:

6 (1) account statements associated with a Robinhood
7 account in the name of Michael Castillo;

8 (2) account statements associated with a Robinhood
9 account in the name of Christian Castillo;

10 (3) transaction reports associated with a Coinbase
11 account in the name of Michael Castillo;

12 (4) transaction reports associated with a Coinbase
13 account in the name of Christian Castillo;

14 (5) account statements associated with a Coinbase
15 account in the name of Michael Castillo; and

16 (6) account statements associated with a Coinbase
17 account in the name of Christian Castillo.

18 g. The suspension of the judgment will be lifted as to any
19 Defendant if, upon motion by the FTC, the Court finds that Defendant
20 failed to disclose any material asset, materially misstated the value of any
21 asset, or made any other material misstatement or omission in the
22 financial representations identified above.

23 h. If the suspension of the judgment is lifted, the judgment
24 becomes immediately due as to that Defendant in the amount specified in
25 Paragraph 6(a) above (which the parties stipulate, only for purposes of
26 this Paragraph, represents the consumer injury alleged in the Complaint),
27 less any payment previously made pursuant to this Paragraph, plus
28 interest computed from the date of entry of this Order.

1 7. Additional Monetary Provisions:

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

5 b. The facts alleged in the Complaint will be taken as true,
6 without further proof, in any subsequent civil litigation by or on behalf of
7 the FTC, including in a proceeding to enforce its rights to any payment or
8 monetary judgment pursuant to this Order, such as a nondischargeability
9 complaint in any bankruptcy case.

10 c. The facts alleged in the Complaint establish all elements
11 necessary to sustain an action by the FTC pursuant to
12 Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A),
13 and this Order will have collateral estoppel effect for such purposes.

14 d. Defendants acknowledge that their Taxpayer Identification
15 Numbers (Social Security Numbers or Employer Identification
16 Numbers), which Defendants previously submitted to the FTC, may be
17 used for collecting and reporting on any delinquent amount arising out of
18 this Order, in accordance with 31 U.S.C. § 7701.

19 e. All money received by the FTC pursuant to this Order may
20 be deposited into a fund administered by the FTC or its designee to be
21 used for consumer relief, such as redress and any attendant expenses for
22 the administration of any redress fund. If a representative of the FTC
23 decides that direct redress to consumers is wholly or partially
24 impracticable or money remains after such redress is completed, the FTC
25 may apply any remaining money for such related relief (including
26 consumer information remedies) as it determines to be reasonably related
27 to Defendants' practices alleged in the Complaint. Any money not used
28 for relief is to be deposited to the U.S. Treasury. Defendants have no

1 right to challenge any actions the FTC or its representatives may take
2 pursuant to this Paragraph.

3 8. Defendants, Defendants' officers, agents, employees, attorneys,
4 and all other Persons in active concert or participation with any of them, who
5 receive actual notice of this Order, are permanently **RESTRAINED** and
6 **ENJOINED** from directly or indirectly:

7 a. Failing to provide sufficient customer information to enable
8 the FTC to efficiently administer consumer redress. Defendants
9 represent that they have provided this redress information to the
10 Commission. If a representative of the FTC requests in writing any
11 information related to redress, Defendants must provide it, in the form
12 prescribed by the FTC, within fourteen (14) days.

13 b. Disclosing, using, or benefitting from customer information,
14 including the name, address, telephone number, email address, social
15 security number, FSA ID, other identifying information, or any data that
16 enables access to a customer's account (including a student loan account,
17 credit card, bank account, or other financial account) that any Defendant
18 obtained prior to entry of this Order in connection with the marketing or
19 sale of Secured or Unsecured Debt Relief Products or Services; and

20 c. Failing to destroy such customer information in all forms in
21 their possession, custody, or control within thirty (30) days after receipt
22 of written direction to do so from a representative of the FTC.

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

26 9. Defendants must fully cooperate with representatives of the FTC
27 in this case and in any investigation related to or associated with the transactions
28 or the occurrences that are the subject of the Complaint. Defendants must

1 provide truthful and complete information, evidence, and testimony. Individual
2 Defendants must appear and Corporate Defendants must cause Defendants'
3 officers, employees, representatives, or agents to appear for interviews,
4 discovery, hearings, trials, and any other proceedings that a FTC representative
5 may reasonably request upon five (5) days written notice, or other reasonable
6 notice, at such places and times as a FTC representative may designate, without
7 the service of a subpoena.

8 10. Thomas McNamara, Esq., shall continue as a permanent receiver
9 over the Receivership Entities with full powers of a permanent receiver,
10 including but not limited to those powers set forth in the Preliminary Injunction
11 [ECF No. 38]. The Receiver is directed to wind up the Receivership Entities
12 and liquidate all assets within 180 days after entry of this Order. Any party or
13 the Receiver may request that the Court extend the Receiver's term for good
14 cause. Upon termination of the receivership and final payment to the Receiver
15 of all approved fees, costs, and expenses, the Receiver shall turn over to the
16 FTC or its designated agent all remaining assets in the receivership estate.

17 11. Defendants shall obtain acknowledgments of receipt of this Order,
18 as follows:

19 a. Each Defendant, within seven (7) days of entry of this Order,
20 must submit to the FTC an acknowledgment of receipt of this Order
21 sworn under penalty of perjury.

22 b. For fifteen (15) years after entry of this Order, each
23 Individual Defendant for any business that such Defendant, individually
24 or collectively with any other Defendants, is the majority owner or
25 controls directly or indirectly, and each Corporate Defendant, must
26 deliver a copy of this Order to:

27 i. all principals, officers, directors, and LLC managers
28 and members;

1 ii. all employees having managerial responsibilities for
2 Secured or Unsecured Debt Relief Products or Services, and all
3 agents and representatives who participate in the Secured or
4 Unsecured Debt Relief Products or Services; and

5 iii. any business entity resulting from any change in
6 structure as set forth in Paragraph 12. Delivery must occur within
7 seven (7) days of entry of this Order for current personnel. For all
8 others, delivery must occur before they assume their
9 responsibilities.

10 c. From each individual or entity to which a Defendant
11 delivered a copy of this Order, that Defendant must obtain, within thirty
12 (30) days, a signed and dated acknowledgment of receipt of this Order.

13 12. Defendants shall make timely submissions to the FTC, as follows:

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

16 i. Each Defendant must:

17 (1) identify the primary physical, postal, and email
18 address and telephone number, as designated points of
19 contact, which representatives of the FTC may use to
20 communicate with Defendant;

21 (2) identify all of that Defendant's businesses by all
22 of their names, telephone numbers, and physical, postal,
23 email, and Internet addresses;

24 (3) describe the activities of each business,
25 including the goods and services offered, the means of
26 advertising, marketing, and sales, and the involvement of any
27 other Defendant (which the Individual Defendants must
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1 describe if they know or should know due to their own
2 involvement);

3 (4) describe in detail whether and how that
4 Defendant is in compliance with each Paragraph of this
5 Order; and

6 (5) provide a copy of each Order Acknowledgment
7 obtained pursuant to this Order, unless previously submitted
8 to the FTC.

9 ii. Additionally, each Individual Defendant must:

10 (1) identify all telephone numbers and all physical,
11 postal, email and Internet addresses, including all residences;

12 (2) identify all business activities, including any
13 business for which such Defendant performs services
14 whether as an employee or otherwise and any entity in which
15 such Defendant has any ownership interest; and

16 (3) describe in detail such Defendant's involvement
17 in each such business, including title, role, responsibilities,
18 participation, authority, control, and any ownership.

19 b. For fifteen (15) years after entry of this Order, each
20 Defendant must submit a compliance notice, sworn under penalty of
21 perjury, within 14 days of any change in the following:

22 i. Each Defendant must report any change in:

23 (1) any designated point of contact; or

24 (2) the structure of any Corporate Defendant or any
25 entity that any Defendant has any ownership interest in or
26 controls directly or indirectly that may affect compliance
27 obligations arising under this Order, including: creation,
28 merger, sale, or dissolution of the entity or any subsidiary,

1 parent, or affiliate that engages in any acts or practices
2 subject to this Order.

3 ii. Additionally, each Individual Defendant must report
4 any change in:

5 (1) name, including aliases or fictitious name, or
6 residence address; or

7 (2) title or role in any business activity, including
8 any business for which such Defendant performs services
9 whether as an employee or otherwise and any entity in which
10 such Defendant has any ownership interest, and identify the
11 name, physical address, and any Internet address of the
12 business or entity.

13 c. Each Defendant must submit to the FTC notice of the filing
14 of any bankruptcy petition, insolvency proceeding, or similar proceeding
15 by or against such Defendant within fourteen (14) days of its filing.

16 d. Any submission to the FTC required by this Order to be
17 sworn under penalty of perjury must be true and accurate and comply
18 with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of
19 perjury under the laws of the United States of America that the foregoing
20 is true and correct. Executed on: _____” and supplying the date,
21 signatory’s full name, title (if applicable), and signature.

22 e. Unless otherwise directed by a FTC representative in
23 writing, all submissions to the FTC pursuant to this Order must be
24 emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S.
25 Postal Service) to: Associate Director for Enforcement, Bureau of
26 Consumer Protection, Federal Trade Commission, 600 Pennsylvania
27 Avenue NW, Washington, DC 20580. The subject line must begin:
28 FTC v. SL Finance, LLC, *et al.*, X230025.

1 13. Defendants must create certain records for fifteen (15) years after
2 entry of the Order, and retain each such record for five (5) years. Specifically,
3 each Defendant for any business that such Defendant, individually or
4 collectively with any other Defendants, is a majority owner or controls directly
5 or indirectly, must create and retain the following records:

6 a. accounting records showing the revenues from all goods or
7 services sold;

8 b. personnel records showing, for each person providing
9 services, whether as an employee or otherwise, that person's: name;
10 addresses; telephone numbers; job title or position; dates of service; and
11 (if applicable) the reason for termination;

12 c. records of all consumer complaints and refund requests,
13 whether received directly or indirectly, such as through a third party, and
14 any response;

15 d. all records necessary to demonstrate full compliance with
16 each provision of this Order, including all submissions to the FTC; and

17 e. a copy of each unique advertisement or other marketing
18 material.

19 14. For the purpose of monitoring Defendants' compliance with this
20 Order, including the financial representations upon which part of the judgment
21 was suspended and any failure to transfer any assets as required by this Order:

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

b. For matters concerning this Order, the FTC is authorized to communicate directly with each Defendant. Defendant must permit representatives of the FTC to interview any employee or other Person affiliated with any Defendant who has agreed to such an interview. The Person interviewed may have counsel present.

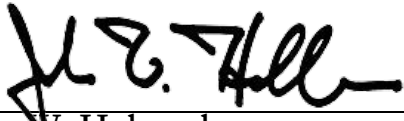
c. The FTC may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits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

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

15. This Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

IT IS SO ORDERED.

Dated: October 24, 2023



John W. Holcomb
UNITED STATES DISTRICT JUDGE