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

Bureau of Consumer Financial
Protection, et al.,

Plaintiffs,

v.

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

Defendants.

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

**STIPULATED FINAL JUDGMENT
AND ORDER AS TO DEFENDANT
TUONG NGUYEN AND RELIEF
DEFENDANT TN ACCOUNTING INC.**

Court: Hon. Michael W. Fitzgerald
Courtroom 5A

**STIPULATED FINAL JUDGMENT AND ORDER AS TO DEFENDANT
TUONG NGUYEN AND RELIEF DEFENDANT TN ACCOUNTING INC.**

Plaintiffs the Bureau of Consumer Financial Protection (Bureau), the State of Minnesota, the State of North Carolina, and the People of the State of California (collectively, Plaintiffs) commenced this civil action on October 21, 2019, and

1 filed an amended complaint on February 24, 2020 (Amended Complaint), to obtain
2 permanent injunctive relief, damages, rescission or reformation of contracts,
3 refunds of moneys paid, restitution, disgorgement or compensation for unjust
4 enrichment, civil money penalties, and other monetary and equitable relief from:
5 (1) Defendants Consumer Advocacy Center Inc. d/b/a Premier Student Loan
6 Center; True Count Staffing Inc. d/b/a SL Account Management; Prime Consulting
7 LLC d/b/a Financial Preparation Services; TAS 2019 LLC d/b/a Trusted Account
8 Services; Horizon Consultants LLC; First Priority LLC d/b/a Priority Account
9 Management; Albert Kim; Kaine Wen; and Tuong Nguyen; and (2) Relief
10 Defendants Infinite Management Corp., f/k/a Infinite Management Solutions Inc.;
11 Hold The Door, Corp.; TN Accounting Inc.; Mice and Men LLC; Sarah Kim; 1st
12 Generation Holdings, LLC; and Anan Enterprise, Inc.

13 The Amended Complaint alleges violations of sections 1031(a) and 1036(a)
14 of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5531(a),
15 5536(a); the Telemarketing and Consumer Fraud and Abuse Prevention Act,
16 15 U.S.C. § 6102(c)(2) (Telemarketing Act), based on alleged violations of the
17 Telemarketing Sales Rule (TSR), 16 C.F.R. pt. 310; the Minnesota Prevention of
18 Consumer Fraud Act (MNCFA), Minn. Stat. §§ 325F.68-.694; the Minnesota
19 Uniform Deceptive Trade Practices Act (MNDTPA), Minn. Stat. §§ 325D.43-.48;
20 the North Carolina Debt Adjusting Act (NCDAA), N.C. Gen. Stat. § 14-423 *et*
21 *seq.*; the North Carolina Telephonic Seller Registration Act (NCTSRA), N.C. Gen.
22 Stat. § 66-260 *et seq.*; the North Carolina Unfair and Deceptive Practices Act
23 (NCUDPA), N.C. Gen. Stat. § 75-1.1; and the California Business and Professions
24 Code 17200 *et seq.* (the Unfair Competition Law or UCL) in connection with the
25 above-named defendants' marketing and sale of debt-relief services.

26 The (1) Plaintiffs, (2) Defendant Tuong Nguyen (Settling Defendant), and
27

1 (3) Relief Defendant TN Accounting Inc. (Settling Relief Defendant) agree to
2 entry of this Stipulated Final Judgment and Order (Order), without adjudication of
3 any issue of fact or law, to settle and resolve all matters in dispute between them
4 arising from the conduct alleged in the Amended Complaint.

5 **THEREFORE, IT IS ORDERED:**

6 **FINDINGS**

7 1. This Court has jurisdiction over the parties and the subject matter of
8 this action.

9 2. Settling Defendant and Settling Relief Defendant neither admit nor
10 deny the allegations in the Amended Complaint, except as specifically stated
11 herein. For purposes of this Order, Settling Defendant and Settling Relief
12 Defendant admit the facts necessary to establish the Court's jurisdiction over them
13 and the subject matter of this action.

14 3. Settling Defendant and Settling Relief Defendant waive all rights to
15 seek judicial review or otherwise challenge or contest the validity of this Order and
16 any claim they may have under the Equal Access to Justice Act, 28 U.S.C § 2412,
17 concerning the prosecution of this action to the date of this Order. Each Party
18 agrees to bear its own costs and expenses, including, without limitation, attorneys'
19 fees.

20 4. Entry of this Order is in the public interest.

21 **DEFINITIONS**

22 The following definitions apply to this Order:

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

1 f. providing names of, or assisting in the generation of, potential
2 customers;

3 g. performing marketing, billing, or payment services of any kind;
4 and

5 h. acting or serving as an owner, officer, director, manager, or
6 principal of any entity.

7 8. “Bankruptcy Proceeding” means *In re Consumer Advocacy Center*
8 *Inc.*, Case No. 19-10655, currently pending in the United States Bankruptcy Court,
9 Southern District of Florida, Fort Lauderdale Division.

10 9. “Bureau” means the Bureau of Consumer Financial Protection.

11 10. “Consumer Financial Product or Service” is synonymous in meaning
12 and equal in scope to the definition of the term in the CFPA, 12 U.S.C. § 5481(5),
13 and, subject to applicable restrictions contained in the CFPA, includes but is not
14 limited to:

15 a. providing financial advisory services to consumers on
16 individual consumer financial matters or relating to proprietary
17 financial products or services, including providing credit counseling
18 to any consumer or providing services to assist a consumer with debt
19 management or debt settlement, modifying the terms of any extension
20 of credit, or avoiding foreclosure; and

21 b. engaging in deposit-taking activities, transmitting or
22 exchanging funds, or otherwise acting as a custodian of funds or any
23 financial instrument for use by or on behalf of a consumer.

24 11. “Defendants” means Corporate Defendants and Individual
25 Defendants, individually, collectively, or in any combination, and each of them by
26 whatever names each might be known;

1 a. “Corporate Defendants” means Consumer Advocacy Center
2 Inc., True Count Staffing Inc., Prime Consulting LLC, TAS 2019
3 LLC, Horizon Consultants LLC, and First Priority LLC, collectively,
4 or in any combination, and their successors and assigns, and each of
5 them by any other names by which they might be known, including
6 South Coast Financial Center, Direct Account Services, Financial
7 Loan Advisors, Account Preparation Services, Administrative
8 Financial, Tangible Savings Solutions, Coastal Shores Financial
9 Group, First Choice Financial Centre (a/k/a First Choice Financial
10 Center), Administrative Account Services, Primary Account
11 Solutions, Prime Document Services, Financial Accounting Center,
12 Doc Management Solutions, First Priority LLC, ALW Loans
13 Administrative Accounting Center, Best Choice Financial Center,
14 First Document Services, Global Direct Accounting Solutions,
15 Keystone Document Center, Pacific Palm Financial Group, Pacific
16 Shores Advisory, Sequoia Account Management, Signature Loan
17 Solutions, Yellowstone Account Services, ClearStudentLoanDebt,
18 Clear Student Loan Debt, Trusted Account Services, Premier Student
19 Loan Center, and Priority Account Management;

20 b. “Individual Defendants” means Albert Kim, a/k/a Albert King;
21 Kaine Wen, a/k/a Wenting Kaine Dai, Wen-Ting Dai, Wen Ting Dai,
22 Kaine Dai, and Kaine Wen Dai; and Tuong Nguyen, a/k/a Tom
23 Nelson, collectively, or in any combination, and each of them by any
24 other names by which they might be known;

25 c. “Receivership Defendants” means True Count Staffing Inc.,
26 Prime Consulting LLC, TAS 2019 LLC, Horizon Consultants LLC,
27

1 and First Priority LLC, collectively, or in any combination, and their
2 successors and assigns;

3 d. “Relief Defendants” means:

4 i. Infinite Management Corp., f/k/a Infinite Management
5 Solutions Inc.; Hold The Door, Corp.; TN Accounting Inc.;
6 Mice and Men LLC; 1st Generation Holdings, LLC; and Anan
7 Enterprise, Inc., collectively, or in any combination, and their
8 successors and assigns, and each of them by any other names by
9 which they might be known; and

10 ii. Sarah Kim, and any other names by which she might be
11 known.

12 e. “Settling Defendant” means Tuong Nguyen, and any other
13 names by which he might be known;

14 f. “Settling Relief Defendant” means TN Accounting Inc., and its
15 successors and assigns, and each of them by any other names by
16 which they might be known.

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

22 13. “Effective Date” means the date on which this Order is entered by the
23 Court.

24 14. “Enforcement Director” means the Assistant Director of the Office of
25 Enforcement for the Bureau of Consumer Financial Protection, or his or her
26 delegate.

1 **CONDUCT RELIEF**

2 **I**

3 **Permanent Ban on Telemarketing and Offering or Selling Debt-Relief**
4 **Services**

5 **It is ORDERED that:**

6 21. Settling Defendant, whether acting directly or indirectly, is
7 permanently restrained from:

8 a. participating in telemarketing or Assisting Others engaged in
9 telemarketing any Consumer Financial Product or Service;

10 b. participating in or Assisting Others in advertising, marketing,
11 promoting, offering for sale, selling, or providing any Debt-Relief
12 Service;

13 c. receiving any remuneration or other consideration from,
14 holding any ownership interest in, providing services to, or working in
15 any capacity for any Person engaged in or assisting in advertising,
16 marketing, promoting, offering for sale, selling, or providing any
17 Debt-Relief Service.

18 Nothing in this Order shall be read as an exception to this Paragraph.

19 **II**

20 **Prohibited Misrepresentations and Other Conduct**

21 **It is FURTHER ORDERED that:**

22 22. Settling Defendant and his officers, agents, servants, employees, and
23 attorneys, and all other Persons in active concert or participation with them, who
24 have actual notice of this Order, whether acting directly or indirectly, in connection
25 with the advertising, marketing, promotion, offering for sale, sale, or performance
26

1 of any Consumer Financial Product or Service, may not misrepresent, or Assist
2 Others in misrepresenting, expressly or impliedly:

- 3 a. the benefits that a consumer will receive from the product or
4 service, including but not limited to, the amount of savings a
5 consumer will receive from purchasing, using, or enrolling in the
6 Consumer Financial Product or Service;
- 7 b. the time required to achieve benefits from the Consumer
8 Financial Product or Service;
- 9 c. any aspect of the nature or terms of a refund, cancellation,
10 exchange, or repurchase policy of the Consumer Financial Product or
11 Service, including but not limited to, the likelihood of a consumer
12 obtaining a full or partial refund or the circumstances in which a full
13 or partial refund will be granted to the consumer; and
- 14 d. the total costs or any other material term, fact, restriction,
15 limitation, or condition of the Consumer Financial Product or Service.

16 **III**

17 **State Injunctive Provisions**

18 **It is FURTHER ORDERED that:**

19 23. Settling Defendant and his officers, agents, servants, employees, and
20 attorneys, and all other Persons in active concert or participation with them who
21 receive actual notice of this Order, shall be permanently restrained and enjoined
22 from violating:

- 23 a. the Minnesota Uniform Deceptive Trade Practices Act, Minn.
24 Stat. § 325D.44;
- 25 b. the Minnesota Consumer Fraud Act, Minn. Stat. § 325F.69; and
- 26 c. the Minnesota Debt Settlement Services Act, Minn. Stat. §

1 332B.

2 24. Settling Defendant and his officers, agents, servants, employees and
3 attorneys, and those Persons in active concert or participation with any of them
4 who receive actual notice of this Order, shall be permanently restrained and
5 enjoined from violating:

6 a. the North Carolina Debt Adjusting Act, N.C. Gen. Stat. § 14-
7 423, *et seq.*;

8 b. the North Carolina Unfair and Deceptive Practices Act, N.C.
9 Gen. Stat. § 75-1.1; and

10 c. the North Carolina Telephonic Seller Registration Act, N.C.
11 Gen. Stat. § 66-260, *et seq.*

12 25. Under the Court’s inherent equitable powers and as authorized by
13 California Business and Professions Code section 17203, this Court is empowered
14 to “make such orders or judgments . . . as may be necessary to prevent the use or
15 employment by any person of any practice which constitutes unfair
16 competition . . .” Cal. Bus & Prof Code § 17203. Accordingly, Settling Defendant
17 and his officers, agents, servants, employees, and attorneys, and all other persons
18 in active concert or participation with them, whether acting directly or indirectly,
19 are permanently restrained from any of the following:

20 a. violating California Business and Professions Code section
21 17200, *et seq.*, through unlawful, fraudulent and/or unfair acts or
22 practices including but not limited to:

23 i. Violating California Financial Code section 12000, *et*
24 *seq.*, the California Check Sellers, Bill Payers and Proraters
25 Law, by acting as a check seller, bill payer, or prorater within
26 the State of California without first obtaining a license from the
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1 California Commissioner of Business Oversight;

2 ii. Violating California Financial Code section 28100, *et*
3 *seq.*, the California Student Loan Servicing Act, by engaging in
4 the business of servicing student loans in California without first
5 obtaining a license as required under the Act.

6 **IV**

7 **Customer Information**

8 **It is FURTHER ORDERED that:**

9 26. Settling Defendant and his officers, agents, servants, employees, and
10 attorneys, and all other Persons in active concert or participation with any of them,
11 who receive actual notice of this Order, whether acting directly or indirectly, may
12 not:

13 a. disclose, use, or benefit from customer information, including
14 the name, address, telephone number, email address, social security
15 number, other identifying information, or any data that enables access
16 to a customer's account (including a credit card, bank account, or
17 other financial account), that Defendants obtained before the
18 Effective Date in connection with the offering or providing of Debt-
19 Relief Services;

20 b. attempt to collect, sell, assign, or otherwise transfer any right to
21 collect payment from any consumer who purchased or agreed to
22 purchase a Debt-Relief Service from any Defendant.

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

1 **MONETARY PROVISIONS**

2 **V**

3 **Order to Pay Redress**

4 **It is FURTHER ORDERED that:**

5 28. A judgment for monetary relief is entered in favor of Plaintiffs and
6 against Settling Defendant and Settling Relief Defendant as set forth below.
7 Settling Defendant Tuong Nguyen is liable, jointly and severally, in the amount of
8 \$95,057,757, for the purpose of providing redress to Affected Consumers. Of this
9 judgment for monetary relief:

10 a. Settling Relief Defendant TN Accounting Inc. shall be jointly
11 and severally liable for the amount of \$444,563, such amount also
12 being for the purpose of providing redress to Affected Consumers.

13 29. However, full payment of Settling Defendant's and Settling Relief
14 Defendant's portion of this judgment set forth in Paragraph 28 will be suspended,
15 based on Settling Defendant's and Settling Relief Defendant's inability to pay,
16 upon Settling Defendant's and Settling Relief Defendant's satisfaction of the
17 obligations in Paragraphs 30-33 of this Section, Section VI, Paragraphs 42 and 44-
18 45 of Section VII, Paragraph 51 of Section IX, and subject to Section VIII of this
19 Order.

20 30. Except as necessary to effectuate the transfers required by Paragraph
21 85, Settling Defendant and Settling Relief Defendant hereby grant to the Bureau all
22 rights and claims they have to all Assets subject to the asset freeze imposed by the
23 Preliminary Injunction entered on November 15, 2019 (ECF 103), and all Assets
24 identified in Attachment A and Attachment B, except as set forth in Attachment B.
25 Within 10 business days from receipt of a copy of this Order by any means,
26 including but not limited to via facsimile or email, the financial institutions
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1 identified in Attachment A shall transfer to the Bureau or its designated agent all
2 funds held in the accounts listed in Attachment A by wire transfer to the Bureau or
3 the Bureau's agent according to the Bureau's wiring instructions.

4 31. To the extent they have not already done so, Settling Defendant and
5 Settling Relief Defendant are ordered to transfer and relinquish to the Receiver, or
6 to its designated agent, possession, custody, and control of the following Assets
7 within 7 days of entry of this Order, unless otherwise stated:

8 a. dominion and all legal and equitable right, title, and interest in,
9 as well as any accounts receivable from, the following entity: Settling
10 Relief Defendant, including its successors, assigns, affiliates, or
11 subsidiaries, and each of them by whatever names each might be
12 known;

13 b. all Assets listed on Attachment B.

14 32. Settling Defendant and Settling Relief Defendant shall cooperate fully
15 with the Receiver and shall execute any instrument or document presented by the
16 Receiver, and take any other actions the Receiver deems necessary or appropriate
17 to effect the transfers required by Paragraph 31. All property set forth in Paragraph
18 31 shall constitute Assets of the receivership estate.

19 33. Except as necessary to effectuate the transfers required by Paragraph
20 85, Settling Defendant and Settling Relief Defendant hereby grant to the Bureau all
21 rights and claims they have to any Assets not subject to Paragraph 30 that are
22 currently in the possession, custody, or control of the Receiver, including but not
23 limited to any such Assets identified in Paragraph 31, and shall forfeit any rights
24 and claims to the funds in the receivership estate, including but not limited to: all
25 funds held, obtained, or to be obtained by the Receiver since the inception of the
26 receivership whether through this Order or otherwise.

1 34. The suspension of the monetary judgment in Paragraph 29 shall not
2 affect the Receiver’s ability to pursue recovery of funds from any third parties,
3 including family members of Settling Defendant and Settling Relief Defendant, to
4 satisfy all or a portion of the full monetary judgment entered in Paragraph 28.
5 Settling Defendant and Settling Relief Defendant shall remain jointly and severally
6 liable for full payment of this judgment to the extent that funds to satisfy all or a
7 portion of this judgment are able to be recovered from third parties by the Receiver
8 acting on behalf of the Receivership Defendants.

9 35. With regard to any redress that Settling Defendant and Settling Relief
10 Defendant pay under this Section, if Settling Defendant or Settling Relief
11 Defendant receive, directly or indirectly, any reimbursement or indemnification
12 from any source, including but not limited to payment made under any insurance
13 policy, or if Settling Defendant or Settling Relief Defendant secure a tax deduction
14 or tax credit with regard to any federal, state, or local tax, Settling Defendant or
15 Settling Relief Defendant must: (a) immediately notify the Enforcement Director
16 and States in writing, and (b) within 10 days of receiving the funds or monetary
17 benefit, Settling Defendant or Settling Relief Defendant must transfer the full
18 amount of such funds or monetary benefit (Additional Payment) to the Bureau or
19 to the Bureau’s agent according to the Bureau’s wiring instructions. After the
20 Bureau receives the Additional Payment, the amount of the suspended judgment
21 referenced in Paragraph 29 will be reduced by the amount of the Additional
22 Payment and the Additional Payment will be applied toward satisfaction of the
23 monetary judgment entered in Paragraph 28.

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

4 37. If the Bureau determines, in its sole discretion, that providing redress
5 to consumers is wholly or partially impracticable or if funds remain after the
6 administration of redress is completed, the Bureau will deposit any remaining
7 funds in the U.S. Treasury as disgorgement. Settling Defendant and Settling Relief
8 Defendant will have no right to challenge the Bureau's choice of remedies under
9 this Section, and will have no right to contest the manner of distribution chosen by
10 the Bureau.

11 38. Payment of redress to any Affected Consumer under this Order may
12 not be conditioned on that Affected Consumer waiving any right.

13 **VI**

14 **Order to Pay Civil Money Penalty to the Bureau**

15 **It is FURTHER ORDERED that:**

16 39. Under section 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of
17 the violations of law alleged in the Amended Complaint and taking into account
18 the factors in 12 U.S.C. § 5565(c)(3), Settling Defendant must pay a civil money
19 penalty of \$1 to the Bureau. This nominal civil penalty is based on Settling
20 Defendant's limited ability to pay as attested to in all financial statements and
21 supporting documents listed in Section VIII.

22 40. Within 10 days of the Effective Date, Settling Defendant must pay the
23 civil money penalty by wire transfer to the Bureau or to the Bureau's agent in
24 compliance with the Bureau's wiring instructions.

25 41. The civil money penalty paid under this Order will be deposited in the
26 Civil Penalty Fund of the Bureau as required by section 1017(d) of the CFPA,
27

1 12 U.S.C. § 5497(d).

2 **VII**

3 **Order to Pay Civil Money Penalties to the States**

4 **It is FURTHER ORDERED that:**

5 42. Settling Defendant is liable to pay civil penalties in this Enforcement
6 Action under Minn. Stat. § 8.31 in the total amount of \$5,000 to the State of
7 Minnesota, as provided in Paragraph 85.

8 43. The Minnesota Attorney General will remit these funds to the general
9 fund of the State of Minnesota pursuant to Minn. Stat. §§ 8.31 and 16A.151.

10 44. Settling Defendant is liable to pay civil penalties in this Enforcement
11 Action under N.C. Gen. Stat. § 75-15.2 in the total amount of \$5,000 to the State of
12 North Carolina, as provided in Paragraph 85.

13 45. Settling Defendant is liable to pay civil penalties in this Enforcement
14 Action under California Business and Professions Code section 17206 in the total
15 amount of \$5,000 to the People of the State of California, as provided in Paragraph
16 85.

17 **VIII**

18 **Misrepresentation or Omission Regarding Financial Condition or Non-**
19 **Compliance with Order to Pay Redress or Civil Money Penalty**

20 **It is FURTHER ORDERED that:**

21 46. The suspension of the monetary judgment entered in Section V of this
22 Order is expressly premised on the truthfulness, accuracy, and completeness of
23 Settling Defendant's and Settling Relief Defendant's sworn financial statements
24 and supporting documents, which Settling Defendant and Settling Relief
25 Defendant assert are truthful, accurate, and complete, and which include:

26 a. Financial Statement of Tuong Nguyen, including all
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1 attachments, signed on July 30, 2020, and submitted to the Bureau on
2 or about July 30, 2020; and

3 b. Financial Statement of TN Accounting Inc., including all
4 attachments, signed on October 31, 2019, and submitted to the Bureau
5 on or about November 5, 2019, and supplemented on November 7,
6 2019, December 19, 2019, July 14, 2020, and July 30, 2020.

7 47. If upon motion by any Plaintiff, the Court determines that Settling
8 Defendant or Settling Relief Defendant has failed to disclose any material Asset or
9 that any of their financial statements contain any material misrepresentation or
10 omission, including materially misstating the value of any Asset, the Court shall
11 terminate the suspension of the monetary judgment for that Settling Defendant or
12 Settling Relief Defendant entered in Section V and without further adjudication,
13 shall reinstate the judgment entered in Section V of this Order and the full
14 judgment set forth in that Section with respect to that Settling Defendant or
15 Settling Relief Defendant shall be immediately due and payable, less any amounts
16 paid to the Bureau under Section V of this Order by that Settling Defendant or
17 Settling Relief Defendant.

18 48. If the Court terminates the suspension of the monetary judgment
19 under this Section, the Bureau will be entitled to interest on the judgment,
20 computed from the date of entry of this Order, at the rate prescribed by 28 U.S.C.
21 § 1961, as amended, on any outstanding amounts not paid.

22 49. Provided, however, that in all other respects this Order shall remain in
23 full force and effect unless otherwise ordered by the Court; and, provided further,
24 that proceedings instituted under this Section would be in addition to, and not in
25 lieu of any other civil or criminal remedies as may be provided by law, including
26 any other proceedings that Plaintiffs may initiate to enforce this Order.

1 **IX**

2 **Additional Monetary Provisions**

3 **It is FURTHER ORDERED that:**

4 50. In the event of any default on Settling Defendant's and Settling Relief
5 Defendant's obligations to make payment under this Order, interest, computed
6 under 28 U.S.C. § 1961, as amended, will accrue on any outstanding amounts not
7 paid from the date of default to the date of payment, and will immediately become
8 due and payable by the defaulting Settling Defendant or Settling Relief Defendant.

9 51. Settling Defendant and Settling Relief Defendant relinquish all
10 dominion, control, and title to the funds and all other Assets transferred or paid
11 under this Order to the fullest extent permitted by law and no part of the funds or
12 other Assets may be returned to Settling Defendant or Settling Relief Defendant.

13 52. The facts alleged in the Amended Complaint will be taken as true and
14 given collateral estoppel effect, without further proof, in any proceeding based on
15 the entry of the Order, or in any subsequent civil litigation by or on behalf of the
16 Plaintiffs, including in a proceeding to enforce their rights to any payment or
17 monetary judgment under this Order, such as a non-dischargeability complaint in
18 any bankruptcy case.

19 53. The facts alleged in the Amended Complaint establish all elements
20 necessary to sustain an action by the Plaintiffs under section 523(a)(2)(A) of the
21 Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and for such purposes this Order will
22 have collateral estoppel effect against Settling Defendant and Settling Relief
23 Defendant, even in such Defendant's capacity as debtor-in-possession.

24 54. Under 31 U.S.C. § 7701, Settling Defendant and Settling Relief
25 Defendant, unless they already have done so, must furnish to Plaintiffs any
26 taxpayer-identifying numbers associated with them or their Assets, which may be
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1 used for purposes of collecting and reporting on any delinquent amount arising out
2 of this Order.

3 55. Within 30 days of the entry of a final judgment, order, or settlement in
4 a Related Consumer Action, Settling Defendant and Settling Relief Defendant
5 must notify the Enforcement Director of the final judgment, order, or settlement in
6 writing. That notification must indicate the amount of redress, if any, that the
7 Settling Defendant or Settling Relief Defendant paid or is required to pay to
8 consumers and describe the consumers or classes of consumers to whom that
9 redress has been or will be paid. To preserve the deterrent effect of the civil money
10 penalty in any Related Consumer Action, Settling Defendant and Settling Relief
11 Defendant may not argue that they are entitled to, nor may Settling Defendant or
12 Settling Relief Defendant benefit by, any offset or reduction of any monetary
13 remedies imposed in the Related Consumer Action because of the civil money
14 penalty paid in this action or because of any payment that the Bureau makes from
15 the Civil Penalty Fund. If the court in any Related Consumer Action offsets or
16 otherwise reduces the amount of compensatory monetary remedies imposed
17 against Settling Defendant or Settling Relief Defendant based on the civil money
18 penalty paid in this action or based on any payment that the Bureau makes from the
19 Civil Penalty Fund, the Settling Defendant or Settling Relief Defendant must,
20 within 30 days after entry of a final order granting such offset or reduction, notify
21 the Bureau and pay the amount of the offset or reduction to the U.S. Treasury.
22 Such a payment will not be considered an additional civil money penalty and will
23 not change the amount of the civil money penalty imposed in this action.

24 56. Upon written request, any consumer reporting agency may furnish
25 consumer reports to any Plaintiff concerning Settling Defendant under section
26 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1), which may be
27

1 used for purposes of collecting and reporting on any delinquent amount arising out
2 of this Order.

3 57. Settling Defendant must treat all civil money penalties paid under this
4 Order as a penalty paid to the government for all purposes. Regardless of how such
5 funds are used, Settling Defendant may not:

- 6 a. claim, assert, or apply for a tax deduction, tax credit, or any
7 other tax benefit for any civil money penalty paid under this Order; or
- 8 b. seek or accept, directly or indirectly, reimbursement or
9 indemnification from any source, including but not limited to payment
10 made under any insurance policy, with regard to any civil money
11 penalty paid under this Order.

12 58. Settling Defendant agrees that the civil penalties imposed by the
13 Order under Sections VI and VII represent penalties paid to the Bureau and the
14 States, respectively, not compensation for actual pecuniary loss, and, thus, as to the
15 Settling Defendant, are not subject to discharge under the Bankruptcy Code under
16 11 U.S.C. § 523(a)(7).

17 **X**

18 **Lifting of Asset Freeze**

19 **It is FURTHER ORDERED that:**

20 59. The freeze on the Assets of Settling Defendant and Settling Relief
21 Defendant is modified to permit the payments and other transfers of Assets
22 identified in Sections V, VI, VII and IX of this Order. Upon completion of all
23 payments and other obligations identified in Sections V, VI, VII and IX of this
24 Order, the freeze of the Settling Defendant's and Settling Relief Defendant's
25 Assets pursuant to the Preliminary Injunction entered on November 15, 2019 (ECF
26 103), shall be dissolved.

1 **COMPLIANCE PROVISIONS**

2 **XI**

3 **Reporting Requirements**

4 **It is FURTHER ORDERED that:**

5 60. Settling Defendant must notify Plaintiffs of any development that may
6 affect compliance obligations arising under this Order, including but not limited to,
7 a dissolution, assignment, sale, merger, or other action that would result in the
8 emergence of a successor company; the creation or dissolution of a subsidiary,
9 parent, or affiliate that engages in any acts or practices subject to this Order; the
10 filing of any bankruptcy or insolvency proceeding by or against Settling
11 Defendant; or a change in Settling Defendant's name or address. Settling
12 Defendant must provide this notice at least 30 days before the development or as
13 soon as practicable after learning about the development, whichever is sooner.

14 61. Within 7 days of the Effective Date, Settling Defendant must:

15 a. designate at least one telephone number and email, physical,
16 and postal address as points of contact, which Plaintiffs may use to
17 communicate with Settling Defendant;

18 b. identify all businesses for which Settling Defendant is the
19 majority owner, or that such Settling Defendant directly or indirectly
20 controls, by all of their names, telephone numbers, and physical,
21 postal, email, and Internet addresses;

22 c. describe the activities of each such business, including the
23 products and services offered, and the means of advertising,
24 marketing, and sales;

25 d. identify Settling Defendant's telephone numbers and all email,
26 Internet, physical, and postal addresses, including all residences; and
27

1 e. describe in detail Settling Defendant's involvement in any
2 business for which he performs services in any capacity or which he
3 wholly or partially owns, including his title, role, responsibilities,
4 participation, authority, control, and ownership.

5 62. Settling Defendant must report any change in the information required
6 to be submitted under Paragraph 61 above at least 30 days before the change or as
7 soon as practicable after learning about the change, whichever is sooner.

8 63. Within 90 days of the Effective Date, and again one year after the
9 Effective Date, Settling Defendant must submit to the Enforcement Director an
10 accurate written compliance progress report sworn to under penalty of perjury
11 (Compliance Report), which, at a minimum:

12 a. lists each applicable paragraph and subparagraph of this Order
13 and describes in detail the manner and form in which Settling
14 Defendant has complied with each such paragraph and subparagraph
15 of this Order; and

16 b. attaches a copy of each Order Acknowledgment obtained under
17 Section XII, unless previously submitted to the Bureau.

18 XII

19 Order Distribution and Acknowledgment

20 **It is FURTHER ORDERED that:**

21 64. Within 7 days of the Effective Date, Settling Defendant must submit
22 to the Enforcement Director an acknowledgment of receipt of this Order, sworn
23 under penalty of perjury.

24 65. Within 30 days of the Effective Date, Settling Defendant, for any
25 business for which he is the majority owner or which he directly or indirectly
26 controls, must deliver a copy of this Order to each of its board members and
27

1 executive officers, as well as to any managers, employees, Service Providers, or
2 other agents and representatives who have responsibilities related to the subject
3 matter of the Order.

4 66. For 5 years from the Effective Date, Settling Defendant, for any
5 business for which he is the majority owner or which he directly or indirectly
6 controls, must deliver a copy of this Order to any business entity resulting from
7 any change in structure referred to in Section XI, any future board members and
8 executive officers, as well as to any managers, employees, Service Providers, or
9 other agents and representatives who will have responsibilities related to the
10 subject matter of the Order before they assume their responsibilities.

11 67. Settling Defendant must secure a signed and dated statement
12 acknowledging receipt of a copy of this Order, ensuring that any electronic
13 signatures comply with the requirements of the E-Sign Act, 15 U.S.C. § 7001 *et*
14 *seq.*, within 30 days of delivery, from all Persons receiving a copy of this Order
15 under this Section.

16 68. Within 90 days of the Effective Date, Settling Defendant must provide
17 the Bureau with a list of all persons and their titles to whom this Order was
18 delivered through that date under Paragraphs 65-66 and a copy of all signed and
19 dated statements acknowledging receipt of this Order under Paragraph 67.

20 **XIII**

21 **Recordkeeping**

22 **It is FURTHER ORDERED that:**

23 69. Settling Defendant must create, for at least 10 years from the Effective
24 Date, the following business records for any business for which the Settling
25 Defendant, individually or collectively with any other Defendant, is a majority
26 owner or which Settling Defendant directly or indirectly controls: all documents
27

1 and records necessary to demonstrate full compliance with each provision of this
2 Order, including all submissions to any Plaintiff. Settling Defendant must retain
3 these documents for at least 10 years after creation and make them available to
4 Plaintiffs upon any Plaintiff's request.

5 70. Settling Defendant must maintain, for at least 10 years from the
6 Effective Date or 5 years after creation, whichever is longer:

7 a. copies of all sales scripts; training materials; advertisements;
8 websites; and other marketing materials, including any such materials
9 used by a third party on Settling Defendant's behalf, relating to any
10 Consumer Financial Product or Service;

11 b. for each individual Affected Consumer and his or her
12 enrollment in that Consumer Financial Product or Service: the
13 consumer's name, address, phone number, email address; amount
14 paid, quantity of Consumer Financial Products or Services purchased,
15 description of the Consumer Financial Product or Service purchased,
16 the date on which the Consumer Financial Product or Service was
17 purchased, a copy of any promotional or welcome materials provided,
18 and, if applicable, the date and reason the consumer left the program;

19 c. for all Consumer Financial Products or Services, accounting
20 records showing the gross and net revenues generated by the
21 Consumer Financial Product or Service;

22 d. all consumer complaints and refund requests (whether received
23 directly or indirectly, such as through a third party) relating to a
24 Consumer Financial Product or Service, and any responses to those
25 complaints or requests;

26 e. records showing, for each employee providing services related
27

1 to a Consumer Financial Product or Service, that person’s name,
2 telephone number, email, physical, and postal address, job title or
3 position, dates of service, and, if applicable, the reason for
4 termination; and

5 f. records showing, for each Service Provider providing services
6 related to a Consumer Financial Product or Service, the name of a
7 point of contact, and that Person’s telephone number, email, physical,
8 and postal address, job title or position, dates of service, and, if
9 applicable, the reason for termination.

10 71. Settling Defendant must make these materials available to Plaintiffs
11 upon any Plaintiff’s request.

12 **XIV**

13 **Notices**

14 **It is FURTHER ORDERED that:**

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

21 Assistant Director for Enforcement
22 Bureau of Consumer Financial Protection
23 ATTENTION: Office of Enforcement
24 1700 G Street, N.W.
25 Washington, D.C. 20552

26 73. Unless otherwise directed by a representative of the State of
27

1 Minnesota in writing, all submissions to the State of Minnesota pursuant to this
2 Order must be sent by overnight courier or first-class mail to the below address and
3 contemporaneously by email to evan.romanoff@ag.state.mn.us:

4 Evan Romanoff, Assistant Attorney General
5 Office of the Minnesota Attorney General
6 445 Minnesota Street, Suite 1200
7 St. Paul, Minnesota 55101

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

12 M. Lynne Weaver, Special Deputy Attorney General
13 North Carolina Department of Justice
14 114 W. Edenton Street
15 Raleigh, North Carolina 27603

16 75. Unless otherwise directed by the State of California in writing, all
17 submissions to the State of California pursuant to this Order must be sent by
18 overnight courier or first-class mail to the below address and contemporaneously
19 by email to christina.tusan@lacity.org:

20 Christina Tusan
21 Supervising Deputy City Attorney
22 Los Angeles City Attorney's Office
23 200 N. Main Street, 5th Floor
24 Los Angeles, CA 90012

25 76. The Enforcement Director may, in his or her discretion, modify any
26 non-material requirements of this Order (e.g., reasonable extensions of time and
27

1 changes to reporting requirements) if he or she determines good cause justifies the
2 modification. Any such modification by the Enforcement Director must be in
3 writing.

4 **XV**

5 **Cooperation with Plaintiffs**

6 **It is FURTHER ORDERED that:**

7 77. Settling Defendant must cooperate fully with Plaintiffs in this matter
8 and in any investigation or litigation related to or associated with the conduct
9 described in the Amended Complaint, including related to the Bankruptcy
10 Proceeding. Settling Defendant must provide truthful and complete information,
11 evidence, and testimony. Settling Defendant must appear for interviews, discovery,
12 hearings, trials, and any other proceedings that any Plaintiff may reasonably
13 request upon 10 days written notice, or other reasonable notice, at such places and
14 times as Plaintiff may designate, without the service of compulsory process.

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

21 79. Settling Defendant and Settling Relief Defendant must cooperate fully
22 to help Plaintiffs determine the identity and location of, and the amount of injury
23 sustained by, each Affected Consumer. Settling Defendant and Settling Relief
24
25
26
27

1 Defendant must provide such information in their or their agents' possession or
2 control within 14 days of receiving a written request from any Plaintiff.

3 **XVI**

4 **Compliance Monitoring**

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

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

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

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

21 83. Plaintiffs are authorized by this Order to use all other lawful means,
22 including posing, through representatives, as consumers, suppliers, or other
23 individuals or entities, to the Settling Defendant or any individual or entity
24 affiliated with Settling Defendant, without the necessity of identification or prior
25 notice, and may record any communications that occur in the course of such
26 contacts.

XVII

Receivership

It is FURTHER ORDERED that:

84. The receivership imposed by this Court shall continue in the manner set forth in the Preliminary Injunction issued on November 15, 2019 (ECF 103), as to all Defendants and Relief Defendants, except as modified by this Section and Section X, and the Receiver shall continue to have the full powers of an equity receiver, as an agent of the Court, pursuant to Sections XIV and XV of the Preliminary Injunction, which shall remain in effect until further order of the Court.

85. Within 14 days of liquidating Settling Defendant's Assets transferred pursuant to Paragraph 31, the Receiver shall transfer \$5,000 to the State of Minnesota, \$5,000 to the North Carolina Attorney General, and \$5,000 to the People of the State of California from the Settling Defendant's Assets maintained in the Receiver's account. These transfers shall be made to satisfy the civil money penalties to each State as set forth in Section VII.

86. The Receiver shall promptly take all steps necessary to liquidate the Settling Defendant's and Settling Relief Defendant's Assets using any commercially reasonable means, including auction and/or private sale, and all such sales shall be deemed authorized and approved under 28 U.S.C. § 2004 without further notice, hearing, or court order. After such liquidation, the Receiver shall remit the net proceeds to the Bureau or its designated representative as payment toward the monetary judgments entered against Settling Relief Defendant and Settling Relief Defendant within 21 days of each such sale or liquidation, subject to Paragraph 85.

ATTACHMENT A

List of Assets Transferred Pursuant to Paragraph 30 of the Order

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

1. Charles Schwab & Co., Inc. and Charles Schwab Bank:
 - a. account number ending in 7450 in the name of Tuong Nguyen;
2. JP Morgan Chase Bank, N.A.:
 - a. account number ending in 7163 in the name of TN Accounting Inc.;
3. Preferred Bank:
 - a. account number ending in 1184 in the name of Tuong T. Nguyen or Thi My Tien Nguyen;
4. Wells Fargo Bank, N.A.:
 - a. account number ending in 0206 in the name of Mytien T. Nguyen or Tuong Nguyen; and
 - b. account number ending in 9982 in the name of Mytien T. Nguyen or Tuong Nguyen.

ATTACHMENT B

List of Assets Transferred Pursuant to Paragraphs 30-31 of the Order

1. The following vehicle and, for the vehicle, the certificate of title and all documents evidencing purchase and ownership:
 - a. 2018 Tesla Model 3, VIN ending in 3912, in the name of Tuong Nguyen.
2. The following Assets and, for each Asset, all documents evidencing purchase and ownership, including all original packaging:
 - a. All Assets identified at item nos. 20 and 23 on the **Financial Statement of Tuong Nguyen**, including all attachments, signed on July 30, 2020, and submitted to the Bureau on or about July 30, 2020, including the following items:
 - i. Chanel J12 watch;
 - ii. 8.26 Bitcoin, 10.9 Ethereum, 1.39 Bitcoin, and 1.28 Bitcoin Cash.

Provided that the following Assets shall be released to Mr. Nguyen: all Assets not identified above or on Attachment A that are listed at item nos. 10, 12, 20, 21, and 23 of the above-referenced Financial Disclosure.

- b. All Assets identified at item no. 23 on the **Financial Statement of TN Accounting Inc.**, including all attachments, signed on October 31, 2019, and submitted to the Bureau on or about November 5, 2019, and resubmitted and supplemented on November 7, 2019, December 19, 2019, July 14, 2020, and July 30, 2020:
 - i. Rolex Datejust Watch, serial number 930002E7, acquisition cost \$10,400.

Provided that the following Assets shall be released to TN Accounting Inc.: all electronics as identified on the above-referenced Financial Statement.