

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

NATIONAL HOMETEAM SOLUTIONS, LLC, et al.,

Defendants.

Case No. 4:08-cv-067

**PERMANENT INJUNCTION AND FINAL ORDER
AS TO EBONY TAYLOR, NATIONAL FINANCIAL ASSISTANCE, LLC,
AND NATIONAL HOMETEAM SOLUTIONS, LLC**

This matter is before the Court upon the Federal Trade Commission’s (“Commission”) Motion for an Order to Show Cause Why Everard Taylor, Elias Taylor, Ebony Taylor, and National Financial Assistance, LLC Should Not Be Held in Contempt and Memorandum in Support. Everard Taylor, Elias Taylor, Ebony Taylor, and National Financial Assistance, LLC were ordered to appear to show cause why each should not be held in civil contempt of the Court’s March 6, 2008 Preliminary Injunction (“PI”) (Dkt. #38), its September 8, 2008 Stipulated Permanent Injunction and Final Order as to Defendants Evalan Services, LLC and Everard Taylor (“Everard’s Permanent Injunction”) (Dkt. #52), and its September 8, 2008 Stipulated Permanent Injunction and Final Order as to Defendants National Hometeam Solutions, LLC; National Financial Solutions, LLC; Elant, LLC; and Elias Taylor (“Elias’ Permanent Injunction”) (Dkt. #54) (Everard’s Permanent Injunction and Elias’ Permanent Injunction collectively refers to as “Permanent Injunctions”).

On December 8, 9, and 16, 2010, the Court conducted a show cause hearing in the above-referenced matter. The Court, having found Ebony Taylor, National Financial Assistance, LLC, and National Hometeam Solutions, LLC (collectively “Contempt Defendants”) in civil contempt, having found that Plaintiff is entitled to the relief sought against Contempt Defendants for their deceptive acts and practices in connection with the marketing and sale of mortgage foreclosure rescue services, and having considered the testimony, evidence, and arguments

presented by the parties at the civil contempt proceeding, the Court finds by clear and convincing evidence as follows:

FINDINGS

1. The Court has jurisdiction over this matter for all purposes, as specifically reserved in Section XI of Everard's Permanent Injunction and Elias' Permanent Injunctions.
2. This Court has jurisdiction over the subject matter of this case and personal jurisdiction over Contempt Defendants.
3. Venue in the Eastern District of Texas is proper as to all parties.
4. The activities of Contempt Defendants are in or affecting commerce, as defined in the FTC Act, 15 U.S.C. § 44.
5. This Court entered the PI on March 6, 2008.
6. This Court entered the Permanent Injunctions on September 8, 2008.
7. Contempt Defendants received notice of the PI and Permanent Injunction.
5. On August 30, 2010, the Commission filed a Motion for Contempt. The Commission alleged, among other things, that Contempt Defendants violated the PI and the Permanent Injunctions by making false or misleading statements or misrepresentations of material fact through the marketing, sale, and offer to sell mortgage foreclosure rescue services. Specifically, Contempt Defendants violated the PI and the Permanent Injunction by making misrepresentations about: 1) the ability to stop, postpone, or prevent mortgage foreclosures; and 2) the terms of any refund for or guarantee of the services he provides.
6. During the civil contempt proceeding, the Court found that Contempt Defendants violated Section I of the PI and Section I of the Permanent Injunctions. The findings in this Final Order incorporate the findings of fact in the Court's civil contempt ruling.
7. Contempt Defendants' contumacious conduct demonstrates that the Permanent Injunctions failed to meet their objectives of protecting consumers and a Permanent Injunction should issue against Ebony Taylor, National Financial Assistance, LLC, and National Hometeam Solutions, LLC.

8. Entry of this Final Order is in the public interest.

DEFINITIONS

For the purpose of this Supplemental Permanent Injunction, the following definitions shall apply:

1. “*Assisting others*” means knowingly providing any of the following goods or services to another business venture: (A) performing customer service functions, including, but not limited to, receiving or responding to consumer complaints; (B) formulating or providing, or arranging for the formulation or provision of, any marketing material; (C) providing names of, or assisting in the generation of, potential customers; (D) hiring, recruiting, or training personnel; (E) advising or acting as a consultant to others on the commencement or management of a business venture; or (F) performing marketing services of any kind.

2. “*Consumer*” includes both individual and business consumers.

3. “*Contempt Defendants*” means the Individual Contempt Defendant and the Corporate Contempt Defendants, individually, collectively, or in any combination, whether acting directly or through any successor, assign, agent, employee, entity, corporation, subsidiary, division, or other device. “*Corporate Contempt Defendants*” means National Financial Assistance, LLC; National Hometeam Solutions, LLC; and their successors and assigns. “*Individual Contempt Defendant*” means Ebony Taylor.

4. “*Documents*” means writings, drawings, graphs, charts, photographs, sound recordings, images, and any other data or data compilations stored in any medium from which information can be obtained and translated, if necessary, into reasonably usable form and is synonymous in meaning and equal in scope to the usage of the term in Fed. R. Civ. P. 34(a). A draft or non-identical copy of a document is a separate document within the meaning of the term.

5. “*Employer*” means any individual or entity for whom Defendant performs services as an employee, consultant, or independent contractor.

6. “*Employment*” means the performance of services as an employee, consultant, or independent contractor.

7. “*Material*” means likely to affect a person’s choice of, or conduct regarding, goods or services.

8. “*Financial related good or service*” means any good, service, plan, or program that is represented, expressly or by implication, to (A) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit, debit, or stored value cards; (B) improve, or arrange to improve, any consumer’s credit record, credit history, or credit rating; (C) provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit record, credit history, or credit rating; (D) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit; (E) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, debt relief goods or services; or (F) provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving any service represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a consumer and one or more secured creditors, servicers, or debt collectors.

9. The term “*and*” also means “*or*,” and the term “*or*” also means “*and*.”

ORDER

I. BAN ON FINANCIAL RELATED GOOD OR SERVICE

IT IS THEREFORE ORDERED that Contempt Defendants Ebony Taylor, National Financial Assistance, LLC, and National Hometeam Solutions, LLC, whether acting directly or through any other person, corporation, subsidiary, division, or other device, are permanently restrained and enjoined from:

A. Advertising, marketing, promoting, offering for sale, or selling any financial related good or service; and

B. Assisting others engaged in advertising, marketing, promoting, offering for sale, or selling any financial related good or service.

II. PROHIBITIONS AGAINST DISTRIBUTION

OF CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Contempt Defendants Ebony Taylor, National Financial Assistance, LLC, and National Hometeam Solutions, LLC, and their successors, assigns, agents, employees, officers, servants, and all other persons or entities in active concert or participation with them who receive actual notice of this Permanent Injunction by personal service, facsimile, or otherwise, whether acting directly or through any corporation, subsidiary, division or other device, are permanently restrained and enjoined from:

A. Selling, renting, leasing, transferring or otherwise disclosing the individual name, address, telephone number, email address, credit card number, social security number, bank account number, or other identifying information of any person who provided any such information to defendants at any time in connection with the advertising, marketing, promoting, offering for sale, or sale of mortgage foreclosure rescue services; *provided, however*, that defendants may disclose such identifying information to any law enforcement or regulatory agency, or as required by any law, regulation, or court order; and

B. Failing to transfer to the Commission all customer information described in Subsection A of this Section, titled “Prohibitions Against Distribution of Customer Information,” in all forms in Defendant’s possession, custody, or control, no later than thirty (30) days after the Court enters this Permanent Injunction.

III. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating compliance with any provision of this Order:

A. Within ten (10) days of receipt of written notice from a representative of the Commission, Contempt Defendants each shall submit additional written reports, which are true and accurate and sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and provide entry during normal business hours to any business location in each Contempt Defendant’s possession or direct or indirect control to inspect the business operation;

B. In addition, the Commission is authorized to use all other lawful means, including, but not limited to:

1. Obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, 45 and 69;
2. Having its representatives pose as consumers and suppliers to Contempt Defendants, their employees, or any other entity managed or controlled in whole or in part by any Contempt Defendant, without the necessity of identification or prior notice; and

C. Contempt Defendants each shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order. The person interviewed may have counsel present.

Provided, however, that nothing in this Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49 and 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

IV. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that, in order that compliance with the provisions of the Permanent Injunction may be monitored:

- A. For a period of eight (8) years from the date of entry of this Permanent Injunction,
 1. Individual Contempt Defendant shall notify the Commission of the following:
 - (a) Any changes in the Contempt Defendant's residence, mailing address, and telephone number, within ten (10) days of the date of such change;

(b) Any changes in the Contempt Defendant's employment status (including self-employment), and any change in the Contempt Defendant's ownership in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that the Contempt Defendant is affiliated with, employed by, creates or forms, or performs services for; a statement of the nature of the business; and a statement of the Contempt Defendant's duties and responsibilities in connection with the business or employment; and

(c) Any changes in the Contempt Defendant's name or use of any alias or fictitious name; and

2. Contempt Defendants shall notify the Commission of any changes in corporate structure of National Financial Assistance, LLC, National Hometeam Solutions, LLC, or any business entity that any Contempt Defendant directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under the Permanent Injunction, including, but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to the Permanent Injunction; the filing of a bankruptcy petition; or a change in the corporate name or address, at least thirty (30) days prior to such change, *provided* that, with respect to any proposed change in the corporation about which a Contempt Defendant learns less than thirty (30) days prior to the date such action is to take place, the Contempt Defendant shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of Permanent Injunction and annually thereafter for a period of eight (8) years, Contempt Defendants each shall provide a written report to the Commission, sworn to under penalty of perjury, setting forth in detail the manner and form in which he has complied and is complying with the Permanent Injunction.

This report shall include, but not be limited to:

1. For Individual Contempt Defendant:
 - (a) the Contempt Defendant's then-current residence address, mailing address, and telephone number;
 - (b) the Contempt Defendant's then-current employment and business addresses and telephone numbers, a description of the business activities of each such employer or business, and her title and responsibilities for each such employer or business; and
 - (c) Any other changes required to be reported under Subsection A of this Section.
2. For all Contempt Defendants:
 - (a) A copy of each acknowledgment of receipt of this Permanent Injunction, obtained pursuant to the Section titled "Acknowledge of Receipt of Permanent Injunction";
 - (b) A statement describing the manner in which Contempt Defendant has complied and is complying with the provisions set forth in the Sections titled "Ban on Financial Related Good or Service" and "Prohibitions Against Distribution of Customer Information"; and
 - (c) Any other changes required to be reported under Subsections A or B of this Section.

C. Each Contempt Defendant shall notify the Commission of the filing of a bankruptcy petition within fifteen (15) days of filing.

D. For the purposes of this Order, Contempt Defendants each shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier all reports and notifications required by the Permanent Injunction to the Commission, to the following address:

Associate Director for Enforcement
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: *FTC v. National Hometeam Solutions, et al.*, Case No. 4:08-cv-067 (E.D. Tex.)

Provided that, in lieu of overnight courier, Contempt Defendants may send such reports or notifications by first-class mail, but only if Contempt Defendants contemporaneously send an electronic version of such report or notification to the Commission at: DEBrief@ftc.gov.

E. For purposes of the compliance reporting and monitoring required by the Permanent Injunction, the Commission is authorized to communicate directly with each Contempt Defendant.

V. RECORD KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eleven (11) years from the date of entry of this Permanent Injunction, Contempt Defendant, for any business for which they, individually or collectively, are the majority owner or directly or indirectly control, and each Contempt Defendant's agents, directors, officers, employees, corporations, successors, and assigns, and other entities or persons directly or indirectly under the Contempt Defendant's control, and all persons or entities in active concert or participation with any Contempt Defendant who receive actual notice of the Permanent Injunction by personal service, facsimile, or otherwise, are restrained and enjoined from failing to create and retain the following records:

A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;

B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;

C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;

D. Complaints and refund requests (whether received directly, indirectly or through any third party) and any responses to those complaints or requests;

E. Copies of all sales scripts, training materials, advertisements, or other marketing materials used in future business endeavors by each Contempt Defendant; and

F. All records and documents necessary to demonstrate full compliance with each provision of the Permanent Injunction, including, but not limited to, copies of acknowledgments of receipt of those orders required by the Sections titled "Distribution of Orders" and "Acknowledgment of Receipt of Permanent Injunction" and all reports submitted to the Commission pursuant to the Section titled "Compliance Reporting."

VI. DISTRIBUTION OF ORDER

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Permanent Injunction, Contempt Defendants shall deliver copies of the Permanent Injunction as directed below:

A. Corporate Contempt Defendants: Each Corporate Contempt Defendant must deliver a copy of this Order to:

1. All of its principals, officers, directors, and managers;
2. All of its employees, agents, and representatives who engage in conduct related to the subject matter of the Order; and
3. Any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting."

For current personnel, delivery shall be within five (5) days of service of this Order upon the Corporate Contempt Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.

B. Individual Contempt Defendant as control person: For any business that the Contempt Defendant controls, directly or indirectly, or in which the Defendant has a majority ownership interest, the Individual Contempt Defendant must deliver a copy of the Permanent Injunction to:

1. all principals, officers, directors, and managers of that business;
2. all employees, agents, and representatives of that business who engage in conduct related to the subject matter of the Permanent Injunction; and
3. any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting."

For current personnel, delivery shall be within five (5) days of service of this Permanent Injunction upon Defendant Ebony Taylor. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.

B. Individual Contempt Defendant as employee or non-control person: For any business where an Individual Contempt Defendant is not a controlling person of a business, but otherwise engages in conduct related to the subject matter of the Permanent Injunction, the Individual Contempt Defendant must deliver a copy of the Permanent Injunction to all principals and managers of such business before engaging in such conduct.

C. Contempt Defendants must secure a signed and dated statement acknowledging receipt of the Permanent Injunction, within thirty (30) days of delivery, from all persons receiving a copy of the Permanent Injunction pursuant to this Section.

D. Individual Contempt Defendant must secure a signed and dated statement acknowledging receipt of the Permanent Injunction, within five (5) business days of receipt of this Permanent Injunction, from Everard Taylor.

VII. ACKNOWLEDGMENT OF RECEIPT OF PERMANENT INJUNCTION


IT IS FURTHER ORDERED that each Contempt Defendant, within five (5) business days of receipt of this Permanent Injunction as entered by the Court, must submit to the Commission a truthful sworn statement acknowledging receipt of the Permanent Injunction.

VIII. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of the Permanent Injunction.

IT IS SO ORDERED.

SIGNED this the 8th day of March, 2011.



RICHARD A. SCHELL
UNITED STATES DISTRICT JUDGE