

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

START CONNECTING LLC, d/b/a USA
Student Debt Relief, a Florida limited
liability company;

START CONNECTING SAS, d/b/a USA
Student Debt Relief, a Colombia
corporation;

DOUGLAS R. GOODMAN, individually
and as an officer of START
CONNECTING LLC;

DORIS E. GALLON-GOODMAN,
individually and as an officer of START
CONNECTING LLC; and

JUAN S. ROJAS, individually and as an
officer of START CONNECTING LLC
and START CONNECTING SAS,

Defendants.

Case No. 8:24-cv-1626-KKM-AAS

**PLAINTIFF'S MOTION FOR LEAVE TO SUBMIT AND
FOR ENTRY OF PROPOSED DEFAULT JUDGMENT AGAINST
DEFENDANTS START CONNECTING SAS & JUAN S. ROJAS**

Plaintiff Federal Trade Commission (the “FTC”) respectfully moves this Court for leave to submit and for entry of a default judgment against defaulted Defendants Start Connecting SAS and Juan S. Rojas (collectively, “Defaulting Defendants”) pursuant to Federal Rule of Civil Procedure 55(b)(2) and Local Rule 3.01(j). The Clerk of Court entered default against the Defaulting Defendants on October 29, 2024. *See* (Doc. 91). Now that the claims against non-defaulting Defendants Start Connecting LLC, Douglas R. Goodman, and Doris E. Gallon-Goodman (collectively, “Non-Defaulting Defendants”) have resolved through a stipulated order entered by this Court, *see* (Doc. 201), the FTC seeks entry of the proposed Default Judgment and Order for Permanent Injunction and Other Equitable Relief against both Defaulting Defendants, the only remaining parties. A copy of the proposed Default Judgment is attached as **Exhibit 1**.

The proposed Default Judgment includes injunctive provisions tailored to the facts alleged in the Complaint and necessary to prevent future law violations. It also awards the FTC a monetary judgment of \$7,304,737.29 against the Defaulting Defendants, jointly and severally with the Non-Defaulting Defendants, to be used to redress the consumer injury caused by Defendants’ deceptive student loan debt relief scheme.

I. FACTUAL AND PROCEDURAL BACKGROUND

On July 9, 2024, the FTC filed its Complaint against Defendants Start Connecting LLC, Start Connecting SAS, Douglas R. Goodman, Doris E. Gallon-Goodman, and Juan S. Rojas. (Doc. 1). The FTC’s Complaint alleged that Defendants were operating an illegal student loan debt relief scheme in violation of Section 5(a) of the FTC Act, 15 U.S.C § 45(a), the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and the Gramm-Leach-Bliley (“GLB”) Act, 15 U.S.C. § 6821(a)(2). The Defendants operated the scam as a transnational common enterprise: The three Non-Defaulting Defendants handled the business’s financial, legal, and administrative matters from their Sarasota corporate headquarters, while the Defaulting Defendants ran the telemarketing operation from a boiler room in Cali, Colombia. *See* (Doc. 1 ¶¶ 9–14). Though the business spanned two separate companies—Start Connecting LLC and Start Connecting SAS—the companies held themselves out as a single enterprise, shared principals in common, and commingled funds. *See* (Doc. 1 ¶¶ 9–14). Over the course of five years, Defendants inundated consumers with illegal calls, made false promises of extravagant debt relief, and then pocketed the funds that consumers thought were being used to pay down their loans. *See* (Doc. 1 ¶¶ 2–5, 21–56). Based on evidence presented by the FTC, the Court entered a Temporary Restraining Order (“TRO”) and, later, Preliminary Injunctions enjoining Defendants’ business

operations, freezing their assets, and appointing a Receiver to assume control of the enterprise. *See* (Docs. 13, 69, 78).

Initially, all five Defendants appeared in the case through the same counsel. *See* (Docs. 22–25). On July 24, 2024, that counsel accepted service on behalf of the Defaulting Defendants, who remained in Colombia. *See* (Doc. 36). On July 25, 2024, that counsel formally executed waivers of service, which the FTC filed onto the docket. *See* (Docs. 39–40).¹ That counsel later withdrew from representing the Defaulting Defendants, *see* (Docs. 55–56), who thereafter ceased participating in the case or otherwise abiding by the Court’s orders. (As the Receiver already reported to the Court, the Defaulting Defendants began flouting the TRO almost immediately, draining tens of

¹ These waivers are sufficient to establish proper service as to the Defaulting Defendants. *See* Fed. R. Civ. P. 4(d)(4) (“When the plaintiff files a waiver, proof of service is not required and these rules apply as if a summons and complaint had been served at the time of filing of the waiver.”). Although the waivers rendered additional efforts at service unnecessary, the FTC also effected service in accordance with Rule 4’s international service provisions. *See* Fed. R. Civ. P. 4(f), (h)(2). Specifically, the FTC served the Defaulting Defendants in accordance with the Hague Service Convention, to which both the United States and Colombia are signatories, by emailing copies of the Complaint and summonses to Defendant Rojas (as both an individual Defendant and Defendant Start Connecting SAS’s CEO) and obtaining a confirmation of receipt. *See* (Doc. 86-1, at 5–6). This constitutes valid service of process under Colombian law, *see* Declaration of Diana Sanclemente-Arenas ¶¶ 5–10, *FTC v. RivX Automation Corp.*, No. 1:24-cv-23152 (S.D. Fla. Nov. 13, 2024), ECF No. 38-2, as well as an acceptable means of service under Article 10(a) of the Convention, *see Al-Saadi v. Annchery Fajas USA, Inc.*, 2022 WL 898562, at *2 (S.D. Fla. Mar. 28, 2022) (Colombia “has not objected to Article 10(a) of the Convention,” which means that service “by alternative means, including email,” is permitted); Hague Conference on Private International Law, *1965 Service & 1970 Evidence & 1980 Access to Justice Conclusions & Recommendations* at 11, ¶ 105 (2024), <https://assets.hcch.net/docs/6aef5b3a-a02c-408f-8277-8c995d56f255.pdf> (parties to the Convention, including Colombia, memorialized shared understanding that Article 10(a) encompasses “transmission and service by email”).

thousands of dollars’ worth of Colombian pesos from Defendant Start Connecting SAS’s corporate bank accounts in the days after the TRO issued, *see* (Doc. 151 at 18–19), and reconstituting the scam under a new name, Student Solution Service, within approximately one week, *see* (Doc. 151 at 6–13).) After the Defaulting Defendants missed their September 16, 2024 answer deadline, *see* (Doc. 48), the Clerk entered a Rule 55(a) default, (Doc. 91). This Court authorized the FTC to seek a Rule 55(b) default judgment within 35 days after judgment entered as to the Non-Defaulting Defendants—i.e., by July 9, 2025. *See* (Docs. 96, 201).

II. LEGAL STANDARD

Federal Rule of Civil Procedure 55(b)(2) authorizes federal courts to enter a default judgment when defendants fail to plead or defend. *Surtain v. Hamlin Terrace Found.*, 789 F.3d 1239, 1244–45 (11th Cir. 2015) (per curiam). Defaulted defendants are deemed to have “admit[ted] the plaintiff’s well-pleaded allegations of fact.” *Buchanan v. Bowman*, 820 F.2d 359, 361 (11th Cir. 1987). “Before entering default judgment, the court must ensure that it has jurisdiction over the claims and parties, and that the well-pleaded factual allegations of the complaint, which are assumed to be true, adequately state a claim for which relief may be granted.” *FTC v. MOBE Ltd.*, 2020 WL 3250220, at *2 (M.D. Fla. Mar. 26, 2020) (citing *Nishimatsu Constr. Co v. Houston Nat’l Bank*, 515 F.2d 1200, 1206 (5th Cir. 1975)), *report*

and recommendation adopted, 2020 WL 1847354 (M.D. Fla. Apr. 13, 2020). A hearing is not required prior to entry of a default judgment “where all essential evidence is already of record.” *Giovanno v. Fabec*, 804 F.3d 1361, 1366 (11th Cir. 2015) (*per curiam*).

III. ARGUMENT

a. This Court Has Jurisdiction Over the Defaulting Defendants

Here, the Court has both subject-matter and personal jurisdiction.

1. Subject-Matter Jurisdiction

This case is brought by an agency of the United States government and asserts claims arising under federal laws regulating commerce. *See* (Doc. 1 ¶¶ 8, 60–102). The Court accordingly has subject-matter jurisdiction over the case. *See* 28 U.S.C. §§ 1331, 1337(a), and 1345.

2. Personal Jurisdiction

This Court also has personal jurisdiction over the Defaulting Defendants. At the outset of the case, both Defaulting Defendants received notice of this lawsuit and appeared through counsel, *see* (Docs. 22–25), who executed waivers of service on the Defaulting Defendants’ behalf, *see* (Docs. 39–40). The Defaulting Defendants have never objected to this Court’s exercise of personal jurisdiction over them and thereby waived any possible objections. *See, e.g., Baragona v. Kuwait Gulf Link Transp. Co.*, 594 F.3d 852, 854 (11th Cir. 2010) (defendants “normally” will “waive[] a personal

jurisdiction defense if [they] entered an appearance”); *Diamond Resorts U.S. Collection Dev., LLC v. Gutierrez*, 2017 WL 6939208, at *2 (M.D. Fla. Dec. 8, 2017) (“[T]he Court has personal jurisdiction over Respondent [who was defaulted for failing to plead] because she appeared in this action without timely raising a defense of lack of personal jurisdiction.”), *report and recommendation adopted*, 2018 WL 378688 (M.D. Fla. Jan. 11, 2018).

Even if Defaulting Defendants had not appeared, they would be subject to this Court’s jurisdiction. Rule 4(k)(2), the federal long-arm statute, provides that, “[f]or claims that arise under federal law, serving a summons or filing a waiver of service establishes personal jurisdiction over a defendant if: (A) the defendant is not subject to jurisdiction in any state’s court of general jurisdiction; and (B) exercising jurisdiction is consistent with the United States Constitution and laws.” Fed. R. Civ. P. 4(k)(2). Both criteria are met here.

First, the Defaulting Defendants are citizens of Colombia and thus not clearly subject to the jurisdiction of any state court. *See* (Doc. 1 ¶¶ 10, 13); *see also United States v. Dinh*, 2021 WL 5867441, at *3 (M.D. Fla. Dec. 10, 2021) (noting that courts need not “assess the laws of all fifty states to ascertain whether any state court of jurisdiction has jurisdiction over the defendant” because “the burden is on the defendant to indicate which state has jurisdiction over it” (quoting *Oldfield v. Pueblo De Bahia Lora, S.A.*, 558 F.3d

1210, 1218 n.22 (11th Cir. 2009))).

Second, the exercise of jurisdiction over the Defaulting Defendants is consistent with the Constitution and the laws of the United States.

Jurisdiction is “consistent with the Constitution and laws of the United States” when it “comports with due process.” *Consol. Dev. Corp. v. Sheritt, Inc.*, 216 F.3d 1286, 1291 (11th Cir. 2000). “The exercise of personal jurisdiction comports with due process when (1) the nonresident defendant has purposefully established minimum contacts with the forum and (2) the exercise of jurisdiction will not offend traditional notions of fair play and substantial justice.” *SEC v. Carrillo*, 115 F.3d 1540, 1542 (11th Cir. 1997) (citation, quotation marks, and alteration omitted).

i. Minimum Contacts

The Defaulting Defendants had sufficient minimum contacts with the forum to warrant the exercise of specific jurisdiction. In evaluating minimum contacts, courts analyze whether a defendant’s contacts with the relevant forum “(1) are related to the plaintiff’s cause of action; (2) involve some act by which the defendant purposely availed himself of the privileges of doing business within the forum; and (3) are such that the defendant should reasonably anticipate being haled into court in the forum.” *Louis Vuitton Malletier, S.A. v. Mosseri*, 736 F.3d 1339, 1357 (11th Cir. 2013). “Where service of process has been effected pursuant to Rule 4(k)(2), the applicable

forum for the minimum contacts analysis is the United States” as a whole.

Consol. Dev. Corp., 216 F.3d at 1291 n.6. The Defaulting Defendants’ contacts with the United States far exceed the threshold necessary to sustain a finding of minimum contacts.

The Complaint alleges that the Defaulting Defendants’ Colombia-based boiler room systematically targeted American consumers “throughout the United States,” blanketing them with more than 750,000 outbound telemarketing calls between April 2019 and February 2024. *See* (Doc. 1 ¶¶ 10, 13, 22–23, 51). After plying consumers with false promises of debt relief and gathering their payment information, Defendants charged consumers’ cards using domestic merchant processing accounts owned by the Florida-based Defendants, who in turn funneled millions of dollars to Colombia to cover the Defaulting Defendants’ operating costs. *See* (Doc. 1 ¶¶ 11–14, 30–33, 35–36, 38, 40). The Defaulting Defendants falsely held themselves out as a Florida company: Their website and sales contracts listed a Florida business address; their customer service line had a Florida area code; and their telemarketers often indicated to consumers that they were operating out of Florida. *See* (Doc. 3-1 at 129, 131, 136–37, 156, 163, 232, 287, 291, 297, 312); (Doc. 3-3 at 36, 39, 52, 64, 66, 68, 76, 83); (Doc. 3-4 at 156, 164–66, 169, 171–73).

These facts establish sufficient minimum contacts. All the contacts detailed above were undertaken by the Defaulting Defendants in service of

the student loan debt relief scheme giving rise to the FTC's causes of action. Their course of conduct—posing as an American company, making hundreds of thousands of telemarketing calls to American consumers, and bilking those consumers out of millions of dollars—shows that they purposely availed themselves of the privileges of doing business in the United States. *See, e.g., FTC v. Educare Ctr. Servs., Inc.*, 414 F. Supp. 3d 960, 969–70 (W.D. Tex. 2019) (“There should be little question that targeting U.S. consumers with unlawfully deceptive telemarketing calls amounts to purposeful availment of the forum United States and creates a reasonably foreseeable consequence of litigation in the forum.”); *Dinh*, 2021 WL 5867441, at *3 (in finding minimum contacts, noting as relevant that foreign defendants falsely posed as a United States company and generated revenue from American consumers). In light of this extensive history of purposeful availment, the Defaulting Defendants would have reasonably anticipated being haled into a United States court.

ii. Fair Play and Substantial Justice

The exercise of jurisdiction here also does not offend traditional notions of fair play and substantial justice. Only if this is “one of those rare cases in which minimum requirements inherent in the concept of fair play and substantial justice . . . defeat the reasonableness of jurisdiction” would this Court lack jurisdiction. *Carrillo*, 115 F.3d at 1547 (internal quotation marks omitted). As part of this inquiry, courts consider “the burden on the

defendant, the forum's interest in adjudicating the dispute, the plaintiff's interest in obtaining convenient and effective relief and the judicial system's interest in resolving the dispute." *Licciardello v. Lovelady*, 544 F.3d 1280, 1288 (11th Cir. 2008). It is up to the defendant to "make a compelling case" that these factors weigh against exercising personal jurisdiction. *Diamond Crystal Brands, Inc. v. Food Movers Int'l, Inc.*, 593 F.3d 1249, 1267 (11th Cir. 2010) (citation and quotation marks omitted). The Defaulting Defendants have made no such showing here. In any event, any burden on the Defaulting Defendants created by this litigation is outweighed by the United States' interest in protecting American consumers and the FTC's interest in obtaining relief against multiple defendants in a single forum.

b. The FTC's Well-Pleaded Allegations Establish the Defaulting Defendants' Liability

The FTC's well-pleaded allegations, now deemed admitted by default, state plausible claims for relief against the Defaulting Defendants and warrant entry of a default judgment.

1. The Defaulting Defendants Violated the FTC Act

The first three counts of the Complaint concern Defendants' violations of the FTC Act, which prohibits "unfair or deceptive acts or practices in or affecting commerce." 15 U.S.C. § 45(a).

i. Deceptive Student Loan Relief Representations

Count I alleges that Defendants made false, misleading, or unsubstantiated representations in their marketing of student loan debt relief services. *See* (Doc. 1 ¶¶ 63–65). Defendants are liable for making misrepresentations in violation of the FTC Act if they (1) made a representation (2) that was likely to mislead consumers acting reasonably under the circumstances and (3) the representation was material. *FTC v. On Point Cap. Partners LLC*, 17 F.4th 1066, 1079 (11th Cir. 2021).

As detailed in the FTC’s Complaint, Defendants’ sales pitch involved a series of false, misleading, and unsubstantiated representations designed to win consumers’ trust and deceive them into paying hundreds of dollars to enroll in free federal student loan repayment programs. Specifically, Defendants falsely represented to consumers that they worked with or were affiliated with the U.S. Department of Education or federal student loan servicers. *See* (Doc. 1 ¶¶ 24–29). They falsely represented that they would enroll consumers in a student loan repayment or forgiveness program that would reduce consumers’ monthly payments to a guaranteed low, fixed amount for a set number of years, at which point the remaining balance would be forgiven in full; in reality, no such programs exist. *See* (Doc. 1 ¶¶ 30–33). They falsely represented that payment of an advance fee was required to enroll in free federal loan repayment or forgiveness programs. *See*

(Doc. 1 ¶¶ 34–38). And they falsely represented that consumers’ monthly payments to Defendants would be applied to consumers’ student loan balances. *See* (Doc. 1 ¶¶ 39–42).

These representations were likely to, and in fact did, mislead reasonable consumers. A representation is likely to mislead consumers if the representation is either false or lacks a reasonable basis, *see FTC v. Nat’l Urological Grp., Inc.*, 645 F. Supp. 2d 1167, 1190 (N.D. Ga. 2008), *aff’d*, 356 F. App’x 358 (11th Cir. 2009). Actual deception is not required, but evidence that consumers were in fact deceived can show that a representation is likely to mislead. *See FTC v. Direct Benefits Grp., LLC*, 2013 WL 3771322, at *15 (M.D. Fla. July 18, 2013). Here, as alleged in the Complaint and as supported by the evidence, Defendants’ representations were false, and thousands of consumers were actually deceived into paying millions of dollars. *See* Declaration of Christine Carson ¶¶ 8–9, 13, attached as **Exhibit 2**. Many of these consumers complained to the FTC, the Better Business Bureau, and state attorneys general. *See* (Doc. 1 ¶ 46); *see also Direct Benefits Grp.*, 2013 WL 3771322, at *15 (evidence of consumer complaints is “highly probative of the . . . tendency to mislead”).

By the same token, Defendants’ misrepresentations were material because they were “of a kind usually relied upon by a reasonably prudent person.” *FTC v. Transnet Wireless Corp.*, 506 F. Supp. 2d 1247, 1266 (S.D.

Fla. 2007). Express claims, like the ones at issue in this case, are presumed material. *See id.* at 1267; *see also On Point*, 17 F.4th at 1080 (misrepresentations were “clearly material” when they “induc[ed] consumers to purchase” or “surrender sensitive personal information”). And, as the Complaint alleges and the evidence shows, they were in fact material. As detailed in the FTC’s TRO memorandum, consumers reported that if they had known Defendants misrepresented their service, they would not have enrolled. *See* (Doc. 3 at 5 n.8, 9 n.21) Count I of the Complaint thus states an actionable claim under Section 5(a) of the FTC Act.

ii. False or Misleading Endorsements

Count II alleges that Defendants posted fake positive reviews and testimonials. *See* (Doc. 1 ¶¶ 66–68). On social media, Defendants published purported customer testimonials featuring publicly available stock photos and describing loan repayment scenarios unattainable under any federal student loan repayment plan. (Doc. 1 ¶¶ 47–49). Defendants also posted—or enlisted associates to post—fake positive reviews on their website and on third-party consumer review platforms. (Doc. 1 ¶ 50). These fake reviews give rise to liability under the FTC Act because they constituted material representations likely to mislead consumers. *See supra* § III(b)(1)(i); *see also FTC v. Roca Labs, Inc.*, 345 F. Supp. 3d 1375, 1389–90 (M.D. Fla. 2018) (granting the FTC summary judgment on its claim that fake online reviews

violated Section 5(a) of the FTC Act); *FTC v. Roomster Corp.*, 654 F. Supp. 3d 244, 255–56 (S.D.N.Y. 2023) (denying motion to dismiss on similar grounds).

iii. Unfairly Providing English-Language Contracts to Spanish-Speaking Consumers

Count III alleges that Defendants engaged in unfair practices in violation of Section 5 of the FTC Act by providing consumers with a contract written in English, even when the sales pitch had been conducted entirely in Spanish and many of their customers did not read or speak English fluently, if at all. *See* (Doc. 1 ¶¶ 22, 43, 69–71). An act or practice is “unfair” under the FTC Act if: (1) it causes substantial injury; (2) it is not outweighed by countervailing benefits to consumers or competition; and (3) consumers themselves could not reasonably have avoided it. 15 U.S.C. § 45(n). Here, Defendants’ practices caused substantial injury to Spanish-speaking consumers because the purportedly binding document contained disclosures that contradicted key selling points of Defendants’ sales pitch, which consumers were unable to review due to the language barrier and high-pressure sales flow. *See* (Doc. 1 ¶¶ 22, 43–45, 69); *cf.* 16 C.F.R. § 14.9(a) (longstanding FTC policy requiring certain disclosures to be made in the same language as the sales pitch). Consumers could not reasonably have avoided this injury because they could not understand the contract. This practice served only to further Defendants’ deception and had no

countervailing benefit to consumers or competition. *Cf. FTC v. World Pat. Mktg., Inc.*, 2017 WL 3508639, at *15 (S.D. Fla. Aug. 16, 2017) (finding likelihood of success on unfairness count where defendants “ke[pt] material . . . information hidden from prospective customers, and such obstacles ma[d]e it nearly impossible for consumers to make informed decisions”).

2. The Defaulting Defendants Violated the TSR

Counts IV through VIII of the Complaint describe Defendants’ violations of the TSR, 16 C.F.R. Part 310, which prohibits abusive and deceptive telemarketing acts and practices.

i. Advance Fee for Debt Relief Services

Count IV alleges that Defendants violated the TSR’s prohibition against sellers or telemarketers charging upfront fees for debt relief services. *See* (Doc. 1 ¶¶ 84–85). Specifically, the TSR prohibits requesting or receiving payment of any fee for debt relief services unless and until, *inter alia*, the seller has altered the terms of at least one debt on the customer’s behalf. 16 C.F.R. § 310.4(a)(5)(i). Here, Defendants started collecting fees upfront, before taking any action to restructure consumers’ loans or enroll them in a repayment plan. *See* (Doc. 1 ¶¶ 36–38).

ii. Misrepresentation of Affiliation & Material Debt Relief Misrepresentations

Count V alleges that Defendants violated the TSR’s prohibition against misrepresenting a seller or telemarketer’s “affiliation with, or endorsement or

sponsorship by, any person or government entity.” 16 C.F.R. § 310.3(a)(2)(vii); *see* (Doc. 1 ¶¶86–87). Similarly, Count VI alleges that Defendants violated the TSR’s prohibition against sellers or telemarketers misrepresenting “[a]ny material aspect of a debt relief service.” 16 C.F.R. § 310.3(a)(2)(x); *see* (Doc. 1 ¶¶ 88–89). As discussed above, *supra* § III(b)(1)(i), Defendants made a series of false, misleading, or unsubstantiated representations during sales calls, *see* (Doc. 1 ¶¶ 24–29, 30–42). In addition to violating Section 5(a) of the FTC Act, these misrepresentations violated the TSR. *See FTC v. Wash. Data Res.*, 856 F. Supp. 2d 1247, 1273 (M.D. Fla. 2012) (deceptive representations under Section 5 of the FTC Act are sufficient to establish analogous claims under the TSR), *aff’d*, 704 F.3d 1323 (11th Cir. 2013).

iii. Violations of TSR Provisions Related to the National Do Not Call Registry

Count VII alleges that Defendants violated the TSR’s prohibition on initiating or causing others to initiate telephone calls to consumers who have registered their telephone numbers on the National Do Not Call Registry. 16 C.F.R. § 310.4(b)(1)(iii)(B); *see* (Doc. 1 ¶¶ 90–91). And Count VIII alleges that Defendants violated the TSR’s prohibition barring sellers or telemarketers from initiating or causing others to initiate outbound telephone calls to numbers in a given area code without first paying the required annual fee for access to the telephone numbers within that area

code that are included on the National Do Not Call Registry. 16 C.F.R. § 310.8; *see* (Doc. 1 ¶¶ 92–93). Here, Defendants made more than 140,000 calls to telephone numbers on the Registry between 2019 and 2024, *see* (Doc. 1 ¶¶ 51–52), and made hundreds of thousands of calls to numbers in various area codes without paying Registry access fees, *see* (Doc. 1 ¶¶ 51, 53).

3. The Defaulting Defendants Violated the GLB Act

Count IX alleges that Defendants violated Section 521 of the GLB Act, which prohibits any person from “obtain[ing] or attempt[ing] to obtain . . . customer information of a financial institution relating to another person . . . by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution.” 15 U.S.C. § 6821(a)(2); *see* (Doc. 1 ¶¶ 94–102). The statute encompasses disclosure of debit and credit card information, *see* 15 U.S.C. § 6827(4)(B) (defining “financial institution” to include “any depository institution” and “any credit card issuer or operator of a credit card system”), which Defendants induced consumers to provide using the actionably false statements detailed above, *see supra* § III(b)(1)(i). Because the representations Defendants used to obtain consumers’ financial information were “false, fictitious, or fraudulent,” the Complaint states a plausible claim for relief under the GLB Act. *See, e.g., FTC v. RCG Advances, LLC*, 695 F. Supp. 3d 368, 389–91 (S.D.N.Y. 2023) (false representations in sales pitch violated Section 521 of the GLB Act).

4. The Defaulting Defendants Are Jointly and Severally Liable

The FTC’s well-pleaded allegations establish that the Defaulting Defendants are jointly and severally liable, together with the Non-Defaulting Defendants, for the law violations detailed above. As the Court has already found, the Complaint establishes that, together with Start Connecting LLC, Start Connecting SAS “form[ed] a common enterprise,” making it “jointly and severally liable for the acts” of the enterprise as a whole. (Doc. 144 at 6–7 (reported at 2025 WL 605445, at *3)); *see also On Point*, 17 F.4th at 1081–82 (“a corporate entity can be responsible for the actions of other corporations in a business venture when the structure, organization, and pattern of a business venture reveal a common enterprise or a maze of integrated business entities,” as evidenced by factors like “operat[ing] under common control, shared office space and employees, commingled funds, and coordinated advertising”). Here, Start Connecting LLC and Start Connecting SAS held themselves out as the singular entity “USA Student Debt Relief.” *See* (Doc. 1 ¶ 2). The companies shared principals in common, commingled funds, and engaged in coordinated advertising aimed at making the operation look like a legitimate Florida business. *See* (Doc. 1 ¶¶ 9–14, 47–49).

As one of the enterprise’s key principals, Defaulting Defendant Juan S. Rojas is individually liable for the common enterprise’s misconduct. “For an

individual to be responsible under the [FTC Act] for the wrongdoings of a corporation, the FTC must show that the individual had some knowledge of the practices and that the individual either participated directly in the practice or acts or had the authority to control them.” *On Point*, 17 F.4th at 1083 (citation and quotation marks omitted). As a corporate officer for both companies comprising the common enterprise, *see* (Doc. 1 ¶ 13), Rojas is presumed to have had authority to control its wrongful practices. *See Transnet Wireless*, 506 F. Supp. 2d at 1270 (“[S]tatus as a corporate officer gives rise to a presumption of ability to control a small, closely held corporation.”); *see also* (Doc. 1 ¶ 13) (alleging that Defendant Rojas “formulated, directed, controlled, had the authority to control, or participated in the acts and practices of USASDR and Start Connecting SAS,” including by “oversee[ing the] Colombia-based telemarketing operation”). In addition to having authority to control, Rojas had knowledge of and participated directly in the enterprise’s practices by, for example, registering and paying for domain names, serving as a customer point of contact for merchant processing accounts, and personally responding to Better Business Bureau complaints on the enterprise’s behalf. (Doc. 1 ¶ 13).

The Complaint’s allegations establish both the existence of a common enterprise and Defendant Rojas’s individual liability for the enterprise’s misconduct. The Defaulting Defendants should accordingly be held jointly

and severally liable with the Non-Defaulting Defendants for the violations alleged. *See, e.g., Nat'l Urological Grp.*, 645 F. Supp. 2d at 1213–14.

c. The Court Should Enter the Proposed Default Judgment

Once a court determines that a plaintiff is entitled to a default judgment, it must consider whether the requested relief is appropriate. *See FTC v. Higher Goals Mktg. LLC*, 2019 WL 6330720, at *9 (M.D. Fla. Nov. 6, 2019), *report and recommendation adopted*, 2019 WL 6321165 (M.D. Fla. Nov. 26, 2019). Here, the FTC's proposed default judgment seeks relief tailored to the facts alleged in the Complaint, the scope of which is appropriate given the extent of the Defaulting Defendants' unlawful conduct and the likelihood they will recidivate absent such relief.

1. A Permanent Injunction Is Appropriate

Section 13(b) of the FTC Act authorizes courts to issue permanent injunctions against violations of any provision of law enforced by the FTC. 15 U.S.C. § 53(b). To determine whether a permanent injunction is appropriate, courts assess “whether the defendant’s past conduct indicates that there is a reasonable likelihood of further violations in the future.” *FTC v. Lalonde*, 545 F. App’x 825, 841 (11th Cir. 2013) (quoting *CFTC v. Wilshire Inv. Mgmt. Corp.*, 531 F.3d 1339, 1346–47 (11th Cir. 2008)). “In determining the likelihood of future violations, courts consider ‘the egregiousness of the defendant’s actions, the isolated or recurrent nature of

the infraction, the degree of scienter involved, the sincerity of the defendant's assurances against future violations, the defendant's recognition of the wrongful nature of his conduct, and the likelihood that the defendant's occupation will present opportunities for future violations.” *FTC v. RCA Credit Servs., LLC*, 727 F. Supp. 2d 1320, 1335 (M.D. Fla. 2010) (quoting *SEC v. Carriba Air, Inc.*, 681 F.2d 1318, 1322 (11th Cir. 1982)). “Courts also have discretion to include ‘fencing-in’ provisions that extend beyond the specific violations at issue in the case to prevent Defendants from engaging in similar deceptive practices in the future,” so long as those provisions “bear a ‘reasonable relation to the unlawful practices found to exist.’” *Id.* (quoting *FTC v. Colgate-Palmolive Co.*, 380 U.S. 374, 394–65 (1965)).

i. Conduct Provisions

Sections I and II of the proposed default judgment order would ban the Defaulting Defendants from marketing and selling secured and unsecured debt relief products and services and from telemarketing. These bans are appropriate in light of the Defaulting Defendants' central role in the scam, the ease with which their operation can be repurposed to sell other debt relief services or engage in other telemarketing misconduct, and their propensity to recidivate. Indeed, the Defaulting Defendants have a demonstrated history of flouting court orders, having reconstituted their scam within a week of the TRO's entry. *See* (Doc. 151 at 6–13). What's more, Defendant Rojas appears

to have previously worked for yet another student loan debt relief scam shut down by the FTC—an experience that evidently did not to dissuade him from starting USA Student Debt Relief. *See* (Doc. 151 at 35 n.19). Courts in this Circuit have imposed similar bans against FTC defendants, even absent these egregious facts. *See, e.g., FTC v. Pointbreak Media, LLC*, 376 F. Supp. 3d 1257, 1273 (S.D. Fla. 2019); *FTC v. Lanier Law, LLC*, 1943 F. Supp. 3d 1238, 1288–89 (M.D. Fla. 2016), *aff'd*, 715 F. App'x 970 (11th Cir. 2017); *FTC v. 1st Guar. Mortg. Corp.*, 2011 WL 1233207, at *19–21 (S.D. Fla. Mar. 30, 2011), *aff'd sub nom. FTC v. Lalonde*, 545 F. App'x 825 (11th Cir. 2013).

Section III of the proposed order would prohibit the Defaulting Defendants from engaging in misconduct similar to that alleged in the Complaint, such as making material misrepresentations about any good or service, making unsubstantiated claims, trafficking in fake reviews or indicators of social media influence, providing consumers with contracts written in a different language than the one used in the sales pitch, and obtaining consumers' financial information under false pretenses. Such provisions are appropriate fencing-in relief. *See, e.g., Pointbreak Media*, 376 F. Supp. 3d at 1288–89; *Lanier Law*, 1943 F. Supp. 3d at 1288–89; *1st Guar. Mortg. Corp.*, 2017 WL 1233207, at *21.

ii. Monitoring Provisions

The proposed default judgment also contains various provisions aimed at facilitating and monitoring the Defaulting Defendants' compliance with the order. These provisions restrict the Defaulting Defendants' use of their former customers' information (Section VII); require them to submit signed acknowledgments of having received the order (Section VIII); require them to submit periodic compliance reports (Section IX); require that they create and maintain certain records (Section X); and authorize the FTC to engage in ongoing compliance monitoring, with which the Defaulting Defendants must cooperate (Section XI). Courts routinely authorize these types of monitoring provisions to enable enforcement of the injunctive provisions discussed above. *See, e.g., MOBE LTD.*, 2020 WL 3250220, at *6; *1st Guar. Mortg.*, 2017 WL 1233207, at *19; *RCA Credit Servs.*, 727 F. Supp. 2d at 1335. The proposed order also recognizes the Court's continuing jurisdiction to enforce its own judgment. *See, e.g., Reynolds v. Roberts*, 207 F.3d 1288, 1298 (11th Cir. 2000).

2. The Proposed Monetary Relief Is Appropriate

Section 19 of the FTC Act authorizes courts to grant "such relief as the court finds necessary to redress injury to consumers," including "the refund of money or return of property," in cases where the FTC pleads violation of a "rule under this subchapter respecting unfair or deceptive acts or practices." 15 U.S.C. § 57b. Violations of both the TSR and the GLB Act are treated as

rule violations for purposes of Section 19. *See FTC v. Simple Health Plans LLC*, 58 F.4th 1322, 1328–29 (11th Cir. 2023) (TSR); *RCG Advances, LLC*, 695 F. Supp. 3d at 392 (GLB Act). The proper measure of redress for these rule violations is net revenue, i.e., gross receipts minus refunds. *See FTC v. Romero*, 658 F. Supp. 3d 1129, 1141 (M.D. Fla. 2023) (citing *Washington Data Res.*, 704 F.3d at 1327).

The FTC bears the initial burden of demonstrating entitlement to the monetary amount sought. When calculating net revenue for this purpose, the FTC “‘must show that its calculations reasonably approximated the amount of customers’ net losses,’ but ‘the calculation may be properly based on estimates.’” *Higher Goals Mktg.*, 2019 WL 6330720, at *9 (alteration omitted) (quoting *RCA Credit Servs.*, 727 F. Supp. 2d at 1336–37). Once the FTC has sufficiently calculated Defendants’ net revenue, the burden shifts to Defendants to show that those figures are inaccurate. *Id.*; *see also RCA Credit Servs.*, 727 F. Supp. 2d at 1337 (“The risk of uncertainty should fall on the wrongdoer whose illegal conduct created the uncertainty.”) (alteration omitted) (quoting *FTC v. Febre*, 128 F.3d 530, 535 (7th Cir. 1997)).

Here, the FTC reasonably estimates Defendants’ net revenue during the three-year limitations period as \$7,304,737.29. As set forth in the accompanying declaration of FTC Investigator Christine Carson, this figure was derived using Defendants’ bank records and reflects the sum of consumer

receipts less chargebacks and refunds. (Carson Decl. ¶ 13). The proposed default judgment thus holds the Defaulting Defendants jointly and severally liable, along with the Non-Defaulting Defendants, for \$7,304,737.29. *See Higher Goals Mktg.*, 2019 WL 6330720, at *9 (recommending that an FTC investigator's declaration adequately supports a default judgment). Because there is sufficient evidence to support the FTC's request for monetary relief, this Court should grant this motion without a hearing. *See Wallace v. Kiwi Grp., Inc.*, 247 F.R.D. 679, 681 (M.D. Fla. 2008).

IV. CONCLUSION

For the foregoing reasons, this Court should grant the FTC leave to submit its proposed default judgment order pursuant to Local Rule 3.01(j), grant the FTC's request for default judgment under Rule 55(b)(2), and enter the proposed default judgment against Defaulting Defendants Start Connecting SAS and Juan S. Rojas.

Respectfully submitted,

Dated: July 9, 2025

/s/ D'Laney Gielow
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Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

LOCAL RULE 3.01(g) CERTIFICATION

Pursuant to Local Rule 3.01(g), I certify that I emailed Defendant Juan S. Rojas (in his individual capacity) requesting his position on the relief requested in this motion on June 30, 2025, July 8, 2025, and July 9, 2025. He has not responded.

I also consulted with the Court-appointed Receiver, who indicated that he has no objection to the FTC's request for a default judgment against Defendant Start Connecting SAS, which is part of the Receivership. The Receiver, however, notes that there are at least two pending lawsuits that implicate Receivership Entities. *See Garcia v. Perez*, Case No. 25-003322-SC (Fla. Pinellas Cty. Ct. filed Apr. 3, 2025); *Garcia v. Judicial Threats to Interstate Access to Florida Courts*, Case No. 25-001864-CI (Fla. Cir. Ct. filed Apr. 12, 2025). If those lawsuits cannot be resolved within 180 days of the date of the order granting this motion pursuant to Section VII of the Proposed Default Judgment, the Receiver believes "good cause" will exist to extend the Proposed Default Judgment's 180-day deadline to wind up the Receivership. Under that circumstance, the Receiver will file the requisite motion at the appropriate time, but he also wishes to presently remind the parties and the Court of that impediment to closure.

/s/ D'Laney Gielow
Attorney for Plaintiff FTC

CERTIFICATE OF SERVICE

I certify that, on or about July 9, 2025, I filed this Motion using the Court's electronic filing system, which will deliver a copy of this filing to all counsel of record. I further certify that I am causing a copy of this motion to be sent via FedEx and electronic mail to the following party:

Juan S. Rojas
jayrojas423@gmail.com
Calle 16 N # 6N-21
Oficina (401)
Cali, VC 760045
Colombia
(*Pro Se* Defendant)

/s/ D'Laney Gielow
Attorney for Plaintiff FTC

EXHIBIT 1

Proposed Default Judgment and Order
for Permanent Injunction, Monetary
Judgment, and Other Relief

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

START CONNECTING LLC, d/b/a USA
Student Debt Relief, a Florida limited
liability company;

START CONNECTING SAS, d/b/a USA
Student Debt Relief, a Colombia
corporation;

DOUGLAS R. GOODMAN, individually
and as an officer of START
CONNECTING LLC;

DORIS E. GALLON-GOODMAN,
individually and as an officer of START
CONNECTING LLC; and

JUAN S. ROJAS, individually and as an
officer of START CONNECTING LLC
and START CONNECTING SAS,

Defendants.

Case No. 8:24-cv-1626-KKM-AAS

**[Proposed] DEFAULT
JUDGMENT AND ORDER FOR
PERMANENT INJUNCTION,
MONETARY JUDGMENT, AND
OTHER RELIEF AS TO
DEFAULTED COLOMBIA-
BASED DEFENDANTS START
CONNECTING SAS AND
JUAN S. ROJAS**

On July 9, 2024, Plaintiff, the Federal Trade Commission
("Commission" or "FTC"), filed its Complaint for Permanent Injunction,
Monetary Judgment, and Other Relief in this matter, pursuant to Sections
13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C.

§§ 53(b) & 57b, Section 6(b) of the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. § 6105(b), and Section 522(a) of the Gramm-Leach-Bliley Financial Modernization Act (“GLB Act”), 15 U.S.C. § 6822(a), against five Defendants operating a transnational student loan debt relief enterprise known as “USA Student Debt Relief.” *See* (Doc. 1). On July 11, 2024, on the FTC’s emergency *ex parte* motion, (Doc. 3), the Court found that the FTC had demonstrated a likelihood of success on its claims and entered an *ex parte* Temporary Restraining Order (“TRO”) with an asset freeze, appointment of a receiver, and other equitable relief against Defendants. *See* (Doc. 13); *see also* (Doc. 37). On September 19, 2024, on the FTC’s unopposed motion, the Court entered a Preliminary Injunction (“PI”) against Colombia-based Defendants Start Connecting SAS and Juan S. Rojas (the “Defaulting Defendants”) that found the FTC was likely to prevail on the merits of its claims and thus continued the asset freeze and maintained the TRO’s receivership appointment, among other injunctive provisions. *See* (Doc. 78).

On October 29, 2024, pursuant to Federal Rule of Civil Procedure 55(a), the Clerk of Court entered default against the Defaulting Defendants. *See* (Doc. 91). The FTC has now timely applied to the Court pursuant to Federal Rule of Civil Procedure 55(b)(2) for entry of a default judgment and permanent injunction against the Defaulting Defendants. *See* (Doc. 96).

Having considered the motion and supporting materials, and being otherwise fully advised, the Court **GRANTS** the FTC's application for default judgment and makes the following findings of law and fact:

FINDINGS

1. The FTC brought this action pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) & 57b, Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), and Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a). The FTC seeks both permanent injunctive and monetary relief for deceptive, unfair, and unlawful acts and practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, multiple provisions of the FTC's Telemarketing Sales Rule ("TSR"), 16 C.F.R. pt 310, and Section 521 of the GLB Act, 15 U.S.C. § 6821, by Defendants in connection with the marketing and sale of student loan debt relief services.

2. The FTC has authority under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) & 57b, Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), and Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), to seek the relief it has requested, and the Complaint states claims upon which relief can be granted against the Defaulting Defendants.

3. The Court has jurisdiction over the subject matter of this action and personal jurisdiction over the Defaulting Defendants pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, as well as 15 U.S.C. §§ 45(a), 53(b), 57b,

6105(b), and 6822(a). Venue in the Middle District of Florida, Tampa Division, is proper under 15 U.S.C. § 53(b), 28 U.S.C. § 1391(b)–(c), and Local Rule 1.04(b).

4. Defaulting Defendants were properly served with notice of this lawsuit, *see* (Doc. 18-1, ¶ 2); (Doc. 86-1 at 5–6), and have waived service of a summons pursuant to Federal Rule of Civil Procedure 4(d), *see* (Docs. 39–40).

5. To date, neither Defaulting Defendant has filed an answer or any other response to the FTC’s Complaint, and the time for them to answer, plead, or otherwise defend against the Complaint under Federal Rule of Civil Procedure 12(a) has expired. *See* (Doc. 48).

6. The Court is not aware that either Defaulting Defendant has filed for bankruptcy.

7. The Clerk entered default under Federal Rule of Civil Procedure 55(a) against both Defaulting Defendants on October 29, 2024. *See* (Doc. 91).

8. Because of Defaulting Defendants’ default, the Complaint’s well-pleaded factual allegations are taken as true.

9. The FTC is an agency of the U.S. Government created by the FTC Act, which authorizes the FTC to commence this district court civil action by its own attorneys. *See* 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the FTC Act, which prohibits unfair or deceptive acts or practices in or

affecting commerce. *See* 15 U.S.C. § 45(a). The FTC also enforces the Telemarketing Act, 15 U.S.C. §§ 6101–08. Pursuant to the Telemarketing Act, the FTC promulgated and enforces the TSR, 16 C.F.R. pt. 310, which prohibits deceptive or abusive telemarketing acts or practices in or affecting commerce. The FTC also enforces Section 521 of the GLB Act, 15 U.S.C. § 6821, which prohibits any person from obtaining or attempting to obtain customer information of a financial institution relating to another person by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution.

10. Defendant Start Connecting SAS is a Colombia corporation with a principal place of business at Calle 16 N # 6N-21, Oficina (401), Santiago de Cali, Valle del Cauca, 760045, Colombia. *See* (Doc. 55 at 2). Defendant Start Connecting SAS has transacted business in this District and throughout the United States. *See* (Doc. 1 ¶¶ 10–11, 13, 23). At all times relevant to the Complaint, acting alone or in concert with others, Defendant Start Connecting SAS has advertised, marketed, distributed, or sold student loan debt relief services to consumers throughout the United States. *See id.*

11. Defendant Start Connecting SAS formed a common enterprise with Defendant Start Connecting LLC—operating together under the name “USA Student Debt Relief”—making Defendant Start Connecting SAS jointly and severally liable for misconduct by another entity in the enterprise. *See*

(Doc. 1 ¶ 14). This Court previously held that “[t]he complaint alleges facts showing that the corporate defendants form a common enterprise” by alleging “various business connections between each corporation,” (Doc. 144 at 6 (reported at 2025 WL 605445, at *3 (M.D. Fla. Feb. 25, 2025))), including “common ownership, officers, and business functions” as well as “commingled funds,” (Doc. 1 ¶ 14). Specifically, the Complaint states that Defendant Start Connecting SAS operated the Colombian call center targeting American consumers under the business name USA Student Debt Relief—which it shared with Defendant Start Connecting LLC—using funds offshored from Defendant Start Connecting LLC’s bank accounts. *See* (Doc. 1 ¶¶ 9–13); *see also* (Doc. 144 at 6–7 (reported at 2025 WL 605445, at *3)).

12. Defendant Juan S. Rojas is a citizen of the Republic of Colombia whose address is Calle 16 N # 6N-21, Oficina (401), Santiago de Cali, Valle del Cauca, 760045, Colombia. *See* (Doc. 55 at 2). As a former manager and authorized member of Defendant Start Connecting LLC and the chief executive officer of Defendant Start Connecting SAS, Defendant Rojas has transacted business in this District and throughout the United States. *See* (Doc. 1 ¶¶ 13, 23). At all times relevant to the Complaint, acting alone or in concert with others, Defendant Rojas has advertised, marketed, distributed, or sold student loan debt relief services to consumers throughout the United States. *See id.*

13. Because Defendant Rojas had knowledge of the acts and practices of the common enterprise operating under the name USA Student Debt Relief and participated directly in those acts and practices or had the authority to control them, he is jointly and severally liable for the misconduct alleged in the Complaint. *See* (Doc. 1 ¶ 13); *see also* (Doc. 144 at 9 (reported at 2025 WL 605445, at *4)). Specifically, the Complaint states that Defendant Rojas served as a corporate officer of both Corporate Defendants, oversaw Defendants' Colombian call center and telemarketing operation, registered and paid for domain names associated with both Corporate Defendants, served as a point of contact for Defendants' payment processing accounts, and personally handled consumer complaints on Defendants' behalf, all of which is sufficient to establish his individual liability. *See id.*

14. At all times relevant to the Complaint, the Defaulting Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined at Section 4 of the FTC Act, 15 U.S.C. § 44. *See* (Doc. 1 ¶¶ 15, 22).

15. Defendants have deceived consumers, many of whom were low-income borrowers struggling with student loan debt, into paying hundreds of dollars for debt relief services that are made up, not as described, or simply never materialize. *See* (Doc. 1 ¶¶ 2, 16, 21, 23, 40). Defendants have told consumers that (a) Defendants are affiliated or work directly with the U.S.

government, including specifically the U.S. Department of Education (“ED”) or ED-contracted loan servicers; (b) Defendants could place consumers in repayment plans with permanently fixed monthly payments—typically of only \$9, \$19, or \$29 for a period of ten or twenty years—at which point the remaining balance would be forgiven in full; (c) advance fees are required to enroll in federal student loan repayment or forgiveness programs; and (d) consumers’ monthly payments would go toward their student loans. *See* (Doc. 1 ¶¶ 23, 63); *see also* (Doc. 144 at 2–4 (reported at 2025 WL 605445, at *1–2)). But Defendants’ representations were false: They were not affiliated with ED or federal student loan servicers; they could not provide the student loan debt relief they promised; advance fees are not required to enroll in federal student loan repayment or forgiveness programs; and Defendants never applied consumers’ payments toward their student loans. *See* (Doc. 1 ¶¶ 19, 24, 32–33, 39). Consumers have paid significant sums to Defendants only to discover that Defendants’ representations were false. *See* (Doc. 1 ¶¶ 5, 41–42).

16. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of student loan debt relief services, Defendants have represented, directly or indirectly, expressly or by implication, that (a) Defendants are affiliated or work directly with ED or federal student loan serviers; (b) Defendants would enroll consumers in a

student loan repayment or forgiveness program that would reduce their monthly payments to a guaranteed low, fixed amount for a set number of years, whereupon the remaining loan balance would be forgiven in full; (c) consumers must pay an advance fee to enroll in free federal student loan repayment or forgiveness programs; and (d) consumers' monthly payments would go toward their student loans. *See* (Doc. 1 ¶¶ 24–42, 63); *see also* (Doc. 144 at 2–3 (reported at 2025 WL 605445, at *1–2)). In fact, in numerous instances in which Defendants have made these representations, such representations were false or unsubstantiated at the time Defendants made them. *See* (Doc. 1 ¶¶ 24–42, 64). Therefore, these representations are false or misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 5 of the FTC Act, as alleged in Count I of the Complaint. *See* (Doc. 1 ¶¶ 60–65).

17. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of student loan debt relief services, Defendants have represented, directly or indirectly, expressly or by implication, that certain reviews of and testimonials about Defendants' business are from actual customers of the business. (Doc. 1 ¶¶ 47–48, 66); *see also* (Doc. 144 at 3 (reported at 2025 WL 605445, at *1)). In fact, in numerous instances in which Defendants made such representations, the reviews and

testimonials about Defendants' business were fabricated by Defendants or by others on Defendants' behalf. *See* (Doc. 1 ¶¶ 49–50, 67). Therefore, these representations are false or misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 5 of the FTC Act, as alleged in Count II of the Complaint. *See* (Doc. 1 ¶¶ 60–62, 66–68).

18. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of student loan debt relief services, Defendants have unfairly provided consumers with a contract that is in English even when Defendants' sales pitch and email communications are in Spanish and many of Defendants' customers do not speak or read English fluently. *See* (Doc. 1 ¶¶ 22, 43, 69). This mismatch between the language of Defendants' sales pitch (Spanish) and contracts (English) is likely to cause substantial injury to consumers that consumers could not reasonably avoid themselves and that is not outweighed by countervailing benefits to consumers or competition. *See* (Doc. 1 ¶ 70); *see also* 16 C.F.R. § 14.9(a). Therefore, the mismatch between Defendants' Spanish-language sales pitch and English-language contracts is an unfair act and practice in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), (n). Accordingly, the Defaulting Defendants have violated Section 5 of the FTC Act, as alleged in Count III of the Complaint. *See* (Doc. 1 ¶¶ 60–62, 69–71).

19. In numerous instances in connection with the telemarketing of student loan debt relief services, Defendants have requested or received payment of a fee or consideration for debt relief services before (a) Defendants have 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 customer; and (b) the customer has made at least one payment pursuant to that settlement agreement, debt management plan, or other valid contractual agreement between the customer and the creditor. *See* (Doc. 1 ¶¶ 36–38, 84); *see also* (Doc. 144 at 3 (reported at 2025 WL 605445, at *2)). These acts or practices constitute abusive telemarketing acts or practices that violate Section 310.4(a)(5)(i) of the TSR, 16 C.F.R. § 310.4(a)(5)(i), and thus Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 310.4(a)(5)(i) of the TSR and Section 5(a) of the FTC Act, as alleged in Count IV of the Complaint. *See* (Doc. 1 ¶¶ 72–85).

20. In numerous instances in connection with the telemarketing of student loan debt relief services, Defendants have, expressly or by implication, misrepresented that they are affiliated with or endorsed or sponsored by ED or federal student loan servicers. *See* (Doc. 1 ¶¶ 24–29, 86); *see also* Doc. 144 at 2–3 (reported at 2025 WL 605445, at *1)). In fact, Defendants are not and have never been affiliated with ED or any ED-

contracted loan servicer. *See* (Doc. 1 ¶ 24). These acts or practices constitute deceptive telemarketing acts or practices that violate Section 310.3(a)(2)(vii) of the TSR, 16 C.F.R. § 310.3(a)(2)(vii), and thus Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 310.3(a)(2)(vii) and Section 5(a) of the FTC Act, as alleged in Count V of the Complaint. *See* (Doc. 1 ¶¶ 72–83, 86–87).

21. In numerous instances in connection with the telemarketing of student loan debt relief services, Defendants have misrepresented, directly or indirectly, expressly or by implication, material aspects of their debt relief services, including that (a) Defendants could obtain for consumers repayment plans that would reduce their monthly payments to a guaranteed, low, fixed amount for a set number of years, whereupon the remaining balance would be forgiven in full; (b) advance fees are required to enroll in federal student loan repayment or forgiveness programs; and (c) consumers' monthly payments would go toward their student loans. *See* (Doc. 1 ¶¶ 23, 63); *see also* (Doc. 144 at 2–4 (reported at 2025 WL 605445, at *1–2)). These acts or practices are deceptive telemarketing acts and practices that violate Section 310.3(a)(2)(x) of the TSR, 16 C.F.R. § 310.3(a)(2)(x), and thus Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 310.3(a)(2)(x) of the TSR and Section 5(a) of

the FTC Act, as alleged in Count VI of the Complaint. *See* (Doc. 1 ¶¶ 72–83, 88–89).

22. In thousands of instances in connection with the telemarketing of student loan debt relief services, Defendants have initiated or caused others to initiate outbound telephone calls to customers who have registered their telephone numbers on the National Do Not Call Registry maintained by the Commission. *See* (Doc. 1 ¶¶ 23, 52, 90); *see also* (Doc. 144 at 3 (reported at 2025 WL 605445, at *1)). These acts or practices constitute abusive telemarketing acts or practices that violate Section 310.4(b)(1)(iii)(B) of the TSR, 16 C.F.R. § 310.4(b)(1)(iii)(B), and thus Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 310.4(b)(1)(iii)(B) of the TSR and Section 5(a) of the FTC Act, as alleged in Count VII of the Complaint. *See* (Doc. 1 ¶¶ 72–83, 90–91).

23. In thousands of instances in connection with the telemarketing of student loan debt relief services, Defendants have initiated or caused others to initiate outbound telephone calls to customers within a given area code when Defendants had not, either directly or through another person, paid the required annual fee for access to the telephone numbers within that area code that are included in the National Do Not Call Registry maintained by the Commission under Section 310.4(b)(1)(iii)(B) of the TSR, 16 C.F.R. § 310.4(b)(1)(iii)(B). *See* (Doc. 1 ¶¶ 53, 92). These acts or practices constitute

violations of Section 310.8 of the TSR, 16 C.F.R. § 310.8, and thus Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 310.8 of the TSR and Section 5(a) of the FTC Act, as alleged in Count VIII of the Complaint. *See* (Doc. 1 ¶¶ 72–83, 92–93).

24. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, and sale of student loan debt relief services, Defendants have made false, fictitious, or fraudulent statements or representations to customers of financial institutions in order to obtain or attempt to obtain customer information of a financial institution, such as credit or debit card numbers. *See* (Doc. 1 ¶¶ 38, 99). Specifically, Defendants have represented, directly or indirectly, expressly or by implication, that (a) Defendants are affiliated or work directly with ED or federal student loan servicers; (b) Defendants would enroll consumers in a student loan repayment or forgiveness program that would reduce their monthly payments to a guaranteed low, fixed amount for a set number of years, whereupon the remaining loan balance would be forgiven in full; (c) consumers must pay an advance fee to enroll in free federal student loan repayment or forgiveness programs; and (d) consumers' monthly payments would go toward their student loans. *See* (Doc. 1 ¶¶ 24–42, 100); *see also* (Doc. 144 at 2–3 (reported at 2025 WL 605445, at *1–2)). These

representations are “false, fictitious, or fraudulent” within the meaning of Section 521(a)(2) of the GLB Act, 15 U.S.C. § 6821(a)(2), and thus constitute a violation of GLB Act as well as Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Accordingly, the Defaulting Defendants have violated Section 521(a)(2) of the GLB Act and Section 5(a) of the FTC Act, as alleged in Count IX of the Complaint. *See* (Doc. 1 ¶¶ 94–102).

25. Section 13(b) of the FTC Act authorizes this Court to grant a “permanent injunction” to halt violations of “any provision of law enforced by the [FTC].” 15 U.S.C. § 53(b).

26. Consumers have suffered and will continue to suffer substantial injury as a result of the Defaulting Defendants’ violations of Section 5 of the FTC Act, the TSR, and the GLB Act. *See* (Doc. 1 ¶ 103). The Court finds that, absent a permanent injunction, the Defaulting Defendants are likely to continue to engage in the activities alleged in the Complaint.

27. The Court is persuaded that the danger of future violations by the Defaulting Defendants justifies the issuance of permanent injunctive relief. Specifically, it is proper in this case to issue a permanent injunction that (a) prohibits the Defaulting Defendants from marketing or selling secured or unsecured debt relief products or services; (b) prohibits the Defaulting Defendants from engaging in telemarketing; (c) prohibits the Defaulting Defendants from using false, fictitious, or fraudulent statements

to obtain or attempt to obtain customer information of a financial institution; (d) prohibits the Defaulting Defendants from engaging in various types of misrepresentations and other deceptive conduct; (e) prohibits the Defaulting Defendants from providing consumers with documents consummating a sale of a product or service in a language different from the one used when offering such product or service for sale to the consumer; (f) provides other reasonable fencing-in relief; and (g) provides such other ancillary relief necessary to assist the FTC and the Court in monitoring the Defaulting Defendants' compliance with such a permanent injunction.

28. Section 19 of the FTC Act, 15 U.S.C. § 57b, and Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), authorize this Court “to grant such relief as the [C]ourt finds necessary to redress injury to consumers” resulting from the Defaulting Defendants' violations of the TSR and Section 521 of the GLB Act, including “the refund of money or return of property.” 15 U.S.C. § 57b(b).

29. No hearing is necessary for the Court to make a determination with respect to monetary relief, as such relief is established through undisputed evidence already submitted to the Court. The undisputed evidence demonstrates that the Defaulting Defendants have caused \$7,304,737.29 in consumer harm from their violations of the TSR and Section 521 of the GLB Act within the three-year statute of limitations under Section 19 of the FTC Act, 15 U.S.C. § 57b(d).

30. It is proper in this case to enter a monetary judgment pursuant to Section 19 of the FTC Act, 15 U.S.C. § 57b, against the Defaulting Defendants to redress consumer injury caused by the Defaulting Defendants' violations of the TSR and Section 521 of the GLB Act. The Court has already entered a monetary judgment in favor of the FTC against the other Defendants—Start Connecting LLC, Douglas R. Goodman, and Doris E. Gallon-Goodman—in the amount of \$7,304,737.29, jointly and severally. *See* (Docs. 201, 203). The FTC is entitled to a monetary judgment against the Defaulting Defendants in the amount of \$7,304,737.29, jointly and severally with each other as well as the other Defendants against whom judgment has already been entered.

31. It is proper in this case to temporarily continue the receivership over Defendant Start Connecting SAS as provided in this Order.

32. The 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.

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

34. Entry of this Order is in the public interest.

DEFINITIONS

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

A. **“Assisting Others”** includes: (a) performing customer service functions, including receiving or responding to consumer complaints; (b) formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including any telephone sales script, direct mail solicitation, or the design, text, or use of images of any Internet website, email, or other electronic communication; (c) formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services; (d) providing names of, or assisting in the generation of, potential customers; (e) performing marketing, billing, payment processing, or payment services of any kind; or (f) acting or serving as an owner, officer, director, manager, or principal of any entity.

B. **“Consumer Review”** means a consumer’s evaluation, or a purported consumer’s evaluation, of a product, service, or business that is submitted by the consumer or purported consumer and that is published to a website or platform dedicated in whole or in part to receiving and displaying such evaluations.

C. **“Consumer Testimonial”** means an advertising or promotional message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual) that consumers are likely to believe reflects the opinions, beliefs, or experiences of a consumer who has purchased, used, or otherwise had experience with a product, service, or business.

D. **“Defendant(s)”** means the Corporate Defendants Start Connecting LLC and Start Connecting SAS, and each of their subsidiaries, affiliates, successors, and assigns, as well as Individual Defendants Douglas R. Goodman, Doris E. Gallon-Goodman, and Juan S. Rojas, individually, collectively, or in any combination.

1. **“Corporate Defendant(s)”** means Start Connecting LLC and Start Connecting SAS—each of which also do business under the name USA Student Debt Relief—and each of their subsidiaries, affiliates, successors, and assigns.

2. **“Defaulting Defendant(s)”** means Defendant Start Connecting SAS—including each of its subsidiaries, affiliates, successors, and assigns—and Juan S. Rojas, individually, collectively, or in any combination.

3. **“Defaulting Corporate Defendant”** means Start Connecting SAS and each of its subsidiaries, affiliates, successors, and assigns.

4. **“Defaulting Individual Defendant(s)”** means Juan S. Rojas.

5. **“Settling Defendant(s)”** means Start Connecting LLC— and each of its subsidiaries, affiliates, successors, and assigns—as well as Douglas R. Goodman and Doris E. Gallon-Goodman, individually, collectively, or in any combination.

E. **“Fake Indicators of Social Media Influence”** means indicators of social media influence generated by bots, purported individual accounts not associated with a real individual, accounts created with a real individual’s personal information without their consent, or hijacked accounts, or that otherwise do not reflect a real individual’s or entity’s activities, opinions, findings, or experiences.

F. **“Non-Party Receivership Entity(ies)”** means Zage Group, LLC, G&G International Consultants SAS, LEADSR4US, LLC, and any other non-party entity that has conducted any business related to Defendants’ student loan debt relief services business, including receipt of assets derived from any activity that is the subject of the Complaint in this matter, and which the Receiver has reason to believe is owned or controlled in whole or in part by any Defendant.

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

H. **“Receiver”** means Jared J. Perez.

I. **“Receivership Entity(ies)”** means the Corporate Defendant(s), as well as Zage Group, LLC; G & G International Consultants SAS; LEADSR4US, LLC; and any other entity that has conducted any business related to Defendants’ student loan debt relief services business, including receipt of assets derived from any activity that is the subject of the Complaint in this matter, and which the Receiver has reason to believe is owned or controlled in whole or in part by any Defendant.

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

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

a. Stop, prevent, or postpone any mortgage or deed of foreclosure sale for a Person’s dwelling, any other sale of collateral, any repossession of a Person’s dwelling or other collateral, or otherwise save a Person’s dwelling or other collateral from foreclosure or repossession;

b. 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. 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. 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. 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. Negotiate, obtain, or arrange (i) a short sale of a dwelling or other collateral, (ii) a deed-in-lieu of foreclosure, or (iii) any other disposition of a mortgage, loan, debt, or obligation other than a sale to a third party that is not the secured or unsecured loan holder.

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

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

- a. Repay one or more unsecured loans, debts, or obligations; or
- b. Combine unsecured loans, debts, or obligations into one or more new loans, debts, or obligations.

K. **"Telemarketing"** means any plan, program, or campaign which is conducted to induce the purchase of goods or services by use of one or more telephones, whether or not covered by the Telemarketing Sales Rule.

ORDER

I. BAN ON SECURED OR UNSECURED DEBT RELIEF PRODUCTS AND SERVICES

IT IS ORDERED that the Defaulting Defendants, whether acting directly or indirectly, are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, selling, or Assisting Others in the advertising, marketing, promoting, offering for sale, or selling, any Secured or Unsecured Debt Relief Product or Service.

II. BAN ON TELEMARKETING

IT IS FURTHER ORDERED that the Defaulting Defendants, whether acting directly or indirectly, are permanently restrained and enjoined from participating in Telemarketing or Assisting Others engaged in Telemarketing, including by consulting, brokering, planning, investing, or advising others regarding Telemarketing.

III. PROHIBITED BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that the Defaulting Defendants and their 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, offering for sale, or selling of 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. That any Person is affiliated with, endorsed or approved by, or otherwise connected to any other Person; government entity; public, nonprofit, or other noncommercial program; or any other program;
 - 2. The nature, expertise, position, or job title of any Person who provides any product, service, plan, or program;

3. 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;
4. 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 credit can be improved by permanently removing negative information from the consumer's credit record or history even where such information is accurate and not obsolete;
5. That a consumer will save money;
6. That any Consumer Review or Consumer Testimonial is truthful or by an actual user of such product or service; or
7. Any other fact material to consumers concerning any good or service, such as the total costs; any restrictions, limitations, or conditions; or any aspect of its performance, efficacy, nature, or central characteristics;

B. Representing, expressly or by implication, the benefits, performance, or efficacy of any product or service, unless the representation

is non-misleading and, at the time such representation is made, the Defaulting Defendants possess and rely upon competent and reliable evidence that is sufficient in quality and quantity based on standards generally accepted in relevant fields, when considered in light of the entire body of relevant and reliable evidence, to substantiate that the representation is true;

C. Paying or otherwise providing incentives for any Consumer Review or Consumer Testimonial;

D. Using or disseminating any Consumer Review or Consumer Testimonial where there is a relationship between the author of the Review or Testimonial and any Defaulting Defendant that might materially affect the weight or credibility of the Review or Testimonial;

E. Purchasing or procuring Fake Indicators of Social Media Influence;

F. Providing consumers with documents consummating a sale of a product or service in a language different from the one used when offering such product or service for sale to the consumer;

G. Obtaining or attempting to obtain, or causing to be disclosed or attempting to cause to be disclosed, customer information of a financial institution—including bank account routing number, credit or debit card information, loan information, or login credentials—by making false,

fictitious, or fraudulent representations to any consumer or financial institution; or

H. Violating the GLB Act, 15 U.S.C. §§ 6801–09, 6821–27, a copy of which is attached as **ATTACHMENT A**.

IV. MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment in the amount of Seven Million, Three Hundred Four Thousand, Seven Hundred Thirty Seven Dollars and Twenty Nine Cents (\$7,304,737.29) is entered in favor of the Commission against the Defaulting Defendants, jointly and severally with the judgment previously entered against Settling Defendants, *see* (Docs. 201, 203), as monetary relief.

B. The monetary judgment set forth in Section IV.A is enforceable against any asset, real or personal, whether located within the United States or outside the United States, owned jointly or singly by, on behalf of, for the benefit of, in trust by or for, or as a deposit for future goods or services to be provided to, any Defaulting Defendant, whether held as tenants in common, joint tenants with or without the right of survivorship, tenants by the entirety, and/or community property.

C. In partial satisfaction of the judgment set forth in Section IV.A, any Defendant, financial institution, or any other Person, whether located within the United States or outside the United States, that holds, controls, or

maintains assets or accounts in the name of, on behalf of, for the benefit of, in trust by or for, or as a deposit for future goods or services to be provided to any Receivership Entity shall, within ten (10) business days of receipt of a copy of this Order, transfer to the Receiver or his designee such account or asset, including:

1. Banco Bilbao Vizcaya Argentaria, including any of its subsidiaries or affiliates, shall liquidate and transfer to the Receiver or his designated agent all holdings in:

- a) Account number xxxxx5160 in the name of Start Connecting SAS;

- b) Account number xxxxx5502 in the name of Start Connecting SAS;

- c) Account number xxxxx1421 in the name of Start Connecting SAS;

- d) Account number xxxxx3111 in the name of G&G International Consultants SAS;

2. Banco Davivienda S.A., including any of its subsidiaries or affiliates, shall liquidate and transfer to the Receiver or his designated agent all holdings in:

- a) Account number xxxxx4502 in the name of Start Connecting SAS; and

3. Bancolombia S.A., including any of its subsidiaries or affiliates, shall liquidate and transfer to the Receiver or his designated agent all holdings in:

a) Account number xxxxx3381 in the name of
G&G International Consultants SAS.

D. Any financial or brokerage institution, payment processor, escrow agent, title company, commodity trading company, business entity, or Person, whether located within or outside the United States, that holds, controls, or maintains accounts or assets of, on behalf of, or for the benefit of, any Defaulting Individual Defendant, whether real or personal whether located within or outside the United States, shall, within ten (10) days from receipt of a copy of this Order, turn over such accounts or assets to the FTC or its designated agent, including:

1. Bancolombia S.A., including any of its subsidiaries or affiliates, shall liquidate and transfer to the FTC or its designated agent all holdings in:

a) Account number xxxxx0026 in the name of
Juan Sebastian Hernan Rojas Gallon;

2. Banco Bilbao Vizcaya Argentaria, including any of its subsidiaries or affiliates, shall liquidate and transfer to the FTC or its designated agent all holdings in:

a) Account number xxxxx5392 in the name of
Juan Sebastian Rojas Gallon.

E. The asset freeze imposed by the Preliminary Injunction Order as to the Defaulting Defendants, (Doc. 78), is modified to permit the transfers and liquidations specified in this Section. Upon completion of those transfers and liquidations, the asset freeze is dissolved.

V. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. The Defaulting Defendants' Employer Identification Number, Social Security Number, or other Taxpayer Identification Number ("TIN"), including all TINs that Defaulting Defendants previously provided, may be used by the Commission for reporting and other lawful purposes, including collecting on any delinquent amount arising out of this Order in accordance with 31 U.S.C. § 7701.

B. All money received by the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for consumer relief, such as redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after such redress is completed, the Commission may apply any remaining money for such related relief

(including consumer information remedies) as it determines to be reasonably related to Defendants' practices alleged in the Complaint. The Defaulting Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

VI. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that the Defaulting Defendants and their 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, are permanently restrained and enjoined from directly or indirectly:

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

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, Social Security number, FSA ID, other identifying information, or any data that enables access to a customer's account (including a credit card, bank, or other financial account) that any Defendant obtained prior to entry of this Order in

connection with the marketing and sale of Secured or Unsecured Debt Relief Products or Services; and

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

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

VII. CONTINUATION OF RECEIVERSHIP

IT IS FURTHER ORDERED that Jared J. Perez shall continue as a permanent receiver over the Receivership Entities with full powers of a permanent receiver, including those powers set forth in the Preliminary Injunction Order as to the Defaulting Defendants, (Doc. 78), as well as full liquidation powers. The Receiver is directed to wind up the Receivership Entities and liquidate all assets within 180 days after entry of this Order. Any party or the Receiver may request that the Court extend the Receiver's term for good cause. Upon termination of the receivership and final payment to the Receiver of all approved fees, costs, and expenses, the Receiver shall turn over to the FTC or its designated agent all remaining assets in the receivership estate.

VIII. ORDER ACKNOWLEDGMENTS

IT IS FURTHER ORDERED that the Defaulting Defendants obtain acknowledgments of receipt of this Order:

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

B. For 20 years after entry of this Order, the Defaulting Individual Defendant, for any business that such Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, and the Defaulting Corporate Defendant, must deliver a copy of this Order to (1) all principals, officers, directors, and limited liability company managers and members; (2) all employees having managerial responsibilities for conduct specified in Sections I–III of this Order and all agents and representatives who participate in conduct specified in Sections I–III of this Order; and (3) any business entity resulting from any change in structure as set forth in Section IX of this Order. Delivery must occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Defaulting Defendant delivered a copy of this Order, that Defaulting Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

IX. COMPLIANCE REPORTING

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

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

1. Each Defaulting Defendant must (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with the Defaulting Defendant; (b) identify all of that Defaulting Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which the Defaulting Individual Defendant must describe if he knows or should know due to his own involvement); (d) describe in detail whether and how that Defaulting Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.

2. Additionally, the Defaulting Individual Defendant must

(a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which the Defaulting Individual Defendant performs services, whether as an employee or otherwise, and any entity in which the Defaulting Individual Defendant has any ownership interest; and (c) describe in detail the Defaulting Individual Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For 20 years after entry of this Order, each Defaulting Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

1. Each Defaulting Defendant must report any change in (a) any designated point of contact; or (b) the structure of the Defaulting Corporate Defendant or any entity that any Defaulting Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including the creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

2. Additionally, the Defaulting Individual Defendant must report any change in (a) name, including aliases or fictitious name, or

residence address; or (b) title or role in any business activity, including any business for which the Defaulting Individual Defendant performs services whether as an employee or otherwise and any entity in which the Defaulting Individual Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

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

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

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW,

Washington, DC 20580. The subject line must begin: FTC v. Start Connecting LLC, Matter No. X250003.

X. RECORDKEEPING

IT IS FURTHER ORDERED that the Defaulting Defendants must create certain records for 20 years after entry of the Order, and retain each such record for 5 years. Specifically, the Defaulting Corporate Defendant and the Defaulting Individual Defendant, for any business that such Defendant, individually or collectively with any other Defendants, is a majority owner or controls directly or indirectly, must create and retain the following records:

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

XI. COMPLIANCE MONITORING

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

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

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

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

affiliated with Defaulting Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the Commission'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 Commission, any consumer reporting agency must furnish consumer reports concerning the Defaulting Individual Defendant, pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1).

XII. RETENTION OF JURISDICTION

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

ORDERED in Tampa, Florida, this ____ day of _____, 2025.

HON. KATHRYN KIMBALL MIZELLE
UNITED STATES DISTRICT JUDGE

ATTACHMENT A

Gramm-Leach-Bliley
Financial Modernization Act
15 U.S.C. §§ 6801–09, 6821–27

(1) the lease or rental of a motor vehicle for a total period of 90 consecutive days or less; and

(2) insurance which is provided in connection with, and incidentally to, such lease or rental for a period of consecutive days not exceeding the lease or rental period.

(d) Motor vehicle defined

For purposes of this section, the term “motor vehicle” has the same meaning as in section 13102 of title 49.

(Pub. L. 106–102, title III, §341, Nov. 12, 1999, 113 Stat. 1434.)

CHAPTER 94—PRIVACY

**SUBCHAPTER I—DISCLOSURE OF NONPUBLIC
PERSONAL INFORMATION**

Sec.	
6801.	Protection of nonpublic personal information.
6802.	Obligations with respect to disclosures of personal information.
6803.	Disclosure of institution privacy policy.
6804.	Rulemaking.
6805.	Enforcement.
6806.	Relation to other provisions.
6807.	Relation to State laws.
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**SUBCHAPTER II—FRAUDULENT ACCESS TO
FINANCIAL INFORMATION**

6821.	Privacy protection for customer information of financial institutions.
6822.	Administrative enforcement.
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**SUBCHAPTER I—DISCLOSURE OF
NONPUBLIC PERSONAL INFORMATION**

§ 6801. Protection of nonpublic personal information

(a) Privacy obligation policy

It is the policy of the Congress that each financial institution has an affirmative and continuing obligation to respect the privacy of its customers and to protect the security and confidentiality of those customers’ nonpublic personal information.

(b) Financial institutions safeguards

In furtherance of the policy in subsection (a), each agency or authority described in section 6805(a) of this title, other than the Bureau of Consumer Financial Protection, shall establish appropriate standards for the financial institutions subject to their jurisdiction relating to administrative, technical, and physical safeguards—

(1) to insure the security and confidentiality of customer records and information;

(2) to protect against any anticipated threats or hazards to the security or integrity of such records; and

(3) to protect against unauthorized access to or use of such records or information which could result in substantial harm or inconvenience to any customer.

(Pub. L. 106–102, title V, §501, Nov. 12, 1999, 113 Stat. 1436; Pub. L. 111–203, title X, §1093(1), July 21, 2010, 124 Stat. 2095.)

Editorial Notes

AMENDMENTS

2010—Subsec. (b). Pub. L. 111–203 inserted “, other than the Bureau of Consumer Financial Protection,” after “section 6805(a) of this title” in introductory provisions.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111–203 effective on the designated transfer date, see section 1100H of Pub. L. 111–203, set out as a note under section 552a of Title 5, Government Organization and Employees.

EFFECTIVE DATE

Pub. L. 106–102, title V, §510, Nov. 12, 1999, 113 Stat. 1445, provided that: “This subtitle [subtitle A (§§501–510) of title V of Pub. L. 106–102, enacting this subchapter and amending section 1681s of this title] shall take effect 6 months after the date on which rules are required to be prescribed under section 504(a)(3) [15 U.S.C. 6804(a)(3)], except—

“(1) to the extent that a later date is specified in the rules prescribed under section 504; and

“(2) that sections 504 [15 U.S.C. 6804] and 506 [enacting section 6806 of this title and amending section 1681s of this title] shall be effective upon enactment [Nov. 12, 1999].”

§ 6802. Obligations with respect to disclosures of personal information

(a) Notice requirements

Except as otherwise provided in this subchapter, a financial institution may not, directly or through any affiliate, disclose to a nonaffiliated third party any nonpublic personal information, unless such financial institution provides or has provided to the consumer a notice that complies with section 6803 of this title.

(b) Opt out

(1) In general

A financial institution may not disclose nonpublic personal information to a nonaffiliated third party unless—

(A) such financial institution clearly and conspicuously discloses to the consumer, in writing or in electronic form or other form permitted by the regulations prescribed under section 6804 of this title, that such information may be disclosed to such third party;

(B) the consumer is given the opportunity, before the time that such information is initially disclosed, to direct that such information not be disclosed to such third party; and

(C) the consumer is given an explanation of how the consumer can exercise that non-disclosure option.

(2) Exception

This subsection shall not prevent a financial institution from providing nonpublic personal information to a nonaffiliated third party to perform services for or functions on behalf of the financial institution, including marketing of the financial institution’s own products or

services, or financial products or services offered pursuant to joint agreements between two or more financial institutions that comply with the requirements imposed by the regulations prescribed under section 6804 of this title, if the financial institution fully discloses the providing of such information and enters into a contractual agreement with the third party that requires the third party to maintain the confidentiality of such information.

(c) Limits on reuse of information

Except as otherwise provided in this subchapter, a nonaffiliated third party that receives from a financial institution nonpublic personal information under this section shall not, directly or through an affiliate of such receiving third party, disclose such information to any other person that is a nonaffiliated third party of both the financial institution and such receiving third party, unless such disclosure would be lawful if made directly to such other person by the financial institution.

(d) Limitations on the sharing of account number information for marketing purposes

A financial institution shall not disclose, other than to a consumer reporting agency, an account number or similar form of access number or access code for a credit card account, deposit account, or transaction account of a consumer to any nonaffiliated third party for use in telemarketing, direct mail marketing, or other marketing through electronic mail to the consumer.

(e) General exceptions

Subsections (a) and (b) shall not prohibit the disclosure of nonpublic personal information—

(1) as necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with—

(A) servicing or processing a financial product or service requested or authorized by the consumer;

(B) maintaining or servicing the consumer's account with the financial institution, or with another entity as part of a private label credit card program or other extension of credit on behalf of such entity; or

(C) a proposed or actual securitization, secondary market sale (including sales of servicing rights), or similar transaction related to a transaction of the consumer;

(2) with the consent or at the direction of the consumer;

(3)(A) to protect the confidentiality or security of the financial institution's records pertaining to the consumer, the service or product, or the transaction therein; (B) to protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability; (C) for required institutional risk control, or for resolving customer disputes or inquiries; (D) to persons holding a legal or beneficial interest relating to the consumer; or (E) to persons acting in a fiduciary or representative capacity on behalf of the consumer;

(4) to provide information to insurance rate advisory organizations, guaranty funds or agencies, applicable rating agencies of the financial institution, persons assessing the in-

stitution's compliance with industry standards, and the institution's attorneys, accountants, and auditors;

(5) to the extent specifically permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1978 [12 U.S.C. 3401 et seq.], to law enforcement agencies (including the Bureau of Consumer Financial Protection¹ a Federal functional regulator, the Secretary of the Treasury with respect to subchapter II of chapter 53 of title 31, and chapter 2 of title I of Public Law 91-508 (12 U.S.C. 1951-1959), a State insurance authority, or the Federal Trade Commission), self-regulatory organizations, or for an investigation on a matter related to public safety;

(6)(A) to a consumer reporting agency in accordance with the Fair Credit Reporting Act [15 U.S.C. 1681 et seq.], or (B) from a consumer report reported by a consumer reporting agency;

(7) in connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of nonpublic personal information concerns solely consumers of such business or unit; or

(8) to comply with Federal, State, or local laws, rules, and other applicable legal requirements; to comply with a properly authorized civil, criminal, or regulatory investigation or subpoena or summons by Federal, State, or local authorities; or to respond to judicial process or government regulatory authorities having jurisdiction over the financial institution for examination, compliance, or other purposes as authorized by law.

(Pub. L. 106-102, title V, § 502, Nov. 12, 1999, 113 Stat. 1437; Pub. L. 111-203, title X, § 1093(2), July 21, 2010, 124 Stat. 2095.)

Editorial Notes

REFERENCES IN TEXT

This subchapter, referred to in subsecs. (a) and (c), was in the original “this subtitle”, meaning subtitle A (§§ 501-510) of title V of Pub. L. 106-102, Nov. 12, 1999, 113 Stat. 1436, which is classified principally to this subchapter. For complete classification of subtitle A to the Code, see Tables.

The Right to Financial Privacy Act of 1978, referred to in subsec. (e)(5), is title XI of Pub. L. 95-630, Nov. 10, 1978, 92 Stat. 3697, which is classified generally to chapter 35 (§ 3401 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 3401 of Title 12 and Tables.

Chapter 2 of title I of Public Law 91-508, referred to in subsec. (e)(5), is chapter 2 (§§ 121-129) of title I of Pub. L. 91-508, Oct. 26, 1970, 84 Stat. 1116, which is classified generally to chapter 21 (§ 1951 et seq.) of Title 12, Banks and Banking. For complete classification of chapter 2 to the Code, see Tables.

The Fair Credit Reporting Act, referred to in subsec. (e)(6)(A), is title VI of Pub. L. 90-321, as added by Pub. L. 91-508, title VI, § 601, Oct. 26, 1970, 84 Stat. 1127, which is classified generally to subchapter III (§ 1681 et seq.) of chapter 41 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of this title and Tables.

¹ So in original. Probably should be followed by a comma.

AMENDMENTS

2010—Subsec. (e)(5). Pub. L. 111–203 inserted “the Bureau of Consumer Financial Protection” after “(including”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111–203 effective on the designated transfer date, see section 1100H of Pub. L. 111–203, set out as a note under section 552a of Title 5, Government Organization and Employees.

§ 6803. Disclosure of institution privacy policy**(a) Disclosure required**

At the time of establishing a customer relationship with a consumer and not less than annually during the continuation of such relationship, a financial institution shall provide a clear and conspicuous disclosure to such consumer, in writing or in electronic form or other form permitted by the regulations prescribed under section 6804 of this title, of such financial institution's policies and practices with respect to—

- (1) disclosing nonpublic personal information to affiliates and nonaffiliated third parties, consistent with section 6802 of this title, including the categories of information that may be disclosed;
- (2) disclosing nonpublic personal information of persons who have ceased to be customers of the financial institution; and
- (3) protecting the nonpublic personal information of consumers.

(b) Regulations

Disclosures required by subsection (a) shall be made in accordance with the regulations prescribed under section 6804 of this title.

(c) Information to be included

The disclosure required by subsection (a) shall include—

- (1) the policies and practices of the institution with respect to disclosing nonpublic personal information to nonaffiliated third parties, other than agents of the institution, consistent with section 6802 of this title, and including—
 - (A) the categories of persons to whom the information is or may be disclosed, other than the persons to whom the information may be provided pursuant to section 6802(e) of this title; and
 - (B) the policies and practices of the institution with respect to disclosing of nonpublic personal information of persons who have ceased to be customers of the financial institution;
- (2) the categories of nonpublic personal information that are collected by the financial institution;
- (3) the policies that the institution maintains to protect the confidentiality and security of nonpublic personal information in accordance with section 6801 of this title; and
- (4) the disclosures required, if any, under section 1681a(d)(2)(A)(iii) of this title.

(d) Exemption for certified public accountants**(1) In general**

The disclosure requirements of subsection (a) do not apply to any person, to the extent that the person is—

- (A) a certified public accountant;
- (B) certified or licensed for such purpose by a State; and
- (C) subject to any provision of law, rule, or regulation issued by a legislative or regulatory body of the State, including rules of professional conduct or ethics, that prohibits disclosure of nonpublic personal information without the knowing and expressed consent of the consumer.

(2) Limitation

Nothing in this subsection shall be construed to exempt or otherwise exclude any financial institution that is affiliated or becomes affiliated with a certified public accountant described in paragraph (1) from any provision of this section.

(3) Definitions

For purposes of this subsection, the term “State” means any State or territory of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, or the Northern Mariana Islands.

(e) Model forms**(1) In general**

The agencies referred to in section 6804(a)(1) of this title shall jointly develop a model form which may be used, at the option of the financial institution, for the provision of disclosures under this section.

(2) Format

A model form developed under paragraph (1) shall—

- (A) be comprehensible to consumers, with a clear format and design;
- (B) provide for clear and conspicuous disclosures;
- (C) enable consumers easily to identify the sharing practices of a financial institution and to compare privacy practices among financial institutions; and
- (D) be succinct, and use an easily readable type font.

(3) Timing

A model form required to be developed by this subsection shall be issued in proposed form for public comment not later than 180 days after October 13, 2006.

(4) Safe harbor

Any financial institution that elects to provide the model form developed by the agencies under this subsection shall be deemed to be in compliance with the disclosures required under this section.

(f) Exception to annual notice requirement

A financial institution that—

- (1) provides nonpublic personal information only in accordance with the provisions of subsection (b)(2) or (e) of section 6802 of this title or regulations prescribed under section 6804(b) of this title, and
- (2) has not changed its policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent disclo-

sure sent to consumers in accordance with this section,

shall not be required to provide an annual disclosure under this section until such time as the financial institution fails to comply with any criteria described in paragraph (1) or (2).

(Pub. L. 106–102, title V, § 503, Nov. 12, 1999, 113 Stat. 1439; Pub. L. 109–351, title VI, § 609, title VII, § 728, Oct. 13, 2006, 120 Stat. 1983, 2003; Pub. L. 114–94, div. G, title LXXV, § 75001, Dec. 4, 2015, 129 Stat. 1787.)

Editorial Notes

AMENDMENTS

2015—Subsec. (f). Pub. L. 114–94 added subsec. (f).

2006—Pub. L. 109–351 designated concluding provisions of subsec. (a) as (b), inserted heading, substituted “Disclosures required by subsection (a)” for “Such disclosures”, redesignated former subsec. (b) as (c), and added subsecs. (d) and (e).

Executive Documents

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

§ 6804. Rulemaking

(a) Regulatory authority

(1) Rulemaking

(A) In general

Except as provided in subparagraph (C), the Bureau of Consumer Financial Protection and the Securities and Exchange Commission shall have authority to prescribe such regulations as may be necessary to carry out the purposes of this subchapter with respect to financial institutions and other persons subject to their respective jurisdiction under section 6805 of this title (and notwithstanding subtitle B of the Consumer Financial Protection Act of 2010 [12 U.S.C. 5511 et seq.]), except that the Bureau of Consumer Financial Protection shall not have authority to prescribe regulations with respect to the standards under section 6801 of this title.

(B) CFTC

The Commodity Futures Trading Commission shall have authority to prescribe such regulations as may be necessary to carry out the purposes of this subchapter with respect to financial institutions and other persons subject to the jurisdiction of the Commodity Futures Trading Commission under section 7b–2 of title 7.

(C) Federal Trade Commission authority

Notwithstanding the authority of the Bureau of Consumer Financial Protection under subparagraph (A), the Federal Trade Commission shall have authority to prescribe such regulations as may be necessary to carry out the purposes of this subchapter with respect to any financial institution that is a person described in section 1029(a) of the Consumer Financial Protection Act of 2010 [12 U.S.C. 5519(a)].

(D) Rule of construction

Nothing in this paragraph shall be construed to alter, affect, or otherwise limit the authority of a State insurance authority to adopt regulations to carry out this subchapter.

(2) Coordination, consistency, and comparability

Each of the agencies authorized under paragraph (1) to prescribe regulations shall consult and coordinate with the other such agencies and, as appropriate, and with¹ representatives of State insurance authorities designated by the National Association of Insurance Commissioners, for the purpose of assuring, to the extent possible, that the regulations prescribed by each such agency are consistent and comparable with the regulations prescribed by the other such agencies.

(3) Procedures and deadline

Such regulations shall be prescribed in accordance with applicable requirements of title 5.

(b) Authority to grant exceptions

The regulations prescribed under subsection (a) may include such additional exceptions to subsections (a) through (d) of section 6802 of this title as are deemed consistent with the purposes of this subchapter.

(Pub. L. 106–102, title V, § 504, Nov. 12, 1999, 113 Stat. 1439; Pub. L. 111–203, title X, § 1093(3), July 21, 2010, 124 Stat. 2095.)

Editorial Notes

REFERENCES IN TEXT

This subchapter, referred to in subsecs. (a)(1) and (b), was in the original “this subtitle”, meaning subtitle A (§§ 501–510) of title V of Pub. L. 106–102, Nov. 12, 1999, 113 Stat. 1436, which is classified principally to this subchapter. For complete classification of subtitle A to the Code, see Tables.

The Consumer Financial Protection Act of 2010, referred to in subsec. (a)(1)(A), is title X of Pub. L. 111–203, July 21, 2010, 124 Stat. 1955. Subtitle B (§§ 1021–1029A) of the Act is classified generally to part B (§ 5511 et seq.) of subchapter V of chapter 53 of Title 12, Banks and Banking. For complete classification of subtitle B to the Code, see Tables.

AMENDMENTS

2010—Subsec. (a)(1), (2). Pub. L. 111–203, § 1093(3)(A), added pars. (1) and (2) and struck out former pars. (1) and (2) which related, respectively, to rulemaking by the Federal banking agencies, the National Credit Union Administration, the Secretary of the Treasury, the Securities and Exchange Commission, and the Federal Trade Commission, and consultation and coordination among these agencies and authorities to assure consistency and comparability of regulations.

Subsec. (a)(3). Pub. L. 111–203, § 1093(3)(B), struck out “and shall be issued in final form not later than 6 months after November 12, 1999” after “title 5”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111–203 effective on the designated transfer date, see section 1100H of Pub. L.

¹So in original. Probably should be “and, as appropriate, with”.

111–203, set out as a note under section 552a of Title 5, Government Organization and Employees.

§ 6805. Enforcement

(a) In general

Subject to subtitle B of the Consumer Financial Protection Act of 2010 [12 U.S.C. 5511 et seq.], this subchapter and the regulations prescribed thereunder shall be enforced by the Bureau of Consumer Financial Protection, the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions and other persons subject to their jurisdiction under applicable law, as follows:

(1) Under section 1818 of title 12, by the appropriate Federal banking agency, as defined in section 1813(q) of title 12, in the case of—

(A) national banks, Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities (except brokers, dealers, persons providing insurance, investment companies, and investment advisers);

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act [12 U.S.C. 601 et seq., 611 et seq.], and bank holding companies and their nonbank subsidiaries or affiliates (except brokers, dealers, persons providing insurance, investment companies, and investment advisers);

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), insured State branches of foreign banks, and any subsidiaries of such entities (except brokers, dealers, persons providing insurance, investment companies, and investment advisers); and

(D) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, and any subsidiaries of such savings associations (except brokers, dealers, persons providing insurance, investment companies, and investment advisers).

(2) Under the Federal Credit Union Act [12 U.S.C. 1751 et seq.], by the Board of the National Credit Union Administration with respect to any federally insured credit union, and any subsidiaries of such an entity.

(3) Under the Securities Exchange Act of 1934 [15 U.S.C. 78a et seq.], by the Securities and Exchange Commission with respect to any broker or dealer.

(4) Under the Investment Company Act of 1940 [15 U.S.C. 80a–1 et seq.], by the Securities and Exchange Commission with respect to investment companies.

(5) Under the Investment Advisers Act of 1940 [15 U.S.C. 80b–1 et seq.], by the Securities and Exchange Commission with respect to investment advisers registered with the Commission under such Act.

(6) Under State insurance law, in the case of any person engaged in providing insurance, by

the applicable State insurance authority of the State in which the person is domiciled, subject to section 6701 of this title.

(7) Under the Federal Trade Commission Act [15 U.S.C. 41 et seq.], by the Federal Trade Commission for any other financial institution or other person that is not subject to the jurisdiction of any agency or authority under paragraphs (1) through (6) of this subsection.

(8) Under subtitle E of the Consumer Financial Protection Act of 2010 [12 U.S.C. 5561 et seq.], by the Bureau of Consumer Financial Protection, in the case of any financial institution and other covered person or service provider that is subject to the jurisdiction of the Bureau and any person subject to this subchapter, but not with respect to the standards under section 6801 of this title.

(b) Enforcement of section 6801

(1) In general

Except as provided in paragraph (2), the agencies and authorities described in subsection (a), other than the Bureau of Consumer Financial Protection, shall implement the standards prescribed under section 6801(b) of this title in the same manner, to the extent practicable, as standards prescribed pursuant to section 1831p–1(a) of title 12 are implemented pursuant to such section.

(2) Exception

The agencies and authorities described in paragraphs (3), (4), (5), (6), and (7) of subsection (a) shall implement the standards prescribed under section 6801(b) of this title by rule with respect to the financial institutions and other persons subject to their respective jurisdictions under subsection (a).

(c) Absence of State action

If a State insurance authority fails to adopt regulations to carry out this subchapter, such State shall not be eligible to override, pursuant to section 1831x(g)(2)(B)(iii) of title 12, the insurance customer protection regulations prescribed by a Federal banking agency under section 1831x(a) of title 12.

(d) Definitions

The terms used in subsection (a)(1) that are not defined in this subchapter or otherwise defined in section 1813(s) of title 12 shall have the same meaning as given in section 3101 of title 12.

(Pub. L. 106–102, title V, § 505, Nov. 12, 1999, 113 Stat. 1440; Pub. L. 111–203, title X, § 1093(4), (5), July 21, 2010, 124 Stat. 2096, 2097.)

Editorial Notes

REFERENCES IN TEXT

The Consumer Financial Protection Act of 2010, referred to in subsec. (a), is title X of Pub. L. 111–203, July 21, 2010, 124 Stat. 1955. Subtitles B (§§ 1021–1029A) and E (§§ 1051–1058) of the Act are classified generally to parts B (§ 5511 et seq.) and E (§ 5561 et seq.), respectively, of subchapter V of chapter 53 of Title 12, Banks and Banking. For complete classification of subtitles B and E to the Code, see Tables.

This subchapter, referred to in subsecs. (a), (c), and (d), was in the original “this subtitle”, meaning subtitle A (§§ 501–510) of title V of Pub. L. 106–102, Nov. 12, 1999, 113 Stat. 1436, which is classified principally to

this subchapter. For complete classification of subtitle A to the Code, see Tables.

Section 25 of the Federal Reserve Act, referred to in subsec. (a)(1)(B), is classified to subchapter I (§601 et seq.) of chapter 6 of Title 12, Banks and Banking. Section 25A of the Federal Reserve Act is classified to subchapter II (§611 et seq.) of chapter 6 of Title 12.

The Federal Credit Union Act, referred to in subsec. (a)(2), is act June 26, 1934, ch. 750, 48 Stat. 1216, which is classified generally to chapter 14 (§1751 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1751 of Title 12 and Tables.

The Securities Exchange Act of 1934, referred to in subsec. (a)(3), is act June 6, 1934, ch. 404, 48 Stat. 881, which is classified principally to chapter 2B (§78a et seq.) of this title. For complete classification of this Act to the Code, see section 78a of this title and Tables.

The Investment Company Act of 1940, referred to in subsec. (a)(4), is title I of act Aug. 22, 1940, ch. 686, 54 Stat. 789, which is classified generally to subchapter I (§80a-1 et seq.) of chapter 2D of this title. For complete classification of this Act to the Code, see section 80a-51 of this title and Tables.

The Investment Advisers Act of 1940, referred to in subsec. (a)(5), is title II of act Aug. 22, 1940, ch. 686, 54 Stat. 847, which is classified generally to subchapter II (§80b-1 et seq.) of chapter 2D of this title. For complete classification of this Act to the Code, see section 80b-20 of this title and Tables.

The Federal Trade Commission Act, referred to in subsec. (a)(7), is act Sept. 26, 1914, ch. 311, 38 Stat. 717, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of this title. For complete classification of this Act to the Code, see section 58 of this title and Tables.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111-203, §1093(4)(A), substituted “Subject to subtitle B of the Consumer Financial Protection Act of 2010, this subchapter and the regulations prescribed thereunder shall be enforced by the Bureau of Consumer Financial Protection, the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions and other persons subject to their jurisdiction under applicable law, as follows:” for “This subchapter and the regulations prescribed thereunder shall be enforced by the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions and other persons subject to their jurisdiction under applicable law, as follows:”.

Subsec. (a)(1). Pub. L. 111-203, §1093(4)(B)(i), inserted “by the appropriate Federal banking agency, as defined in section 1813(q) of title 12,” before “in the case of—”.

Subsec. (a)(1)(A). Pub. L. 111-203, §1093(4)(B)(ii), struck out “, by the Office of the Comptroller of the Currency” before semicolon at end.

Subsec. (a)(1)(B). Pub. L. 111-203, §1093(4)(B)(iii), struck out “, by the Board of Governors of the Federal Reserve System” before semicolon at end.

Subsec. (a)(1)(C). Pub. L. 111-203, §1093(4)(B)(iv), struck out “, by the Board of Directors of the Federal Deposit Insurance Corporation” before “; and”.

Subsec. (a)(1)(D). Pub. L. 111-203, §1093(4)(B)(v), struck out “, by the Director of the Office of Thrift Supervision” before period at end.

Subsec. (a)(8). Pub. L. 111-203, §1093(4)(C), added par. (8).

Subsec. (b)(1). Pub. L. 111-203, §1093(5), inserted “, other than the Bureau of Consumer Financial Protection,” before “shall implement the standards”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L.

111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

§ 6806. Relation to other provisions

Except for the amendments made by subsections (a) and (b), nothing in this chapter shall be construed to modify, limit, or supersede the operation of the Fair Credit Reporting Act [15 U.S.C. 1681 et seq.], and no inference shall be drawn on the basis of the provisions of this chapter regarding whether information is transaction or experience information under section 603 of such Act [15 U.S.C. 1681a].

(Pub. L. 106-102, title V, §506(c), Nov. 12, 1999, 113 Stat. 1442.)

Editorial Notes

REFERENCES IN TEXT

Amendments made by subsections (a) and (b), referred to in text, means amendments made by section 506(a) and (b) of Pub. L. 106-102, which amended section 1681s of this title.

This chapter, referred to in text, was in the original “this title”, meaning title V of Pub. L. 106-102, Nov. 12, 1999, 113 Stat. 1436, which enacted this chapter and amended section 1681s of this title. For complete classification of title V to the Code, see Tables.

The Fair Credit Reporting Act, referred to in text, is title VI of Pub. L. 90-321, as added by Pub. L. 91-508, title VI, §601, Oct. 26, 1970, 84 Stat. 1127, which is classified generally to subchapter III (§1681 et seq.) of chapter 41 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of this title and Tables.

§ 6807. Relation to State laws

(a) In general

This subchapter and the amendments made by this subchapter shall not be construed as superseding, altering, or affecting any statute, regulation, order, or interpretation in effect in any State, except to the extent that such statute, regulation, order, or interpretation is inconsistent with the provisions of this subchapter, and then only to the extent of the inconsistency.

(b) Greater protection under State law

For purposes of this section, a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subchapter if the protection such statute, regulation, order, or interpretation affords any person is greater than the protection provided under this subchapter and the amendments made by this subchapter, as determined by the Bureau of Consumer Financial Protection, after consultation with the agency or authority with jurisdiction under section 6805(a) of this title of either the person that initiated the complaint or that is the subject of the complaint, on its own motion or upon the petition of any interested party.

(Pub. L. 106-102, title V, §507, Nov. 12, 1999, 113 Stat. 1442; Pub. L. 111-203, title X, §1093(6), July 21, 2010, 124 Stat. 2097.)

Editorial Notes

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle A (§§501-510) of title V of Pub. L. 106-102, Nov. 12, 1999, 113 Stat. 1436,

which is classified principally to this subchapter. For complete classification of subtitle A to the Code, see Tables.

AMENDMENTS

2010—Subsec. (b). Pub. L. 111-203 substituted “Bureau of Consumer Financial Protection” for “Federal Trade Commission”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

§ 6808. Study of information sharing among financial affiliates

(a) In general

The Secretary of the Treasury, in conjunction with the Federal functional regulators and the Federal Trade Commission, shall conduct a study of information sharing practices among financial institutions and their affiliates. Such study shall include—

- (1) the purposes for the sharing of confidential customer information with affiliates or with nonaffiliated third parties;
- (2) the extent and adequacy of security protections for such information;
- (3) the potential risks for customer privacy of such sharing of information;
- (4) the potential benefits for financial institutions and affiliates of such sharing of information;
- (5) the potential benefits for customers of such sharing of information;
- (6) the adequacy of existing laws to protect customer privacy;
- (7) the adequacy of financial institution privacy policy and privacy rights disclosure under existing law;
- (8) the feasibility of different approaches, including opt-out and opt-in, to permit customers to direct that confidential information not be shared with affiliates and nonaffiliated third parties; and
- (9) the feasibility of restricting sharing of information for specific uses or of permitting customers to direct the uses for which information may be shared.

(b) Consultation

The Secretary shall consult with representatives of State insurance authorities designated by the National Association of Insurance Commissioners, and also with financial services industry, consumer organizations and privacy groups, and other representatives of the general public, in formulating and conducting the study required by subsection (a).

(c) Report

On or before January 1, 2002, the Secretary shall submit a report to the Congress containing the findings and conclusions of the study required under subsection (a), together with such recommendations for legislative or administrative action as may be appropriate.

(Pub. L. 106-102, title V, § 508, Nov. 12, 1999, 113 Stat. 1442.)

§ 6809. Definitions

As used in this subchapter:

(1) Federal banking agency

The term “Federal banking agency” has the same meaning as given in section 1813 of title 12.

(2) Federal functional regulator

The term “Federal functional regulator” means—

- (A) the Board of Governors of the Federal Reserve System;
- (B) the Office of the Comptroller of the Currency;
- (C) the Board of Directors of the Federal Deposit Insurance Corporation;
- (D) the Director of the Office of Thrift Supervision;
- (E) the National Credit Union Administration Board; and
- (F) the Securities and Exchange Commission.

(3) Financial institution

(A) In general

The term “financial institution” means any institution the business of which is engaging in financial activities as described in section 1843(k) of title 12.

(B) Persons subject to CFTC regulation

Notwithstanding subparagraph (A), the term “financial institution” does not include any person or entity with respect to any financial activity that is subject to the jurisdiction of the Commodity Futures Trading Commission under the Commodity Exchange Act [7 U.S.C. 1 et seq.].

(C) Farm credit institutions

Notwithstanding subparagraph (A), the term “financial institution” does not include the Federal Agricultural Mortgage Corporation or any entity chartered and operating under the Farm Credit Act of 1971 [12 U.S.C. 2001 et seq.].

(D) Other secondary market institutions

Notwithstanding subparagraph (A), the term “financial institution” does not include institutions chartered by Congress specifically to engage in transactions described in section 6802(e)(1)(C) of this title, as long as such institutions do not sell or transfer nonpublic personal information to a nonaffiliated third party.

(4) Nonpublic personal information

(A) The term “nonpublic personal information” means personally identifiable financial information—

- (i) provided by a consumer to a financial institution;
- (ii) resulting from any transaction with the consumer or any service performed for the consumer; or
- (iii) otherwise obtained by the financial institution.

(B) Such term does not include publicly available information, as such term is defined by the regulations prescribed under section 6804 of this title.

(C) Notwithstanding subparagraph (B), such term—

(i) shall include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any nonpublic personal information other than publicly available information; but

(ii) shall not include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived without using any nonpublic personal information.

(5) Nonaffiliated third party

The term “nonaffiliated third party” means any entity that is not an affiliate of, or related by common ownership or affiliated by corporate control with, the financial institution, but does not include a joint employee of such institution.

(6) Affiliate

The term “affiliate” means any company that controls, is controlled by, or is under common control with another company.

(7) Necessary to effect, administer, or enforce

The term “as necessary to effect, administer, or enforce the transaction” means—

(A) the disclosure is required, or is a usual, appropriate, or acceptable method, to carry out the transaction or the product or service business of which the transaction is a part, and record or service or maintain the consumer’s account in the ordinary course of providing the financial service or financial product, or to administer or service benefits or claims relating to the transaction or the product or service business of which it is a part, and includes—

(i) providing the consumer or the consumer’s agent or broker with a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product; and

(ii) the accrual or recognition of incentives or bonuses associated with the transaction that are provided by the financial institution or any other party;

(B) the disclosure is required, or is one of the lawful or appropriate methods, to enforce the rights of the financial institution or of other persons engaged in carrying out the financial transaction, or providing the product or service;

(C) the disclosure is required, or is a usual, appropriate, or acceptable method, for insurance underwriting at the consumer’s request or for reinsurance purposes, or for any of the following purposes as they relate to a consumer’s insurance: Account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium payments, processing insurance claims, administering insurance benefits (including utilization review activities), participating in research projects, or as otherwise required or specifically permitted by Federal or State law; or

(D) the disclosure is required, or is a usual, appropriate or acceptable method, in connection with—

(i) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit or other payment card, check, or account number, or by other payment means;

(ii) the transfer of receivables, accounts or interests therein; or

(iii) the audit of debit, credit or other payment information.

(8) State insurance authority

The term “State insurance authority” means, in the case of any person engaged in providing insurance, the State insurance authority of the State in which the person is domiciled.

(9) Consumer

The term “consumer” means an individual who obtains, from a financial institution, financial products or services which are to be used primarily for personal, family, or household purposes, and also means the legal representative of such an individual.

(10) Joint agreement

The term “joint agreement” means a formal written contract pursuant to which two or more financial institutions jointly offer, endorse, or sponsor a financial product or service, and as may be further defined in the regulations prescribed under section 6804 of this title.

(11) Customer relationship

The term “time of establishing a customer relationship” shall be defined by the regulations prescribed under section 6804 of this title, and shall, in the case of a financial institution engaged in extending credit directly to consumers to finance purchases of goods or services, mean the time of establishing the credit relationship with the consumer.

(Pub. L. 106-102, title V, §509, Nov. 12, 1999, 113 Stat. 1443.)

Editorial Notes

REFERENCES IN TEXT

This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle A (§§501-510) of title V of Pub. L. 106-102, Nov. 12, 1999, 113 Stat. 1436, which is classified principally to this subchapter. For complete classification of subtitle A to the Code, see Tables.

The Commodity Exchange Act, referred to in par. (3)(B), is act Sept. 21, 1922, ch. 369, 42 Stat. 998, which is classified generally to chapter 1 (§1 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see section 1 of Title 7 and Tables.

The Farm Credit Act of 1971, referred to in par. (3)(C), is Pub. L. 92-181, Dec. 10, 1971, 85 Stat. 583, which is classified generally to chapter 23 (§2001 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 2001 of Title 12 and Tables.

SUBCHAPTER II—FRAUDULENT ACCESS TO
FINANCIAL INFORMATION**§ 6821. Privacy protection for customer information of financial institutions****(a) Prohibition on obtaining customer information by false pretenses**

It shall be a violation of this subchapter for any person to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution relating to another person—

(1) by making a false, fictitious, or fraudulent statement or representation to an officer, employee, or agent of a financial institution;

(2) by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution; or

(3) by providing any document to an officer, employee, or agent of a financial institution, knowing that the document is forged, counterfeit, lost, or stolen, was fraudulently obtained, or contains a false, fictitious, or fraudulent statement or representation.

(b) Prohibition on solicitation of a person to obtain customer information from financial institution under false pretenses

It shall be a violation of this subchapter to request a person to obtain customer information of a financial institution, knowing that the person will obtain, or attempt to obtain, the information from the institution in any manner described in subsection (a).

(c) Nonapplicability to law enforcement agencies

No provision of this section shall be construed so as to prevent any action by a law enforcement agency, or any officer, employee, or agent of such agency, to obtain customer information of a financial institution in connection with the performance of the official duties of the agency.

(d) Nonapplicability to financial institutions in certain cases

No provision of this section shall be construed so as to prevent any financial institution, or any officer, employee, or agent of a financial institution, from obtaining customer information of such financial institution in the course of—

(1) testing the security procedures or systems of such institution for maintaining the confidentiality of customer information;

(2) investigating allegations of misconduct or negligence on the part of any officer, employee, or agent of the financial institution; or

(3) recovering customer information of the financial institution which was obtained or received by another person in any manner described in subsection (a) or (b).

(e) Nonapplicability to insurance institutions for investigation of insurance fraud

No provision of this section shall be construed so as to prevent any insurance institution, or any officer, employee, or agency of an insurance institution, from obtaining information as part of an insurance investigation into criminal activity, fraud, material misrepresentation, or material nondisclosure that is authorized for such institution under State law, regulation, interpretation, or order.

(f) Nonapplicability to certain types of customer information of financial institutions

No provision of this section shall be construed so as to prevent any person from obtaining customer information of a financial institution that otherwise is available as a public record filed pursuant to the securities laws (as defined in section 78c(a)(47) of this title).

(g) Nonapplicability to collection of child support judgments

No provision of this section shall be construed to prevent any State-licensed private investigator, or any officer, employee, or agent of such private investigator, from obtaining customer information of a financial institution, to the extent reasonably necessary to collect child support from a person adjudged to have been delinquent in his or her obligations by a Federal or State court, and to the extent that such action by a State-licensed private investigator is not unlawful under any other Federal or State law or regulation, and has been authorized by an order or judgment of a court of competent jurisdiction.

(Pub. L. 106-102, title V, § 521, Nov. 12, 1999, 113 Stat. 1446.)

§ 6822. Administrative enforcement**(a) Enforcement by Federal Trade Commission**

Except as provided in subsection (b), compliance with this subchapter shall be enforced by the Federal Trade Commission in the same manner and with the same power and authority as the Commission has under the Fair Debt Collection Practices Act [15 U.S.C. 1692 et seq.] to enforce compliance with such Act.

(b) Enforcement by other agencies in certain cases**(1) In general**

Compliance with this subchapter shall be enforced under—

(A) section 8 of the Federal Deposit Insurance Act [12 U.S.C. 1818], in the case of—

(i) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(ii) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act [12 U.S.C. 601 et seq., 611 et seq.], by the Board;

(iii) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System and national nonmember banks) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(iv) savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation, by the Director of the Office of Thrift Supervision; and

EXHIBIT 2

Declaration of FTC Investigator
Christine L. Carson

DECLARATION OF CHRISTINE L. CARSON
PURSUANT TO 28 U.S.C. § 1746

I, Christine L. Carson, hereby declare as follows:

1. My name is Christine L. Carson. I am a United States citizen and over eighteen years of age. I have been employed with the Federal Trade Commission (“FTC” or “Commission”) for over three years and have held the position of investigator for approximately 18 months. I was previously employed by the U.S. Department of Justice for approximately 14 years. My office address is 230 South Dearborn Street, Room 3030, Chicago, IL 60604. I have personal knowledge of the facts stated in this declaration, and if called as a witness, I would testify to the same.

2. In the course of my employment, I was assigned to work on the FTC’s investigation of, and litigation against, a student loan debt relief operation known as “USA Student Debt Relief” (“USASDR”). USASDR was operated by five defendants: Start Connecting LLC; Start Connecting SAS; Douglas Goodman; Doris Gallon-Goodman; and Juan Rojas (collectively, “Defendants”). I previously submitted a declaration in support of the FTC’s *ex parte* motion for a Temporary Restraining Order (“TRO”). *See* (Doc. 3-4 at 3–52).

3. In this declaration, I discuss my analysis of the net revenue received by Defendants over the course of the student loan debt relief operation at issue in the FTC's case.

4. To facilitate their student loan debt relief operation, Defendants established a variety of financial accounts with third parties. In the course of its investigation, the FTC issued many of those third parties Civil Investigative Demands, a form of compulsory process, to obtain information and documents related to Defendants' accounts. After the case was filed, the FTC obtained additional account-related information and documents from these third parties pursuant to Sections IV.C and D of the TRO. *See* (Doc. 13 at 19–20). I am the custodian of documents and other materials that these third parties produced to the FTC in connection with this matter. Over the course of the investigation and litigation of this case, I reviewed and became familiar with these records.

5. The primary means by which Defendants collected payments was by soliciting consumers' credit or debit card information during sales calls and then charging those payment cards. To enable Defendants to accept credit and debit card payments from consumers, Defendant Start Connecting LLC contracted with payment processors—third-party companies that facilitate transactions between the consumer's bank and the merchant's bank. Over the course of the scheme, Defendants relied on five payment

processors: (1) Francis David Corporation d/b/a Electronic Merchant Systems (“EMS”); (2) Maverick BankCard, Inc (“Maverick”); (3) Cliq, Inc. (“Cliq”); (4) PayArc LLC (“PayArc”); and (5) Paynada LLC (“Paynada”). With the exception of Paynada,¹ these payment processors aggregated consumer funds and then batch-deposited them into Start Connecting LLC corporate bank accounts via periodic automated clearing house transfers.

6. Defendants maintained corporate bank accounts at two domestic depository institutions, Truist Bank (“Truist”) and JP Morgan Chase Bank (“Chase”), but their payment processors only ever deposited consumer funds into the Truist accounts. Thus, to quantify the inflow of consumer funds, I analyzed records provided by Truist. The accounts in question were in the name of Start Connecting LLC and had account numbers ending in 1059, 3611, 3710, and 4160.

7. To calculate the Defendants’ net revenue from credit and debit card payments, I totaled the gross deposits made by payment processors into the Truist accounts and then deducted funds withdrawn by those payment processors when the accompanying transaction description indicated that the debit was related to a consumer chargeback, where consumers obtained a

¹ Paynada terminated USASDR’s merchant account after only 49 transactions and declined to relinquish any of the resulting funds to USASDR prior to the Court’s imposition of an asset freeze, citing the possible need to cover future chargebacks. As a result, Defendants’ bank records reflect no deposits from Paynada.

refund of a disputed transaction through their bank. Because the FTC filed this enforcement action on July 9, 2024, and I understand the statute of limitations for the FTC’s recovery of funds for consumer redress is three years under Section 19(d) of the FTC Act, 15 U.S.C. § 57b(d), my analysis was limited to transactions that occurred on or after July 9, 2021.

8. My calculation of Defendants’ net revenue from payment processor-facilitated transactions for the three-year limitations period² is reflected in the following table, where funds received from consumers are considered “Credits” and funds returned to consumers through chargebacks are considered “Chargebacks”:

Processor Name	Earliest Payment in Limitations Period	Total Credits	Total Chargebacks	Account(s) Deposited/ Debited (last 4)	Net Total
EMS	7/9/2021	\$3,500,645.80	\$104,202.06	Truist 3611	\$3,396,443.74
Maverick	7/9/2021	\$1,586,171.02	\$42,901.80	Truist 3710; Truist 1059	\$1,543,269.22
Cliq	8/25/2021	\$1,970,144.68	\$51,355.50	Truist 4160	\$1,918,789.18
PayArc	1/10/2024	\$563,230.34	\$14,281.70	Truist 4160	\$548,984.64
Paynada	2/7/2024	\$3,437.80	\$100	N/A	\$3,337.80
		\$7,623,629.64	\$212,841.06		\$7,410,788.58

² Defendants started using Cliq, PayArc, and Paynada after July 9, 2021, so they did not receive funds through those payment processors until after the beginning of the three-year limitations period.

9. In addition to the consumer funds received from payment processors, bank records indicate that USASDR sometimes received payments directly from consumers themselves in the form of checks and money orders. During the relevant limitations period (i.e., between July 9, 2021 and the implementation of the asset freeze on July 11, 2024), Defendants received 82 checks or money orders from consumers totaling \$3,585.64. Of these, 81 were deposited in the Truist account ending in 3710, and one was deposited in the Truist account ending in 3611. Based on the records I have reviewed, it appears that no consumer checks or money orders were ever deposited in Defendants' Chase accounts, which were primarily used to offshore to Colombia consumer funds originally deposited in the Truist accounts.

10. Within this same period, Defendants issued numerous consumer refunds via check. Specifically, bank records show that between December 8, 2023 and June 26, 2024, Defendant Douglas R. Goodman cut 125 checks totaling \$58,057.67 to USASDR customers in California, presumably pursuant to the settlement that Mr. Goodman and Start Connecting LLC reached with the California Department of Financial Protection and

Innovation (“DFPI”) in November 2023.³ All of these checks were drawn on the Truist account ending in 3710.

11. Bank records also show that Mr. Goodman wired \$10,088.35 over two installments (\$3,029.09 from the Truist account ending in 3710 on January 11, 2024, and \$7,059.26 from the Truist account ending in 4160 on May 14, 2024) to the State of California Unclaimed Property Division—an outcome contemplated by the DFPI order for consumer refunds that were unclaimed or returned.⁴

12. Finally, bank records show that on January 1, 2024, Mr. Goodman cut a check for \$41,490.91 from the Truist account ending in 3710 to the Minnesota Attorney General, presumably pursuant to the settlement that Start Connecting LLC reached with the Minnesota Attorney General’s Office in December 2023 requiring payment of \$41,490.91 as restitution for Minnesota consumers.⁵

13. To derive an overall total of Defendants’ consumer receipts during the three-year limitations period that accounted for consumer refunds

³ See [Consent Order](#), *Cal. Comm’r of Fin. Prot. & Innovation v. Start Connecting LLC* (Cal. Dep’t Fin. Prot. & Innovation filed Nov. 9, 2023).

⁴ See *id.* at II.6 (“Respondents shall escheat any returned or unclaimed Refunds to the California State Controller’s Office within the period provided by Code of Civil Procedure section 1520 of the Unclaimed Property Law (Cal. Code Civ. Proc. § 1500, *et seq.*).”)

⁵ See [Pet. for Order Approving Discontinuance](#), *In re Start Connecting LLC* (Minn. Dist. Ct. filed Dec. 18, 2023).

and chargebacks, I added the net proceeds from the payment processors (\$7,410,788.58) to the proceeds from consumer checks and money orders (\$3,585.64), and then subtracted the refunds issued to California consumers via check (\$58,057.67), the wire transfers to the State of California's Unclaimed Property Division (\$10,088.35), and the restitution check to the Minnesota Attorney General's Office (\$41,490.91). This yielded a total of \$7,304,737.29, as reflected in the chart below, which represents Defendants' total net revenue during the three-year limitations period:

Source	Total
Net Proceeds from Payment Processors	\$7,410,788.58
Consumer Checks and Money Orders	\$3,585.64
California Consumer Refund Checks	(\$58,057.67)
California Unclaimed Property Wire Transfers	(\$10,088.35)
Restitution to Minnesota Attorney General	(\$41,490.91)
	\$7,304,737.29

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 9, 2025.


Christine L. Carson