

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**Case No. 15-23070-Civ-COOKE/TORRES**

Consumer Financial Protection Bureau,  
Plaintiff,

v.

ORION PROCESSING, LLC, a Texas limited liability company, d/b/a World Law Processing, Wld Credit Repair, and World Law Debt; FAMILY CAPITAL INVESTMENT & MANAGEMENT LLC, a Delaware limited liability company, a/k/a FCIAM Property Management; WORLD LAW DEBT SERVICES, LLC, a Delaware limited liability company; WORLD LAW PROCESSING, LLC, a Delaware limited liability company; DERIN SCOTT, an individual; DAVID KLEIN, an individual; and BRADLEY JAMES HASKINS, individually and d/b/a World Law Group, LLP, World Law Group America, LLP, WLD Price Global, Inc., World Law Forms and Mediation, and World Law South;  
Defendants,

Shannon Scott, an individual,

Relief Defendant.

**DEFAULT JUDGMENT AND ORDER AGAINST WORLD LAW DEBT SERVICES, LLC, WORLD LAW PROCESSING, LLC, AND FAMILY CAPITAL INVESTMENT & MANAGEMENT LLC**

Plaintiff, the Consumer Financial Protection Bureau (“Bureau”) commenced this civil action on August 17, 2015 to obtain permanent injunctive relief, rescission or reformation of contracts, the refund of moneys paid, restitution, disgorgement or compensation for unjust enrichment, civil money penalties, and other equitable relief from Defendants (a) Orion Processing, LLC, a Texas limited liability company, d/b/a World Law Processing, Wld Credit Repair, and World Law Debt; (b) Family Capital Investment & Management LLC, a Delaware limited liability company, a/k/a FCIAM Property

Management; (c) World Law Debt Services, LLC, a Delaware limited liability company; (d) World Law Processing, LLC, a Delaware limited liability company; (e) Derin Scott, an individual; (f) David Klein, an individual; and (g) Bradley James Haskins, individually and d/b/a as World Law Group, LLP, World Law Group America, LLP, WLD Price Global, Inc., World Law Forms and Mediation, and World Law South. The Bureau brought this Complaint under sections 1031(a), 1036(a), 1054, and 1055 of the Consumer Financial Protection Act of 2010 (“CFPA”), 12 U.S.C. §§ 5531(a), 5536(a), 5564(a), and 5565, and the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6102(c)(2), 6105(d), alleging Defendants violated the CFPA and the Telemarketing Sales Rule (“TSR”), 16 C.F.R. pt. 310 in connection with the marketing and sale of debt relief services.

On August 18, 2015, this Court entered an *ex parte* temporary restraining order (“TRO”), finding good cause to believe the Bureau would prevail on the merits of its claims and that immediate and irreparable harm would result from allowing Defendants’ operations to continue. Among other things, the TRO froze the Defendants’ assets. On September 2, 2015, this Court entered a preliminary injunction (“September 2, 2015 PI”) against Defendants Orion Processing, LLC; Bradley James Haskins; World Law Debt Services, LLC; and World Law Processing, LLC (ECF No. 28). On September 14, 2015, the Court entered a similar preliminary injunction (“September 14, 2015 PI”) against the remaining Defendants—Derin Scott; David Klein; Family Capital Investment & Management LLC; and Relief Defendant Shannon Scott (ECF No. 42). Among other things, these PIs continued the asset freeze and appointed a Receiver over Defendants World Law Debt Services, LLC, World Law Processing, LLC, and Family Capital Investment & Management LLC (“Default Defendants”).

Default Defendants failed to file an answer or otherwise defend in this action, and the Clerk entered default against them on December 21, 2015 (ECF No. 75).

The court may enter default judgment when a defendant fails to respond to a complaint and court orders and fails to participate in the litigation or cooperate in good faith with the plaintiff. *See Tara Prods., Inc. v. Hollywood Gadgets, Inc.*, 449 F. App’x 908, 910 – 12 (11th Cir. 2011); *Eagle Hosp. Physicians, LLC v. SRG Consulting, Inc.*, 561 F.3d 1298, 1307 (11th Cir. 2009); *Buchanan v. Bowman*, 820 F.2d 359, 361 (11th Cir. 1987). Granting a

default judgment is within the court's discretion. *See Tara Prods.* 449 F. App'x at 910-912. Under Federal Rule of Civil Procedure 55(b)(2), default judgment is appropriate here against Default Defendants because they have failed to file answers or otherwise appear and defend the claims brought against them. Default Defendants' liability is well-pled in the Complaint, and Default Defendants have failed to participate in the litigation in good faith.

Pursuant to Fed. R. Civ. P. 55(b)(2), upon application by Plaintiffs, the Court now enters a default judgment against Default Defendants for violations of the CFPA and the TSR.

Therefore, it is **ORDERED and ADJUDGED** as follows:

#### **FINDINGS**

1. This Court has jurisdiction over the parties and the subject matter of this action pursuant to 12 U.S.C. § 5565(a)(1) and 28 U.S.C. §§ 1331, 1345, and 1367.
2. Venue in the Southern District of Florida is proper under 28 U.S.C. § 1391(b) and (c) and 12 U.S.C. § 5564(f).
3. Default Defendants have been properly served with the Summons and Complaint.
4. Default Defendants have failed to answer or otherwise defend this action.
5. The Clerk properly entered defaults against Default Defendants on December 21, 2015 (ECF No. 75).
6. The Complaint states claims upon which relief may be granted under the CFPA and TSR. The relief provided in this Order is appropriate and available pursuant to Sections 1054 and 1055 of the CFPA, 12 U.S.C. §§ 5564, 5565, and pursuant to the Telemarketing and Consumer Fraud and Abuse and Prevention Act, 15 U.S.C. § 6102(c).
7. Because of Default Defendants' default, Default Defendants are deemed to have admitted the well-pled facts of the complaint and the allegations are taken as true. *Eagle Hosp.*, 515 F.2d at 1307; *Buchanan*, 820 F.2d at 361.
8. During the Relevant Period, Defendants operated as a common enterprise while engaging in the acts and practices described in the complaint. Defendants conducted the business practices described in the complaint through an interrelated network of companies that had common business functions, employees, and office locations. Moreover, Defendants also commingled funds and shared operations and proceeds

of the unlawful activity. Because Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged in the complaint.

9. Default Defendants are owned or controlled in whole or in part by Defendants Bradley Haskins, David Klein, and/or Derin Scott.
10. Default Defendants are each a “covered person,” “related person,” and/or a “service provider” as those terms are defined by the CFPA, 12 U.S.C. § 5481(6)(A), (19), (25), and (26).
11. During the Relevant Period, Default Defendants offered or provided financial advisory services, including services to assist consumers settle debts.
12. Default Defendants’ business included inducing the purchase of financial advisory services by use of one or more telephones and involved more than one interstate telephone call. Default Defendants are “sellers” or “telemarketers” of a “debt relief service,” who engage in “telemarketing,” as defined in the TSR. 16 C.F.R. § 310.2.

**Default Defendants Violated the TSR**

***Count I of the Complaint***

13. In the course of telemarketing debt relief services from October 27, 2010 to the Effective Date, Defendants requested or received payment of fees or consideration from consumers for debt relief services before: (1) they had renegotiated, settled, reduced, or otherwise altered the terms of at least one debt pursuant to a settlement agreement, debt management plan, or other such valid contractual agreement executed by the consumer; and (2) the consumer had made at least one payment pursuant to that agreement.
14. The Complaint contains well-pled factual allegations supporting a finding of liability for violations of the TSR, 16 C.F.R. § 310.4(a)(5)(i), including as follows:
  - a. Defendants offered debt relief services to consumers, promising to negotiate their unsecured debts with their creditors in exchange for a fees paid up-front. Compl. ¶¶ 1-2, 37.
  - b. Defendants withdrew hundreds of dollars in advance fees from consumer’s accounts each month, including “Initial Fees” in the amount of \$199 (usually collected from the consumers’ account over the first three months of the

- program); “Bundled Legal Service Fees” that ranged from 10 to 15 percent of the consumer’s combined outstanding debts (usually collected over the first 13 months of the program); and “Attorney Monthly Service Fees” in the amount of \$84.95 (collected every month the consumer participates in the program). Compl. ¶¶ 2, 39-40, 51, 75.
- c. These fees were all charged before any consumer’s debts were negotiated and settled. Compl. ¶ 39-40, 75.
  - d. Defendants have charged advance fees to 99% of the consumers, at least 21,000 consumers, before settling any of their debts. Compl. ¶ 2, 40, 58.
15. Therefore, Defendants’ acts or practices violate the TSR, 16 C.F.R. § 310.4(a)(5)(i), and are abusive acts or practices in telemarketing. Because Defendants are “covered persons” their conduct is unlawful under sections 1031(a) and 1036(a)(1) of the CFPA, 12 U.S.C. §§ 5531(a), 5536(a)(1). 15 U.S.C. § 6102(c)(2).
16. Given these well-pled allegations and Default Defendants’ failure to answer or defend, the Court enters a default judgment against Default Defendants for violations of the TSR, 16 C.F.R. § 310.4(a)(5)(i). *See, e.g., CFPB v. Harper*, No. 14cv80931 (S.D. Fla. May 28, 2015) (awarding default judgment against corporate defendants for violations of the CFPA and other consumer protection laws); *CFPB v. Jalan*, No. 12cv02088 (C.D. Cal. July 23, 2013) (awarding default judgment against a corporation and two individual defendants for violations of Regulation O and other consumer protection laws).

**Default Defendants Violated the TSR and the CFPA**

***Counts II and III of the Complaint***

17. In numerous instances, in connection with the advertising, marketing, promoting, offering for sale, or sale of debt relief services, Defendants have falsely represented that consumers who enroll in Defendants’ debt relief program:
- a. will receive legal representation;
  - b. will be represented by a local attorney; and/or
  - c. will have settlements of their debts negotiated with their creditors by an attorney.

18. The Complaint contains well-pled factual allegations supporting a finding of liability for violations of the TSR, 16 C.F.R. § 310.3(a)(2)(iii) and (x), and Sections 1031 and 1036 of the CFPA, 12 U.S.C §§ 5531, 5536, including as follows:
  - a. Defendants promised consumers both debt relief services and legal representation, including by a local attorney, claiming to employ lawyers in every state. They also touted that consumers would receive the skill and expertise of a licensed lawyer to negotiate with creditors regarding their unsecured debts. Compl. ¶¶ 1, 37, 41-42, 45, 50, 78, 84.
  - b. In fact, in numerous instances, consumers do not receive legal representation, are not represented by a local attorney, and do not have settlements of their debts negotiated with their creditors by an attorney. Compl. ¶¶ 38, 53-56, 79, 85.
19. Therefore, Defendants' representations as described herein violate the TSR, 16 C.F.R. § 310.3(a)(2)(iii) and (x), and are deceptive acts or practices in telemarketing. Because Defendants are "covered persons" their conduct is unlawful under sections 1031(a) and 1036(a)(1) of the CFPA, 12 U.S.C. §§ 5531(a), 5536(a)(1). 15 U.S.C. § 6102(c)(2).
20. Defendants' representations described in the complaint and above are false and misleading, and constitute deceptive acts or practices in violation of sections 1031 and 1036 of the CFPA, 12 U.S.C § 5531, 5536.
21. Given these well-pled allegations and Default Defendants' failure to answer or defend, the Court enters a default judgment against Default Defendants for violations of the TSR, 16 C.F.R. § 310.3(a)(2)(iii) and (x) and for violations of sections 1031(a) and 1036(a)(1) of the CFPA, 12 U.S.C. §§ 5531, 5536. *See, e.g., CFPB v. Harper*, No. 14cv80931 (S.D. Fla. May 28, 2015) (awarding default judgment against corporate defendants for violations of the CFPA and other consumer protection laws); *CFPB v. Jalan*, No. 12cv02088 (C.D. Cal. July 23, 2013) (awarding default judgment against a corporation and two individual defendants for violations of Regulation O and other consumer protection laws).

**Damages**

22. Section 1055 of the CFPA, 12 U.S.C. § 5565, empowers this Court to order injunctive and other relief, restitution, and civil money penalties.
23. Defendants are liable for the entire amount spent by consumers, regardless of whether consumers received anything of value; the relevant factor is the “fraud in the selling, not the value of the thing sold.” *McGregor v. Chierico*, 206 F.3d 1378, 1389 (11th Cir. 2000) (quoting *FTC v. Figgie Int’l, Inc.*, 994 F.2d 595, 606 (9th Cir. 1993)). Because Defendants, including Default Defendants, have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged in the complaint.
24. Plaintiff bears the burden of proving damages and may do so through affidavits and other documentary evidence showing the amount and calculation of damages. *Tara Prods.*, 449 F. App’x at 911 – 12.
25. Plaintiff has established, through competent evidence, that at least 21,900 consumers were victimized by and paid money to Defendants and that these consumers paid at least \$106,813,049 during the Relevant Period.
26. As explained in the declaration of Timothy Hanson attached to Plaintiff’s Motion, these figures were derived from the Corporate Defendants’ records, records of Defendants’ third-party payment processor and bank statements, as well as information compiled by the Receiver.
27. The amount of \$106,813,048 represents a reasonable approximation of consumer loss.
28. The Bureau is entitled to an Order imposing permanent injunctive relief; requiring Default Defendants to make restitution of \$106,813,048; and requiring Default Defendants to pay a civil money penalty in the amount of \$40 million.
29. The Court, in its discretion, enters injunctive and monetary relief, without holding an evidentiary hearing. *Id.*
30. This action and the relief awarded herein are in addition to, and not in lieu of, other remedies as may be provided by law, including both civil and criminal remedies.
31. Entry of this Order is in the public interest.

## DEFINITIONS

The following definitions apply to this Order:

32. “**Advance Fee**” means any fee or consideration requested or received by a Debt Relief Service Provider from a consumer for any Debt Relief Service, whether directly or indirectly, that occurs before;
- a. the Debt Relief Service Provider has renegotiated, settled, reduced, or otherwise altered the terms of a debt pursuant to a settlement agreement, debt management plan, or other valid contractual agreement executed by the Consumer; and
  - b. the Consumer has made at least one payment pursuant to that settlement agreement, debt management plan, or other valid contractual agreement between the Consumer and the creditor or debt collector.
33. “**Affected Consumers**” means any consumer who paid an Advance Fee or any other fees to Defendants or their officers, agents, servants, employees, or attorneys for Debt Relief Products or Services between July 1, 2010 and the Effective Date.
34. “**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 deliveries, 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, including, but not limited to any trust held for the benefit of any Defendant, Relief Defendant, any of the Individual Defendants’ minor children, or any of the Individual Defendants’ spouses.
35. “**Assisting Others**” includes, but is not limited to:
- c. Consulting in any form whatsoever;
  - d. Providing paralegal or administrative support services;
  - e. performing customer service functions including, but not limited to, receiving or responding to consumer complaints;



- f. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including, but not limited to, any telephone sales script, direct mail solicitation, or the text of any Internet website, email, or other electronic communication;
  - g. formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including but not limited to, web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services;
  - h. providing names of, or assisting in the generation of, potential customers;
  - i. performing marketing, billing, or payment services of any kind; and
  - j. acting or serving as an owner, officer, director, manager, or principal of any entity.
36. **“Bankruptcy Proceeding”** means *In re Orion Processing LLC*, Case No. 15-10279 currently pending in the United States Bankruptcy Court, Western District of Texas, Austin Division.
37. **“Chapter 7 Trustee”** means the Trustee appointed over Defendant Orion Processing, LLC by the United States Bankruptcy Court, Western District of Texas, Austin Division in the Bankruptcy Proceeding.
38. **“Consumer Financial Product or Service”** is synonymous in meaning and equal in scope to the definition of the term in Section 1002(5) of the CFPA, 12 U.S.C. § 5481(5), and, subject to applicable restrictions contained in the CFPA, includes, but is not limited to:
- a. Extending credit and servicing loans, including acquiring, purchasing, selling, brokering, or other extensions of credit (other than solely extending commercial credit to a person who originates consumer credit transactions);
  - b. Providing financial advisory services to consumers on individual financial matters or relating to proprietary financial products or services, including providing credit counseling to any consumer or providing services to assist

a consumer with debt management or debt settlement, modifying the terms of any extension of credit, or avoiding foreclosure;

- c. Collecting, analyzing, maintaining, or providing consumer report information or other account information, including information relating to the credit history of consumers, used or expected to be used in connection with any decision regarding the offering or provision of a Consumer Financial Product or Service; or
- d. Collecting debt related to any Consumer Financial Product or Service.

- 39. **“Debt Relief Product or Service”** means any program or service represented, directly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a consumer and one or more creditors or debt collectors, including but not limited to, a reduction in the balance, interest rate, or fees owed by a person to a creditor or debt collector.
- 40. **“Debt Relief Service Provider”** means any Person that offers or provides any Debt Relief Product or Service.
- 41. **“Defendants”** means the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination, and each of them by whatever names each might be known;
  - a. **“Corporate Defendants”** means: Orion Processing, LLC d/b/a World Law Processing, Wld Credit Repair and World Law Debt (collectively, “Orion”) and its successors and assigns; Family Capital Investment & Management LLC a/k/a FCIAM Property Management (“FCIAM”) and its successors and assigns; World Law Debt Services, LLC and its successors and assigns; and World Law Processing, LLC and its successors and assigns.
  - b. **“Individual Defendants”** means Derin Scott, David Klein, and Bradley Haskins, collectively, or in any combination, and each of them by any other names by which they might be known;
  - c. **“Default Defendants”** means World Law Debt Services, LLC, World Law Processing, LLC, and Family Capital Investment & Management LLC a/k/a FCIAM Property Management;

- d. **“Receivership Defendants”** means World Law Debt Services, LLC, World Law Processing, LLC, and Family Capital Investment & Management LLC a/k/a FCIAM Property Management and their successors, assigns, affiliates, or subsidiaries, and each of them, by whatever names each might be known, provided that the Receiver has reason to believe they are owned or controlled in whole or in part by any of the Defendants, including but not limited to World Law Forms and Mediation, Inc., World Law South Inc., and WLD Price Global, Inc.;
  - e. **“Relief Defendant”** means Shannon Scott individually and by any other name by which she might be known;
- 42. **“Effective Date”** means the date on which the Order is issued.
  - 43. **“Enforcement Director”** means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or his/her delegee.
  - 44. **“Receiver”** means Robb Evans & Associates LLC.
  - 45. **“Related Consumer Action”** means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Defendant based on substantially the same facts as described in the Complaint.
  - 46. **“Relevant Period”** includes the period from July 1, 2010 to the Effective Date.
  - 47. **“Telemarketing”** means any plan, program, or campaign that is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones, whether or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310.

**ORDER**

**I.**

**PERMANENT BAN ON TELEMARKETING AND DEBT RELIEF PRODUCTS OR SERVICES**

It is **ORDERED** that:

48. Default Defendants and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with them who have actual notice of this Order, whether acting directly or indirectly, are permanently restrained from any of the following:
- a. Participating in telemarketing or assisting others engaged in telemarketing any Consumer Financial Product or Service;
  - b. Advertising, marketing, promoting, offering for sale, selling, or providing any Debt Relief Product or Service;
  - c. Assisting others in advertising, marketing, promoting, offering for sale, selling, or providing any Debt Relief Product or Service; and
  - d. Receiving any remuneration or other consideration from, holding any ownership interest in, providing services to, or working in any capacity for any person engaged in or assisting others in advertising, marketing, promoting, offering for sale, selling, or providing any Debt Relief Product or Service.

**II.**

**PROHIBITION ON DECEPTIVE PRACTICES**

It is **FURTHER ORDERED** that:

49. Default Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those 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 the advertising, marketing, promotion, offering for sale, sale, or performance of any Consumer Financial Product or Service may not misrepresent, or assist others in misrepresenting, expressly or impliedly:

- a. Any aspect of any Consumer Financial Product or Service, including but not limited to, the amount of savings a consumer will receive from purchasing, using, or enrolling in such Consumer Financial Product or Service;
  - b. The total costs to purchase, receive, or use, or the quantity of any Consumer Financial Product or Service, including that there will be no charge for all or a portion of such service;
  - c. Any material restriction, limitation, or condition to purchase, receive, or use any Consumer Financial Product or Service;
  - d. Any aspect of the nature or terms of a refund, cancellation, exchange, or repurchase policy for any Consumer Financial Product or Service, including but not limited to, 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;
  - e. The income, profits, sales, or savings likely to be achieved from any Consumer Financial Product or Service;
  - f. The terms or rates that are available for any loan or other extension of credit;
  - g. Any person's ability to improve or otherwise affect a consumer's credit record, credit history, or credit rating or ability to obtain credit;
  - h. That a consumer will receive legal representation or services from an attorney duly licensed to practice law;
  - i. Any material aspect of the performance, efficacy, nature, or central characteristic of any Consumer Financial Product or Service; and
  - j. Any other fact material to consumers concerning any Consumer Financial Product or Service.
50. In addition, Default Defendants, whether acting directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, or sale of any Consumer Financial Product or Service, are hereby permanently restrained and enjoined from making any representation or assisting others in making any representation, expressly or by implication, about the benefits, performance, or efficacy of any Consumer Financial Product or Service, unless, at the time such representation is made, such Default Defendant possesses and relies upon competent and reliable evidence that substantiates that the representation is true.

51. In addition, Default Defendants, whether acting directly or indirectly, are permanently restrained from offering or providing any Consumer Financial Product or Service for which a state license, registration, permit, bonding or other regulatory authority is required, unless such Default Defendant first obtains such authority.

### III.

#### PROHIBITED USE OF CUSTOMER INFORMATION

It is **FURTHER ORDERED** that:

48. Default Defendants, and their officers, agents, servants, employees, and attorneys who receive actual notice of this Order, whether acting directly or indirectly, may not disclose, use, or benefit from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that Defendants obtained before the Effective Date in connection with Consumer Financial Products or Services or Debt Relief Products or Services offered by Defendants.

**IT IS FURTHER ORDERED** that:

49. The Default Defendants, and their officers, agents, servants, employees, attorneys, and all other persons in active concert or participation with them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from attempting to collect, collecting, selling, or assigning, or otherwise transferring any right to collect payment from any consumer who purchased or agreed to purchase debt relief products or services from Defendants.

*However*, customer information may be disclosed if requested by a government agency or required by law, regulation, or court order.

IV.

**ORDER TO PAY REDRESS**

It is **FURTHER ORDERED** that:

50. A judgment for monetary relief is entered in favor of the Bureau and against Default Defendants, jointly and severally, in the amount of \$106,813,049 for the purpose of providing redress to Affected Consumers. The monetary judgment set forth in this Section is immediately due and payable upon entry of this Order and is enforceable against any asset owned by, on behalf of, for the benefit of, or in trust by or for Default Defendants.
51. This Order grants to the Bureau all rights and claims that Default Defendants have to Default Defendants' frozen assets currently in the possession, custody, or control of the Receiver or in the receivership estate, and Default Defendants shall forfeit any rights to the funds in the receivership estate, including but not limited to:
  - a. Funds previously held in Account Numbers XXXXXX2473, XXXXXX9483, and XXXXXX9491 at TD Bank in the name of World Law Forms and Mediation Inc.;
  - b. Funds previously held in Account Number XXXXXX3559 at Bank of America in the name of WLD Price Global, Inc.;
  - c. Funds previously held in Account Numbers XXXXXX2571 and XXXXXX2584 at Bank of America in the name of World Law Forms and Mediation Inc.;
  - d. Funds previously held in Account Numbers XXXXXX2067 and XXXXXX2075 at IBC Bank in the name of Family Capital Investment and Management;
  - e. Funds previously held in Account Number XXXXXX2083 at IBC Bank in the name of All Things Energy LLC; and
  - f. Funds previously held in Account Number XXXXXX2641 at Bank of America in the name of Appz, LLC, d/b/a App Ventures.
52. Any financial or brokerage institution, escrow agent, title company, commodity trading company, business entity, or person, whether located within the United States or outside the United States, that holds, controls or maintains accounts or

assets of, on behalf of, or for the benefit of, the Default Defendants shall turn over such account or asset to the Receiver or its designated agent within ten (10) business days of receiving notice of this Order by any means, including but not limited to via facsimile or email. Any such funds must be paid to the Receiver, by wire transfer to the Receiver or to the Receiver's agent, and according to the Receiver's wiring instructions.

53. Any funds received by the Bureau pursuant to this Order will be deposited into a fund or funds administered by the Bureau or to the Bureau's agent according to applicable statutes and regulations to be used to provide redress to Affected Consumers, for the fees they paid Defendants, and for any attendant expenses for the administration of any such redress.
54. If the Bureau determines, in its sole discretion, that redress to consumers is wholly or partially impracticable or otherwise inappropriate, or if funds remain after redress is completed, the Bureau will deposit any remaining funds in the U.S. Treasury as disgorgement. Default Defendants will have no right to challenge any actions that the Bureau or its representatives may take under this paragraph.
55. Payment of redress to any Affected Consumer under this Order may not be conditioned on that Affected Consumer waiving any right.

**V.**

**ORDER TO PAY CIVIL MONEY PENALTIES**

It is **FURTHER ORDERED** that:

56. Under Section 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the alleged violations of law, and taking into account the factors in 12 U.S.C. § 5565(c)(3), Default Defendants must pay a civil money penalty of \$40 million to the Bureau.
57. Within 10 days of the Effective Date, Default Defendants must pay the civil money penalty by wire transfer to the Bureau or to the Bureau's agent in compliance with the Bureau's wiring instructions.
58. The civil money penalty paid under this Order will be deposited in the Civil Penalty Fund of the Bureau as required by Section 1017(d) of the CFPA, 12 U.S.C. § 5497(d).



59. Default Defendants must treat the civil money penalty paid under this Order as a penalty paid to the government for all purposes. Regardless of how the Bureau ultimately uses those funds, Default Defendants may not:
- a. Claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Order; or
  - b. Seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made under any insurance policy, with regard to any civil money penalty paid under this Order.
60. To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Default Defendants may not argue that they are entitled to, nor may Default Defendants benefit by, any offset or reduction of any monetary remedies imposed in the Related Consumer Action because of the civil money penalty paid in this action or because of any payment that the Bureau makes from the Civil Penalty Fund (Penalty Offset). If the court in any Related Consumer Action grants such a Penalty Offset, Default Defendants must, within 30 days after entry of a final order granting the Penalty Offset, notify the Bureau, and pay the amount of the Penalty Offset to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and will not change the amount of the civil money penalty imposed in this action.
61. The civil penalty imposed by this Order represents a civil penalty owed to the United States Government, is not compensation for actual pecuniary loss, and, thus, as to each Default Defendant, it is not subject to discharge under the Bankruptcy Code under 11 U.S.C. § 523(a)(7).

## VI.

### ADDITIONAL MONETARY PROVISIONS

It is **FURTHER ORDERED** that:

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

63. Default Defendants must relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law and no part of the funds may be returned to Default Defendants.
64. The facts alleged in the Bureau's Complaint will be taken as true and be given collateral estoppel effect, without further proof, in any proceeding based on the entry of the Order, or in any subsequent civil litigation by the Bureau to enforce this Order or its rights to any payment or monetary judgment under the Order, such as a non-dischargeability complaint in any bankruptcy case.
65. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Bureau pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.
66. Under 31 U.S.C. § 7701, Default Defendants, unless they have already done so, must furnish to the Bureau any taxpayer identifying numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.

## VII.

### RECEIVERSHIP

It is **FURTHER ORDERED** that:

67. The appointment of Robb Evans & Associates LLC as Receiver for the Receivership Defendants pursuant to the September 2, 2015 and September 14, 2015 PIs is hereby continued as modified by this Section.
68. The Receiver shall take any and all steps that the Receiver concludes are appropriate to wind down the Receivership Defendants.
69. The Receiver shall continue to take all steps to locate and collect all viable Assets of the Receivership Defendants and proceed to liquidate all Assets of the Receivership Defendants, without further order of the Court. The Receiver shall use the proceeds of the sales of these Assets to pay any legitimate liens and necessary expenses relating to the sales.

70. The Receiver shall continue to perform all acts necessary or advisable to complete an accounting of the receivership Assets, and prevent unauthorized transfer, withdrawal, or misapplication of Assets.
71. The Receiver may continue to apply to the Court for payment of compensation and expenses associated with the performance of its duties as Receiver.
72. No later than one hundred and eighty (180) days from the Effective Date, the Receiver shall file and serve on the parties a report (the "Final Report") to the Court that details the steps taken to dissolve the receivership estate. The Final Report must include an accounting of the receivership estate's finances and total Assets and a description of what other actions, if any, must be taken to wind down the Receivership Defendants. At the time of filing the Final Report, the Receiver shall also file an application for final payment of compensation and expenses associated with its performance of its duties as Receiver. The Court will review the Final Report, payment application and any objections thereto and, absent a valid objection, will issue an order directing that the Receiver:
  - a. Pay the reasonable costs and expenses of administering the receivership estate, including compensation of the Receiver and the Receiver's personnel and the actual out-of-pocket costs incurred by the Receiver in carrying out its duties; and
  - b. Pay all remaining funds to the Bureau within ten (10) days by wire transfer to the Bureau or to the Bureau's agent, and according to the Bureau's wiring instructions toward the monetary judgment and penalties set forth in this Order.
73. If the Receiver believes that viable outstanding claims of the receivership estate will not be resolved within one hundred and eighty (180) days of the entry of this Order, or if the Receiver believes that additional actions need to be taken more than one hundred and eighty (180) days after the entry of this Order, the Receiver will move the Court for an appropriate extension of the receivership and the deadline to file the Final Report.
74. Until the date the Court issues an order based on the Receiver's Final Report, if there is any final judgment, consent order, or settlement in a Related Consumer Action, the Receiver must notify the Enforcement Director of the final judgment, consent order, or settlement in writing. That notification must indicate the amount of redress,

if any, that any Receivership Defendant paid or is required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid.

75. Upon the transfer of funds to the Bureau pursuant to this Section, the Receivership, pursuant to the September 2, 2015 and September 14, 2015 PIs, will be dissolved.

**VIII.**

**COOPERATION WITH BUREAU**

**IT IS FURTHER ORDERED** that:

76. The Receiver is directed to cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected Consumer.

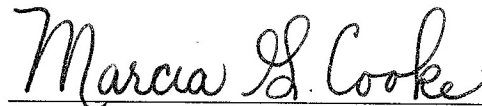
**IX.**

**RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED** that:

77. The Court will retain jurisdiction of this matter for the purpose of enforcing this Order.

**DONE and ORDERED** in Chambers, in Miami, Florida, this 1<sup>st</sup> day of August 2016.



MARCIA G. COOKE

United States District Judge

Copies furnished to:  
*Edwin G. Torres, U.S. Magistrate Judge*  
*Counsel of record*