

1 GREGORY A. ASHE
gashe@ftc.gov
2 SALLY TIEU (CA Bar No. 346034)
stieu@ftc.gov
3 FEDERAL TRADE COMMISSION
4 600 Pennsylvania Avenue, N.W.
5 Washington, D.C. 20580
Telephone: (202) 326-3719 (Ashe)
6 Telephone: (202) 304-7313 (Tieu)
7 Facsimile: (202) 326-3768

8 DAVID HANKIN (CA Bar No. 319825)
9 Local Counsel
dhankin@ftc.gov
10 FEDERAL TRADE COMMISSION
11 10990 Wilshire Boulevard, Suite 400
Los Angeles, CA 90024
12 Telephone: (310) 824-4343
13 Facsimile: (310) 824-4380

14 Attorneys for Plaintiff
15 FEDERAL TRADE COMMISSION

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

18 **FEDERAL TRADE**
19 **COMMISSION,**

20 Plaintiff,

21 v.

22 **PANDA BENEFIT SERVICES,**
23 **LLC, *et al.*,**

24 Defendants.
25
26
27
--

Case No. 8:24-cv-01386-CAS-RAOx

**STIPULATED ORDER FOR
PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO
DEFENDANTS CLARITY
SUPPORT SERVICES, LLC AND
CHRISTOPHER HANSON**

1 Plaintiff, the Federal Trade Commission (“FTC”), commenced this civil
2 action on June 24, 2024, pursuant to Sections 13(b) and 19 of the Federal Trade
3 Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, Section 6(b) of the
4 Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing
5 Act”), 15 U.S.C. § 6105(b), and Section 522(a) of the Gramm-Leach-Bliley Act
6 (“GLB Act”), 15 U.S.C. § 6822(a). (ECF No. 1.) On June 24, 2024, on motion by
7 the FTC, the Court entered an ex parte temporary restraining order, asset freeze,
8 appointment of a receiver, and other equitable relief against Defendants (“TRO”).
9 (ECF No. 29.) On July 8, 2024, after a hearing on an order to show cause, the
10 Court entered a Preliminary Injunction (“PI”) against Defendants. (ECF No. 48.)

11 Now, the FTC and Defendants Clarity Support Services, LLC and
12 Christopher Hanson, by and through their undersigned counsel, hereby stipulate,
13 agree, and move the Court for entry of a Stipulated Order for Permanent Injunction
14 and Monetary Judgment (“Order”) to resolve all matters in dispute in this action
15 between them.

16 FINDINGS

17 By stipulation of the parties, the Court finds that:

- 18 A. This Court has jurisdiction over this matter.
- 19 B. The Complaint charges that Settling Defendants participated in deceptive and
20 unlawful acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. §
21 45(a), multiple provisions of the FTC’s Telemarketing Sales Rule (“TSR”), 16
22 C.F.R. Part 310, Section 521 of the GLB Act, 15 U.S.C. § 6821, and Section
23 461.2(b) of the FTC’s Trade Regulation Rule on Impersonation of Government
24 and Businesses (“Impersonation Rule”), 16 C.F.R. Part 461.2(b), in connection
25 with Defendants’ marketing and sale of student loan debt relief services.

26 ///

27 ///

1 C. Settling Defendants neither admit nor deny any of the allegations in the
2 Complaint, except as specifically stated in this Order. Only for purposes of this
3 action, Settling Defendants admit the facts necessary to establish jurisdiction.

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

8 E. Settling Defendants and the FTC waive all rights to appeal or otherwise
9 challenge or contest the validity of this Order.

10 F. Entry of this Order is in the public interest.

11 **DEFINITIONS**

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

13 A. **“Clearly and Conspicuously”** means that a required disclosure is easily
14 noticeable (*i.e.*, difficult to miss) and easily understandable by ordinary
15 consumers, including in all of the following ways:

16 1. In any communication that is solely visual or solely audible, the disclosure
17 must be made through the same means through which the communication is
18 presented. In any communication made through both visual and audible
19 means, such as a television advertisement, the disclosure must be presented
20 simultaneously in both the visual and audible portions of the communication
21 even if the representation requiring the disclosure is made in only one
22 means.

23 2. A visual disclosure, by its size, contrast, location, the length of time it
24 appears, and other characteristics, must stand out from any accompanying
25 text or other visual elements so that it is easily noticed, read, and understood.

26 ///

27 ///

- 1 3. An audible disclosure, including by telephone or streaming video, must be
2 delivered in a volume, speed, and cadence sufficient for ordinary consumers
3 to easily hear and understand it.
- 4 4. In any communication using an interactive electronic medium, such as the
5 Internet or software, the disclosure must be unavoidable.
- 6 5. The disclosure must use diction and syntax understandable to ordinary
7 consumers and must appear in each language in which the representation
8 that requires the disclosure appears.
- 9 6. The disclosure must comply with these requirements in each medium
10 through which it is received, including all electronic devices and face-to-face
11 communications.
- 12 7. The disclosure must not be contradicted or mitigated by, or inconsistent
13 with, anything else in the communication.
- 14 8. When the representation or sales practice targets a specific audience, such as
15 children, the elderly, or the terminally ill, “ordinary consumers” includes
16 reasonable members of that group.

17 B. “**Consumer**” means any Person.

18 C. “**Defendants**” means Panda Benefit Services, LLC, Clarity Support Services,
19 LLC, Pacific Quest Services, Prosperity Loan Services, LLC, Public Processing
20 Services, LLC, Quick Start Services, LLC, Select Student Services, LLC,
21 Signature Processing Services, Inc., Eduardo Avalos Martinez, Emiliano
22 Salinas, Christopher Michael Hanson, and Melissa Salinas, individually,
23 collectively, or in any combination.

24 D. “**Person**” means a natural person, an organization or other legal entity,
25 including a corporation, partnership, sole proprietorship, limited liability
26 company, association, cooperative, or any other group or combination acting as
27 an entity.

1 E. **“Receiver”** means Thomas W. McNamara.

2 F. **“Receivership Entity”** means the Corporate Settling Defendant, as well as any
3 other entity that has conducted any business related to Defendants’ student loan
4 debt relief services business, including receipt of assets derived from any
5 activity that is the subject of the Complaint in this matter, and which the
6 Receiver has reason to believe is owned or controlled in whole or in part by
7 any Settling Defendant, including, but not limited to, GFY Services Inc.

8 G. **“Settling Defendants”** means Corporate Settling Defendant and Individual
9 Settling Defendant, individually, collectively, or in any combination.

10 **“Corporate Settling Defendant”** means Clarity Support Services, LLC and
11 each of its subsidiaries, affiliates, successors, and assigns, individually,
12 collectively, or in any combination. **“Individual Settling Defendant”** means
13 Christopher Hanson.

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

- 15 1. With respect to any mortgage, loan, debt, or obligation between a person and
16 one or more secured or unsecured creditors or debt collectors, any product,
17 service, plan, or program represented, expressly or by implication, to:
- 18 a. stop, prevent, or postpone any mortgage or deed of foreclosure sale for a
19 person’s dwelling, any other sale of collateral, any repossession of a
20 person’s dwelling or other collateral, or otherwise save a person’s
21 dwelling or other collateral from foreclosure or repossession;
 - 22 b. negotiate, obtain, or arrange a modification, or renegotiate, settle, reduce,
23 or in any way alter any terms of the mortgage, loan, debt, or obligation,
24 including a reduction in the amount of interest, principal balance,
25 monthly payments, or fees owed by a person to a secured or unsecured
26 creditor or debt collector;
- 27

- 1 c. obtain any forbearance or modification in the timing of payments from
- 2 any secured or unsecured holder or servicer of any mortgage, loan, debt,
- 3 or obligation;
- 4 d. negotiate, obtain, or arrange any extension of the period of time within
- 5 which a person may (i) cure his or her default on the mortgage, loan,
- 6 debt, or obligation, (ii) reinstate his or her mortgage, loan, debt, or
- 7 obligation, (iii) redeem a dwelling or other collateral, or (iv) exercise any
- 8 right to reinstate the mortgage, loan, debt, or obligation or redeem a
- 9 dwelling or other collateral;
- 10 e. obtain any waiver of an acceleration clause or balloon payment contained
- 11 in any promissory note or contract secured by any dwelling or other
- 12 collateral; or
- 13 f. negotiate, obtain, or arrange (i) a short sale of a dwelling or other
- 14 collateral, (ii) a deed-in-lieu of foreclosure, or (iii) any other disposition
- 15 of a mortgage, loan, debt, or obligation other than a sale to a third party
- 16 that is not the secured or unsecured loan holder;

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

- 20 2. With respect to any loan, debt, or obligation between a person and one or
- 21 more unsecured creditors or debt collectors, any product, service, plan, or
- 22 program represented, expressly or by implication, to:
 - 23 a. repay one or more unsecured loans, debts, or obligations; or
 - 24 b. combine unsecured loans, debts, or obligations into one or more new
 - 25 loans, debts, or obligations.

26 ///

27 ///

ORDER

BAN ON SECURED AND UNSECURED DEBT RELIEF PRODUCTS AND SERVICES

I. IT IS THEREFORE ORDERED that Settling Defendants, whether acting directly or indirectly, are permanently restrained and enjoined from:

- A. Advertising, marketing, promoting, offering for sale, or selling any Secured or Unsecured Debt Relief Product or Service; and
- B. Assisting others in the advertising, marketing, promoting, offering for sale, or selling any Secured or Unsecured Debt Relief Product or Service.

PROHIBITED BUSINESS ACTIVITIES

II. IT IS FURTHER ORDERED that Settling Defendants, Settling Defendants’ officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with advertising, marketing, promoting, distributing, servicing, offering, or selling any product or service, are permanently restrained and enjoined from engaging in, or assisting others engaged in, the following:

A. Misrepresenting, expressly or by implication:

- 1. Any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy, including the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted to the Consumer;
- 2. The nature, expertise, position, or job title of any Person who provides any product, service, plan, or program;
- 3. The ability to improve or otherwise affect a Consumer’s credit record, credit history, credit rating, or ability to obtain credit, including that a Consumer’s credit record, credit history, credit rating, or ability to obtain

1 credit can be improved by permanently removing negative information
2 from the Consumer's credit record or history even where such
3 information is accurate and not obsolete;

- 4 4. That a Consumer will save money;
- 5 5. Any benefit of such product or service;
- 6 6. Any requirements for obtaining such product or service;
- 7 7. The existence, amount, or timing of any fees or charges, or the total cost
8 to purchase, receive, or use such product or service; or
- 9 8. Any other fact material to Consumers concerning any product or service,
10 such as: any material restrictions, limitations, or conditions to purchase,
11 receive, or use such product or service; or any material aspect of the
12 performance, efficacy, nature, or central characteristics of such product
13 or service.

14 B. Failing to disclose Clearly and Conspicuously the fact, if true, that a
15 Consumer must activate, request, initiate, or otherwise take some affirmative
16 action in order to receive or use such product or service; or

17 C. Making any representation, expressly or by implication, about the benefits,
18 performance, or efficacy of any product or service, unless the representation
19 is non-misleading, including that, at the time such representation is made,
20 such Settling Defendant possesses and relies upon competent and reliable
21 evidence that is sufficient in quality and quantity based on standards
22 generally accepted in the relevant fields, when considered in light of the
23 entire body of relevant and reliable evidence, to substantiate that the
24 representation is true.

25 **INJUNCTION RELATING TO TELEMARKETING**

26 **IT IS FURTHER ORDERED** that Settling Defendants, Settling Defendants'
27 officers, agents, employees, and attorneys, and all other persons in active

1 concert or participation with any of them, who receive actual notice of this
2 Order, whether acting directly or indirectly, in connection with the
3 telemarketing of any product or service, are hereby permanently restrained and
4 enjoined from violating the FTC's Telemarketing Sales Rule, 16 C.F.R. Part
5 310, a copy of which is attached.

6 **INJUNCTION RELATING TO IMPERSONATING ANY GOVERNMENT**
7 **ENTITY OR PERSON**

8 **IV. IT IS FURTHER ORDERED** that Settling Defendants, Settling Defendants'
9 officers, agents, employees, and attorneys, and all other persons in active
10 concert or participation with any of them, who receive actual notice of this
11 Order, whether acting directly or indirectly, in connection with the marketing,
12 promoting, distributing, servicing, offering, or selling any product or service,
13 are hereby permanently restrained and enjoined from:

- 14 A. Misrepresenting or assisting others in misrepresenting, expressly or by
15 implication, that any Person is affiliated with, endorsed, sponsored by, or
16 approved by, or otherwise connected to any other Person; government entity;
17 public, non-profit, or other non-commercial program; or any other program;
18 B. Violating the FTC's Impersonation Rule, 16 C.F.R. Part 461, a copy of
19 which is attached.

20 **INJUNCTION RELATING TO CONSUMER FINANCIAL INFORMATION**

21 **V. IT IS FURTHER ORDERED** that Settling Defendants, Settling Defendants'
22 officers, agents, employees, and attorneys, and all other persons in active
23 concert or participation with any of them, who receive actual notice of this
24 Order, whether acting directly or indirectly, are hereby permanently restrained
25 and enjoined from:

- 26 A. Making any false, fictitious, or fraudulent statement or representation to any
27 Person to obtain or attempt to obtain information of a Consumer, including,

1 but not limited to, credit or debit card numbers, bank account numbers and
2 routing numbers, and consumer credit reports; or

3 B. Violating the Gramm-Leach-Bliley Act, 15 U.S.C. §§ 6801-6809, §§ 6821-
4 6827, a copy of which is attached.

5 **CONTINUATION OF RECEIVERSHIP**

6 **VI. IT IS FURTHER ORDERED** that Thomas McNamara, Esq., shall continue as
7 a permanent receiver over the Receivership Entities with full powers of a
8 permanent receiver, including but not limited to those powers set forth in the
9 Preliminary Injunction entered on July 8, 2024 (ECF No. 48), and including full
10 liquidation powers. The Receiver is directed to wind up the Receivership
11 Entities and liquidate all assets within 365 days after entry of this Order. Any
12 party or the Receiver may request that the Court extend the Receiver's term for
13 good cause. Upon termination of the receivership and final payment to the
14 Receiver of all approved fees, costs, and expenses, the Receiver shall turn over
15 to the FTC or its designated agent all remaining assets in the receivership estate.

16 **MONETARY JUDGMENT AND PARTIAL SUSPENSION**

17 **VII. IT IS FURTHER ORDERED** that:

- 18 A. Judgment in the amount of SIXTEEN MILLION, SEVEN HUNDRED
19 AND EIGHTY-SEVEN THOUSAND, AND TWENTY-EIGHT Dollars
20 (\$16,787,028) is entered in favor of the FTC against Settling Defendants,
21 jointly and severally with any other Defendant against whom judgment may
22 be entered, as monetary relief pursuant to Section 19 of the FTC Act, 15
23 U.S.C. § 57b, for Settling Defendants' violations of the TSR, the
24 Impersonation Rule, and Section 521(a) of the GLB Act.
- 25 B. In partial satisfaction of the judgment set forth in Section VII.A, all financial
26 or other institutions holding accounts in the name of, on behalf of, or for the
27 benefit of, any Receivership Entity shall, within ten (10) business days of

1 receipt of a copy of this Order, transfer to the Receiver or his designated
2 agent all funds, if any, in such accounts, including, but not limited to:

- 3 1. JP Morgan Chase Bank shall, within 10 business days of receipt of a
4 copy of this Order, transfer to the Receiver all funds, if any, in (a)
5 account number xxxx5120 in the name of Clarity Support Services; (b)
6 account number xxxx5138 in the name of Clarity Support Services; and
7 (c) account number xxxx3580 in the name of GFY Services; and
8 2. Payment Automation Network/Unity FI Solutions shall, within 10
9 business day of receipt of a copy of this order, transfer to the Receiver all
10 funds, if any, associated with any client ID associated with Clarity
11 Support Services and GFY Services.

12 C. Upon completion of the asset transfers set forth in Sections VII.B of this
13 Order, the remainder of the judgment is suspended, subject to the
14 Subsections E, F, and G below.

15 D. The asset freeze is modified to permit the transfers and liquidations
16 identified in this Section. Upon completion of those transfers and
17 liquidations, the asset freeze as to Settling Defendants is dissolved.

18 E. The FTC's agreement to the suspension of part of the judgment is expressly
19 premised upon the truthfulness, accuracy, and completeness of Settling
20 Defendants' sworn financial statement and related documents (collectively,
21 "financial representations") submitted to the FTC, namely (a) the Financial
22 Statement of Individual Defendant Christopher Hanson signed on July 1,
23 2024, including the attachments and (b) the Financial Statement of
24 Corporate Defendant Clarity Support Services signed by Christopher
25 Hanson on July 1, 2024, including the attachments.

26 F. The suspension of the judgment will be lifted as to a Settling Defendant if,
27 upon motion by the FTC, the Court finds that such Settling Defendant failed

1 to disclose any material asset, materially misstated the value of any asset, or
2 made any other material misstatement or omission in the financial
3 representations identified above.

4 G. If the suspension of the judgment is lifted, the judgment becomes
5 immediately due as to that Settling Defendant in the amount specified in
6 Subsection VII.A above (which the parties stipulate, only for purposes of
7 this Section, represents the consumer injury alleged in the Complaint), less
8 any payment previously made pursuant to this Section, plus interest
9 computed from the date of entry of this Order.

10 H. Settling Defendants relinquish dominion and all legal and equitable right,
11 title, and interest in all assets transferred pursuant to this Order and may not
12 seek the return of any assets.

13 I. The facts alleged in the Complaint will be taken as true, without further
14 proof, in any subsequent civil litigation by or on behalf of the FTC,
15 including in a proceeding to enforce its rights to any payment or monetary
16 judgment pursuant to Section VII.A of this Order, such as a
17 nondischargeability complaint in any bankruptcy case.

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

22 K. Settling Defendants acknowledge that their Taxpayer Identification Number
23 (Social Security Number or Employer Identification Number), which
24 Settling Defendants previously submitted to the FTC, may be used for
25 collecting and reporting on any delinquent amount arising out of this Order,
26 in accordance with 31 U.S.C. §7701.
27

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

12 **CUSTOMER INFORMATION**

13 **VIII. IT IS FURTHER ORDERED** that Settling Defendants, Settling Defendants'
14 officers, agents, employees, and attorneys, and all other persons in active
15 concert or participation with any of them, who receive actual notice of this
16 Order are permanently restrained and enjoined from directly or indirectly:
17 A. Failing to provide sufficient customer information to enable the FTC to
18 efficiently administer consumer redress. If a representative of the FTC
19 requests in writing any information related to redress, Settling Defendants
20 must provide it, in the form prescribed by the FTC, within 14 days;
21 B. Disclosing, using, or benefitting from customer information, including the
22 name, address, telephone number, email address, social security number,
23 FSA ID, other identifying information, or any data that enables access to a
24 customer's account (including a credit card, bank account, or other financial
25 account), that Settling Defendants obtained prior to entry of this Order in
26 connection with the marketing and sale of Secured and Unsecured Debt
27 Relief Products or Services; and

1 C. Failing to destroy such customer information in all forms in their possession,
2 custody, or control within 30 days after receipt of written direction to do so
3 from a representative of the FTC.

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

7 COOPERATION

8 **IX. IT IS FURTHER ORDERED** that Settling Defendants must fully cooperate
9 with representatives of the FTC in this case and in any investigation related to
10 or associated with the transactions or the occurrences that are the subject of the
11 Complaint. Settling Defendants must provide truthful and complete
12 information, evidence, and testimony. Individual Settling Defendants must
13 appear and Corporate Settling Defendants must cause their officers, employees,
14 representatives, or agents to appear for interviews, discovery, hearings, trials,
15 and any other proceedings that a FTC representative may reasonably request
16 upon 21 days written notice, or other reasonable notice, at such places and times
17 as a FTC representative may designate, without the service of a subpoena.

18 ORDER ACKNOWLEDGMENTS

19 **IX. IT IS FURTHER ORDERED** that Settling Defendants obtain
20 acknowledgments of receipt of this Order:

21 A. Settling Defendants, within 7 days of entry of this Order, must submit to the
22 FTC an acknowledgment of receipt of this Order sworn under penalty of
23 perjury.

24 B. For 5 years after entry of this Order, Individual Settling Defendant for any
25 business that such Defendant, individually or collectively with any other
26 Defendants, is the majority owner or controls directly or indirectly, and
27

1 Corporate Settling Defendant must deliver a copy of this Order to: (1) all
2 principals, officers, directors, and LLC managers and members; (2) all
3 employees having managerial responsibilities for conduct specified in
4 Sections I–V and all agents and representatives who participate in conduct
5 specified in Sections I–V; and (3) any business entity resulting from any
6 change in structure as set forth in the Section titled Compliance Reporting.
7 Delivery must occur within 7 days of entry of this Order for current
8 personnel. For all others, delivery must occur before they assume their
9 responsibilities.

10 C. From each individual or entity to which a Settling Defendant delivered a
11 copy of this Order, such Settling Defendant must obtain, within 30 days, a
12 signed and dated acknowledgment of receipt of this Order.

13 COMPLIANCE REPORTING

14 **IT IS FURTHER ORDERED** that each Settling Defendant make timely
15 submissions to the FTC:

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

- 18 1. Each Settling Defendant must: (a) identify the primary physical, postal,
19 and email address and telephone number, as designated points of contact,
20 which representatives of the FTC may use to communicate with such
21 Settling Defendant; (b) identify all of such Settling Defendant’s
22 businesses by all of their names, telephone numbers, and physical, postal,
23 email, and Internet addresses; (c) describe the activities of each business,
24 including the goods and services offered, the means of advertising,
25 marketing, and sales, and the involvement of any other Defendant (which
26 Individual Settling Defendant must describe if he knows or should know
27

1 due to his own involvement); (d) describe in detail whether and how such
2 Settling Defendant is in compliance with each Section of this Order; and
3 (e) provide a copy of each Order Acknowledgment obtained pursuant to
4 this Order, unless previously submitted to the FTC.

- 5 2. Additionally, Individual Settling Defendant must: (a) identify all
6 telephone numbers and all physical, postal, email and Internet addresses,
7 including all residences; (b) identify all business activities, including any
8 business for which Individual Settling Defendant performs services
9 whether as an employee or otherwise and any entity in which Individual
10 Settling Defendant has any ownership interest; and (c) describe in detail
11 Individual Settling Defendant's involvement in each such business,
12 including title, role, responsibilities, participation, authority, control, and
13 any ownership.

14 B. For 10 years after entry of this Order, each Settling Defendant must submit a
15 compliance notice, sworn under penalty of perjury, within 14 days of any
16 change in the following:

- 17 1. Each Settling Defendant must report any change in: (a) any designated
18 point of contact; or (b) the structure of Corporate Settling Defendant or
19 any entity that such Settling Defendant has any ownership interest in or
20 controls directly or indirectly that may affect compliance obligations
21 arising under this Order, including: creation, merger, sale, or dissolution
22 of the entity or any subsidiary, parent, or affiliate that engages in any acts
23 or practices subject to this Order.
- 24 2. Additionally, Individual Settling Defendant must report any change in:
25 (a) name, including aliases or fictitious name, or residence address; or (b)
26 title or role in any business activity, including any business for which
27 Individual Settling Defendant performs services whether as an employee

1 or otherwise and any entity in which Individual Settling Defendant has
2 any ownership interest, and identify the name, physical address, and any
3 Internet address of the business or entity.

4 C. Each Settling Defendant must submit to the FTC notice of the filing of any
5 bankruptcy petition, insolvency proceeding, or similar proceeding by or
6 against such Settling Defendant within 14 days of its filing.

7 D. Any submission to the FTC required by this Order to be sworn under penalty
8 of perjury must be true and accurate and comply with 28 U.S.C. § 1746,
9 such as by concluding: “I declare under penalty of perjury under the laws of
10 the United States of America that the foregoing is true and correct.

11 Executed on: _____” and supplying the date, signatory’s full name, title (if
12 applicable), and signature.

13 E. Unless otherwise directed by a FTC representative in writing, all
14 submissions to the FTC pursuant to this Order must be emailed to
15 DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service)
16 to: Associate Director for Enforcement, Bureau of Consumer Protection,
17 Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington,
18 DC 20580. The subject line must begin: FTC v. Panda Benefit Services,
19 LLC, Matter No. X240039.

20 **RECORDKEEPING**

21 **IT IS FURTHER ORDERED** that each Settling Defendant must create certain
22 records for 10 years after entry of the Order, and retain each such record for 5
23 years. Specifically, Corporate Settling Defendant and Individual Settling
24 Defendant, for any business that Individual Settling Defendant, individually or
25 collectively with any other Defendants, is a majority owner or controls directly
26 or indirectly, must create and retain the following records:
27

- 1 A. accounting records showing the revenues from all goods or services sold;
- 2 B. personnel records showing, for each person providing services, whether as
- 3 an employee or otherwise, that person's: name; addresses; telephone
- 4 numbers; job title or position; dates of service; and (if applicable) the reason
- 5 for termination;
- 6 C. records of all consumer complaints and refund requests, whether received
- 7 directly or indirectly, such as through a third party, and any response;
- 8 D. all records necessary to demonstrate full compliance with each provision of
- 9 this Order, including all submissions to the FTC; and
- 10 E. a copy of each unique advertisement or other marketing material.

11 **COMPLIANCE MONITORING**

12 **XIII. IT IS FURTHER ORDERED** that, for the purpose of monitoring Settling
13 Defendants' compliance with this Order, including any failure to transfer any
14 assets as required by this Order:

- 15 A. Within 21 days of receipt of a written request from a representative of the
- 16 FTC, each Settling Defendant must: submit additional compliance reports or
- 17 other requested information, which must be sworn under penalty of perjury;
- 18 appear for depositions; and produce documents for inspection and copying.
- 19 The FTC is also authorized to obtain discovery, without further leave of
- 20 court, using any of the procedures prescribed by Federal Rules of Civil
- 21 Procedure 29, 30 (including depositions by remote means), 31, 33, 34, 36,
- 22 45, and 69.
- 23 B. For matters concerning this Order, the FTC is authorized to communicate
- 24 directly with Settling Defendants. Settling Defendants must permit
- 25 representatives of the FTC to interview any employee or other person
- 26 affiliated with Settling Defendants who has agreed to such an interview.
- 27 The person interviewed may have counsel present.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

C. The FTC may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Settling Defendants or any individual or entity affiliated with Settling 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.

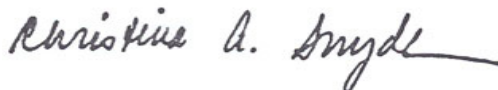
D. Upon written request from a representative of the FTC, any consumer reporting agency must furnish consumer reports concerning Settling Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

RETENTION OF JURISDICTION

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

IT IS SO ORDERED.

Dated: October 2, 2024



CHRISTINA A. SNYDER
UNITED STATES DISTRICT JUDGE