

**UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

---

FEDERAL TRADE COMMISSION, and	)	
	)	
STATE OF ILLINOIS,	)	
	)	
Plaintiffs,	)	Case No. 1:16-cv-3463
	)	
v.	)	Judge Rebecca R. Pallmeyer
	)	
STARK LAW, LLC, an Illinois limited liability company, also doing business as STARK RECOVERY;	)	Magistrate Judge Sheila M. Finnegan
	)	
STARK LEGAL, LLC, an Illinois limited liability company;	)	
	)	
ASHTON ASSET MANAGEMENT, INC., an Illinois corporation;	)	
	)	
CHM CAPITAL GROUP, LLC, an involuntarily dissolved Illinois limited liability company, also doing business as CAPITAL HARRIS MILLER & ASSOCIATES;	)	
	)	
HKM FUNDING, LTD., an involuntarily dissolved Illinois corporation, in its capacity as manager of CHM CAPITAL GROUP, LLC;	)	
	)	
PACIFIC CAPITAL HOLDINGS, INC., an Illinois corporation, formerly known as CHARLES HUNTER MILLER & ASSOCIATES, INC., and also doing business as PACIFIC CAPITAL;	)	
	)	
HIRSH MOHINDRA, individually, as an owner, officer, director, member, and/or manager of STARK LEGAL, LLC, ASHTON ASSET MANAGEMENT, INC., CHM CAPITAL GROUP, LLC, HKM FUNDING, LTD., and PACIFIC CAPITAL HOLDINGS, INC., and also doing business as ASHTON LENDING, LLC;	)	
	)	
GAURAV MOHINDRA, individually, and as an	)	

owner, member, and/or manager of STARK LAW, )  
 LLC, and STARK LEGAL, LLC; and )  
 )  
 PREETESH PATEL, individually, and as an owner )  
 and/or manager of ASHTON ASSET )  
 MANAGEMENT, INC., CHM CAPITAL GROUP, )  
 LLC, HKM FUNDING, LTD., and PACIFIC )  
 CAPITAL HOLDINGS, INC.; )  
 )  
 Defendants. )  
 \_\_\_\_\_ )

**STIPULATED FINAL JUDGMENT AND ORDER FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF AS TO DEFENDANT GAURAV MOHINDRA**

Plaintiffs, Federal Trade Commission (“FTC” or “Commission”) and State of Illinois, filed their Complaint for Permanent Injunction and Other Equitable Relief in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), Section 814 of the Fair Debt Collection Practices Act (“FDCPA”), 15 U.S.C. § 1692l, Section 7 of the Illinois Consumer Fraud and Deceptive Business Practices Act (“Consumer Fraud Act”), 815 ILCS 505/7, and Section 9.7 of the Illinois Collection Agency Act, 225 ILCS 425/9.7. Plaintiffs and Defendant Gaurav Mohindra (“Stipulating Defendant”) stipulate to the entry of this Stipulated Final Judgment and Order for Permanent Injunction and Other Equitable Relief as to Defendant Gaurav Mohindra (“Order”) to resolve all matters in dispute in this action among them.

**THEREFORE, IT IS ORDERED** as follows:

**FINDINGS**

1. This Court has jurisdiction over this matter.
2. The Complaint charges that Defendants participated in deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45; the FDCPA, 15 U.S.C. §§ 1692-1692p; Section 2 of the Illinois Consumer Fraud Act, 815 ILCS 505/2; and Sections 4

and 9(a) of the Illinois Collection Agency Act, 225 ILCS 425/4 and 425/9(a), in the collection, placement, and sale or distribution of debt.

3. Stipulating Defendant neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Stipulating Defendant admits the facts necessary to establish jurisdiction.

4. Stipulating Defendant waives any claim that he may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agrees to bear his own costs and attorney fees.

5. Stipulating Defendant waives all rights to appeal or otherwise challenge or contest the validity of this Order.

#### **DEFINITIONS**

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

1. “**Corporate Defendants**” means Defendants Stark Law, LLC, also doing business as Stark Recovery; Stark Legal, LLC; Ashton Asset Management, Inc.; CHM Capital Group, LLC, also doing business as Capital Harris Miller & Associates; HKM Funding, Ltd., in its capacity as manager of CHM Capital Group, LLC; and Pacific Capital Holdings, Inc., formerly known as Charles Hunter Miller & Associates, Inc., and also doing business as Pacific Capital, and by whatever other names they may be known, and their successors and assigns, as well as any subsidiaries, affiliates, and any fictitious business entities or business names created or used by these entities, or any of them.

2. “**Credit repair services**” means using any instrumentality of interstate commerce or the mails to sell, provide, or perform any service, in return for the payment of money or other valuable consideration, for the express or implied purpose of (i) improving any consumer’s credit

record, credit history, or credit rating, or (ii) providing advice or assistance to any consumer with regard to any activity or service described in clause (i).

3. “**Debt**” means any obligation or alleged obligation to pay money arising out of a transaction, whether or not such obligation has been reduced to judgment.

4. “**Debt collection activities**” means any activities of a debt collector to collect or attempt to collect, directly or indirectly, a debt owed or due, or asserted to be owed or due, another.

5. “**Debt collector**” means any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the collection of any debts, or who regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another. The term also includes any creditor who, in the process of collecting its own debts, uses any name other than its own which would indicate that a third person is collecting or attempting to collect such debts. The term also includes any person to the extent such person receives an assignment or transfer of a debt in default solely for the purpose of facilitating collection of such debt.

6. “**Defendants**” means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.

7. “**Financial-related product or service**” means any product, service, plan, or program represented, expressly or by implication, to:

A. Provide to any consumer, arrange for any consumer to receive, or assist any consumer in receiving, an extension of consumer credit;

B. Provide to any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit repair services; or

C. Provide to any consumer, arrange for any consumer to receive, or assist any consumer in receiving, any secured or unsecured debt relief product or service.

8. “**Individual Defendants**” means Defendants Hirsh Mohindra, Gaurav Mohindra, and Preetesh Patel, and by whatever other names each may be known.

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

10. “**Plaintiffs**” means the Federal Trade Commission and State of Illinois.

11. “**Real Property Net Proceeds**” means the total proceeds from the sale or auction of real property after payment of any reasonable and customary fees and costs, including real estate agent fees, auction fees, and escrow costs, incurred in connection with such sale or auction.

12. “**Receiver**” means Gregg Szilagyi of Tailwind Services, LLC, appointed as Permanent Equity Receiver over Receivership Defendants pursuant to Section VIII of the Preliminary Injunction with Asset Freeze and Other Equitable Relief entered in this matter on July 11, 2016 (Dkt. No. 82) (“Preliminary Injunction”).

13. “**Receivership Defendants**” means the Corporate Defendants and Aura Development, Inc., as well as any successors, assigns, affiliates, and subsidiaries that conduct any business related to Defendants’ debt collection, debt placement, and/or debt sale or distribution business and that the Receiver has reason to believe is owned or controlled in whole or in part by any Defendant.

14. “**Secured or unsecured debt relief product or service**” means, 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) negotiate, settle, or in any way alter the terms of payment or other terms of the mortgage, loan, debt, or obligation, including but not limited to, 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; (B) 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; (C) obtain any forbearance or modification in the timing of payments from any secured or unsecured holder of any mortgage, loan, debt, or obligation; (D) negotiate, obtain, or arrange any extension of the period of time within which the 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, but not limited to, auditing or examining a person's application for the mortgage, loan, debt, or obligation.

15. **“Stipulating Defendant”** means Gaurav Mohindra, and by whatever other names he may be known.

**I.**

**BAN ON DEBT COLLECTION ACTIVITIES**

**IT IS THEREFORE ORDERED** that Stipulating Defendant, whether acting directly or through an intermediary, is permanently restrained and enjoined from:

A. Participating in debt collection activities; and

B. Advertising, marketing, promoting, offering for sale, selling, buying, or

processing payments on any consumer or commercial debt or any consumer information relating to a debt.

**II.**

**PROHIBITED MISREPRESENTATIONS CONCERNING  
FINANCIAL-RELATED PRODUCTS OR SERVICES**

**IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating Defendant's 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 the advertising, marketing, promotion, offering for sale or sale of any financial-related product or service, are permanently restrained and enjoined from:

A. Misrepresenting or assisting others in misrepresenting, expressly or by implication, any material fact, including but not limited to:

1. The terms or rates that are available for any loan or other extension of credit;

2. Any person's ability to improve or otherwise affect a consumer's credit record, credit history, credit rating, or ability to obtain credit;

3. That any person can improve any consumer's credit record, credit history, or credit rating by permanently removing negative information from the consumer's

credit record, credit history, or credit rating, even where such information is accurate and not obsolete;

4. Any aspect of any secured or unsecured debt relief product or service, including but not limited to, the amount of savings a consumer will receive from purchasing, using, or enrolling in such secured or unsecured debt relief product or service; the amount of time before which a consumer will receive settlement of that consumer's debts; or the reduction or cessation of collection calls;

5. That a consumer will receive legal representation;

6. That any particular outcome or result from a financial-related product or service is guaranteed, assured, highly likely or probable, or very likely or probable;

7. The nature or terms of any refund, cancellation, exchange, or repurchase policy, including, but not limited to, the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be provided to the consumer; and

8. Any other fact material to consumers concerning any financial-related product or service, such as: the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics; and

B. Advertising or assisting others in advertising credit terms other than those terms that actually are or will be arranged or offered by a creditor or lender.

### **III.**

#### **MONETARY JUDGMENT AND PARTIAL SUSPENSION**

**IT IS FURTHER ORDERED** that:



A. Judgment in the amount of forty-seven million, two-hundred twenty thousand, four-hundred ninety-one dollars (\$47,220,491.00) is entered in favor of Plaintiffs and against Stipulating Defendant as equitable monetary relief.

B. Stipulating Defendant is ordered to pay the Commission eighty-five thousand dollars (\$85,000.00), which, as Stipulating Defendant stipulates, his undersigned counsel holds in escrow for no purpose other than payment to Plaintiffs. Stipulating Defendant further is ordered to transfer to the Commission:

1. All funds in JPMorgan Chase Bank, N.A., account number xxxx [REDACTED];
2. All funds in JPMorgan Chase Bank, N.A., account number xxxx [REDACTED]; and
3. All funds in JPMorgan Chase Bank, N.A., account number xxxx [REDACTED].

Such payment and transfers must be made within seven (7) days of entry of this Order by electronic fund transfer in accordance with instructions previously provided by a representative of the Commission.

C. Within seven (7) days of the entry of this Order, unless agreed to in writing by the Receiver, Stipulating Defendant shall transfer to the Receiver, or such other party as the Receiver may direct, the one (1) kilogram gold bar (the “Gold Bar”) presently held in the safe deposit box at JPMorgan Chase Bank, N.A., Hinsdale, Illinois, and identified in Items 8 and 17 of the Financial Statement of Individual Defendant Gaurav Mohindra signed on July 18, 2016. The Receiver is authorized and directed to promptly sell or liquidate the Gold Bar for fair market value. Stipulating Defendant shall fully cooperate with and assist the Receiver, as necessary, to effectuate the sale or liquidation of the Gold Bar. The Receiver shall promptly transfer to the Commission the proceeds from the sale or liquidation of the Gold Bar, less any fees and

expenses incurred by the Receiver in such sale or liquidation, by electronic fund transfer in accordance with instructions previously provided by a representative of the Commission.

D. The Ambriance Drive Property:

1. Stipulating Defendant, individually and in his capacity as the beneficiary of that certain trust agreement dated August 19, 2014, and known as Trust Number [REDACTED], State Bank of Countryside, Trustee, is ordered, no later than seven (7) days after entry of this Order, to take all steps that the Receiver may require, including, but not limited to, executing any directions to the land trustee, deeds and other documents, and providing any necessary documents and information, to transfer to the Receiver possession and conveyance of legal and equitable title to the real property commonly described as 402 Ambriance Drive, Burr Ridge, Illinois 60527 (the “Ambriance Drive Property”). The costs and expenses of transferring possession and conveying title to the Ambriance Drive Property shall be paid from the estate maintained by the Receiver pursuant to the *Ex Parte* Temporary Restraining Order with Asset Freeze, Appointment of a Receiver, Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue dated March 22, 2016 (Dkt. No. 17) and the Preliminary Injunction (the “Receivership Estate”). Stipulating Defendant shall take no action to diminish the value of the Ambriance Drive Property.

2. All of the Receiver’s powers and duties, as enumerated in the Preliminary Injunction, are applicable to the Ambriance Drive Property, including, but not limited to, the ability to conserve, hold, and manage the Ambriance Drive Property, and to perform all acts necessary or advisable to preserve the value of that asset.

3. The stay of actions described in Section VIII.F of the Preliminary Injunction applies to the Ambriance Drive Property. The Receiver is authorized to issue any process and commence any proceedings necessary to prevent any person from clouding or encumbering title to, or attempting to obtain possession or control over, the Ambriance Drive Property.

4. Stipulating Defendant shall fully cooperate with and assist Plaintiffs, the Receiver, and the Receiver's professionals in this case in any proceeding against or involving the Ambriance Drive Property. This cooperation and assistance shall include, but not be limited to, providing any information that is reasonably necessary to enable Plaintiffs or the Receiver to exercise their authority and discharge their responsibilities under the applicable orders of the Court.

E. Stipulating Defendant is ordered to liquidate the real property located at 512 North McClurg Court, #1901, Chicago, Illinois 60611 (the "McClurg Court Condominium"), identified in the Financial Statement of Individual Defendant Gaurav Mohindra, signed on July 18, 2016, and turn over one-half of all Real Property Net Proceeds related to the sale or auction of the McClurg Court Condominium to the Commission in accordance with instructions provided by a representative of the Commission within seven (7) business days of the closing of any sale or auction. In liquidating the McClurg Court Condominium, Stipulating Defendant is ordered to:

1. Market in a commercially reasonable manner and sell the McClurg Court Condominium at fair market value within ninety (90) days of entry of this Order. In marketing the McClurg Court Condominium, Stipulating Defendant is ordered to have the McClurg Court Condominium listed on the multiple listing service until it is sold;

2. In the event that the McClurg Court Condominium does not sell as set forth in Subsection III.E.1 of this Order, Stipulating Defendant is ordered to promptly have the McClurg Court Condominium auctioned by an auction company at a public auction to be held as soon as practicable and, in no event, not more than 120 days from the date of entry of this Order;

3. Stipulating Defendant is ordered to keep the McClurg Court Condominium in good repair and to timely pay all taxes, fees, and all other attendant expenses related to the maintenance and ownership of the McClurg Court Condominium until paying the Commission as required by this Subsection III.E. Stipulating Defendant is further ordered to maintain insurance on the McClurg Court Condominium in an amount not less than the full replacement value of the McClurg Court Condominium until paying the Commission as required by this Subsection III.E. In the event that the McClurg Court Condominium suffers any loss or damage covered by such insurance policy, Stipulating Defendant is ordered to make such claims that are permitted by the insurance policy and shall assign or remit any insurance payment he receives as a result of such loss or damage to the Commission; and

4. Stipulating Defendant shall in no way profit directly or indirectly from the sale of the McClurg Court Condominium, including by sharing in any sales commission or fee, or by receiving anything of value of any kind.

F. Upon the asset transfers and completion of other obligations specified in Subsections III.B through E above, the remainder of the judgment is suspended, subject to the Subsections below.

G. Plaintiffs' agreement to the suspension of part of the judgment against Stipulating Defendant is expressly premised upon the truthfulness, accuracy, and completeness of Stipulating Defendant's sworn financial statement and related documents (collectively, "financial representations") submitted to Plaintiffs, namely:

1. The Financial Statement of Individual Defendant Gaurav Mohindra signed on July 18, 2016, including the attachments;
2. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated July 14, 2017, including the attachments;
3. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated July 13, 2017;
4. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated July 6, 2017, including the attachment;
5. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated May 12, 2017, including the attachment;
6. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated May 4, 2017, including the attachment;
7. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated April 26, 2017, including the attachments;
8. The e-mail from Stipulating Defendant's counsel to Plaintiffs' counsel dated April 7, 2017, including the attachments;
9. The e-mails from Stipulating Defendant's counsel to Plaintiffs' counsel dated March 23, 2017, including the attachments; and

10. The Declaration of Gaurav Kumar Mohindra, Pursuant to 28 U.S.C. § 1746, executed on July 18, 2017.

H. The suspension of the judgment will be lifted as to Stipulating Defendant if, upon motion by any Plaintiff, the Court finds that Stipulating Defendant failed to disclose any material asset, materially misstated the value of any asset, or made any other material misstatement or omission in the financial representations identified above.

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

J. Stipulating Defendant relinquishes dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order and may not seek the return of any assets.

K. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of any Plaintiff, including in a proceeding to enforce their rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

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

M. Stipulating Defendant acknowledges that his Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Stipulating Defendant

previously submitted to Plaintiffs, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

N. All money paid to Plaintiffs pursuant to this Order may be deposited into a fund administered by Plaintiffs or their designee to be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If representatives of Plaintiffs decide that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, Plaintiffs may apply any remaining money for such other equitable relief (including consumer information remedies) as Plaintiffs determine to be reasonably related to Defendants' practices alleged in the Complaint. Any money not used for equitable relief shall be split evenly between the Commission and the State of Illinois. Any money paid to the Commission not used for equitable relief shall be deposited to the U.S. Treasury as disgorgement. Any money paid to the State of Illinois not used for equitable relief may be used to the full extent authorized by the State's laws, including, but not limited to, as payment for the State's costs of investigating and litigating the instant case. Stipulating Defendant has no right to challenge any actions Plaintiffs or their representatives may take pursuant to this Subsection.

O. The asset freeze is modified to permit the transfers identified in this Section. Upon completion of those transfers, the asset freeze as to Stipulating Defendant only is dissolved.

#### IV.

#### **CONSUMER INFORMATION**

**IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating Defendant's 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 consumer information to enable Plaintiffs to efficiently administer consumer redress. If a representative of Plaintiffs requests in writing any information related to redress, Stipulating Defendant must provide it, in the form prescribed by Plaintiffs, within fourteen (14) days.

B. Disclosing, using, or benefiting from consumer information, including the name, address, telephone number, email address, Social Security number, other identifying information, or any data that enables access to a consumer's account (including a credit card, bank account, or other financial account) of any person that any Defendant obtained prior to entry of this Order in connection with the collection or attempted collection of any debt.

C. Failing to destroy such consumer information in all forms in their possession, custody, or control within thirty (30) days after receipt of written direction to do so from a representative of Plaintiffs.

*Provided, however,* that consumer 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.

V.

**COOPERATION WITH PLAINTIFFS**

**IT IS FURTHER ORDERED** that Stipulating Defendant must fully cooperate with representatives of Plaintiffs in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint. Stipulating Defendant must provide truthful and complete information, evidence, and testimony. Stipulating Defendant must



appear for interviews, discovery, hearings, trials, and any other proceedings that a Plaintiffs' representative may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as a Plaintiffs' representative may designate, without the service of a subpoena.

**VI.**

**COOPERATION WITH THE RECEIVER**

**IT IS FURTHER ORDERED** that Stipulating Defendant must fully cooperate with and assist the Receiver and the Receiver's professionals in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Complaint and the duties imposed on, or powers granted to, the Receiver by any current or future order of the Court. This cooperation and assistance shall include, but not be limited to, providing any information to the Receiver and the Receiver's professionals that is reasonably necessary to enable the Receiver to exercise his authority and discharge his responsibilities under the applicable orders of the Court. Stipulating Defendant must provide truthful and complete information, evidence, and testimony. Stipulating Defendant must appear for interviews, discovery, hearings, trials, and any other proceedings that the Receiver or the Receiver's professionals may reasonably request upon five (5) days written notice, or other reasonable notice, at such places and times as the Receiver may reasonably designate, without the service of a subpoena.

**VII.**

**ORDER ACKNOWLEDGMENTS**

**IT IS FURTHER ORDERED** that Stipulating Defendant obtains acknowledgments of receipt of this Order:

A. Stipulating Defendant, within seven (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 five (5) years after entry of this Order, Stipulating Defendant for any business that Stipulating Defendant, individually or collectively with any other Defendant, is the majority owner or controls directly or indirectly, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees, agents, and representatives who participate in any offering or provision of any financial-related product or service; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within seven (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 Stipulating Defendant delivered a copy of this Order, Stipulating Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

## VIII.

### COMPLIANCE REPORTING

**IT IS FURTHER ORDERED** that Stipulating Defendant make timely submissions to the Commission:

A. One (1) year after entry of this Order, Stipulating Defendant must submit a compliance report, sworn under penalty of perjury. Stipulating Defendant must: (1) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (2) identify all business activities, including any business for which Stipulating Defendant performs services whether as an employee or otherwise and any entity in which

Stipulating Defendant has any ownership interest; (3) describe in detail Stipulating Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership; (4) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of Plaintiffs may use to communicate with Stipulating Defendant; (5) identify all of Stipulating Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (6) 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 Stipulating Defendant must describe if he knows or should know due to his own involvement); (7) describe in detail whether and how Stipulating Defendant is in compliance with each Section of this Order; and (8) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.

B. For twenty (20) years after entry of this Order, Stipulating Defendant must submit a compliance notice, sworn under penalty of perjury, within fourteen (14) days of any change in the following: (1) name, including aliases or fictitious name, or residence address; (2) title or role in any business activity, including any business for which Stipulating Defendant performs services whether as an employee or otherwise and any entity in which Stipulating Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity; (3) any designated point of contact; or (4) the structure of any entity that Stipulating Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: 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.

C. Stipulating Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Stipulating Defendant within fourteen (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](mailto: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 and State of Illinois v. Stark Law, LLC; Gaurav Mohindra, et al.*, FTC Matter No. X160030.

## IX.

### **RECORDKEEPING**

**IT IS FURTHER ORDERED** that Stipulating Defendant must create certain records for twenty (20) years after entry of the Order, and retain each such record for five (5) years. Specifically, Stipulating Defendant for any business that Stipulating Defendant, individually or collectively with any other Defendant, 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;
- E. A copy of each unique advertisement or other marketing material; and
- F. Copies of agreements, applications, and contracts with suppliers, payment processors, and list brokers.

**X.**

**COMPLIANCE MONITORING**

**IT IS FURTHER ORDERED** that, for the purpose of monitoring Stipulating Defendant's compliance with this Order, including the financial representations upon which part of the judgment was suspended and any failure to transfer any assets as required by this Order:

- A. Within fourteen (14) days of receipt of a written request from a representative of any Plaintiff, Stipulating 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. Plaintiffs also are authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.
- B. For matters concerning this Order, Plaintiffs are authorized to communicate directly with Stipulating Defendant. Stipulating Defendant must permit representatives of any

Plaintiff to interview any employee or other person affiliated with Stipulating Defendant who has agreed to such an interview. The person interviewed may have counsel present.

C. Plaintiffs may use all other lawful means, including posing, through their representatives as consumers, suppliers, or other individuals or entities, to Stipulating Defendant or any individual or entity affiliated with Stipulating Defendant, 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 any Plaintiff, any consumer reporting agency must furnish consumer reports concerning Stipulating Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1).

**XI.**

**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.

**SO ORDERED**, this 27th day of October, 2017.



---

HON. REBECCA R. PALLMEYER  
United States District Judge

//

//

//

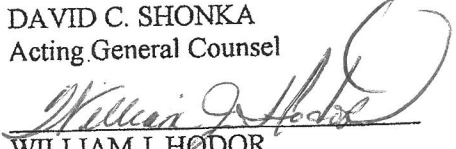
//

**SO STIPULATED AND AGREED:**

**So Stipulated:**

**FOR PLAINTIFFS:**

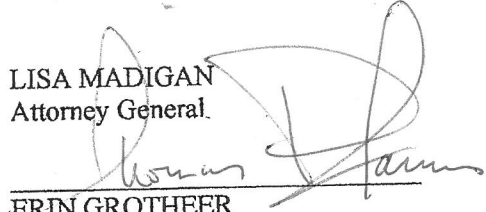
DAVID C. SHONKA  
Acting General Counsel



WILLIAM J. HODOR  
JOHN C. HALLERUD  
GUY G. WARD  
Federal Trade Commission  
Midwest Region  
55 West Monroe Street, Suite 1825  
Chicago, Illinois 60603  
(312) 960-5634 [telephone]  
(312) 960-5600 [facsimile]  
[whodor@ftc.gov](mailto:whodor@ftc.gov) [email, Hodor]  
[jhallerud@ftc.gov](mailto:jhallerud@ftc.gov) [email, Hallerud]  
[gward@ftc.gov](mailto:gward@ftc.gov) [email, Ward]  
Attorneys for Plaintiff  
FEDERAL TRADE COMMISSION

Date: Oct. 25, 2017

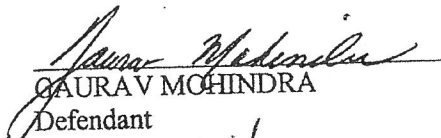
LISA MADIGAN  
Attorney General.



ERIN GROTHEER  
KIMBERLY SLIDER  
THOMAS P. JAMES  
Office of the Illinois Attorney General  
100 West Randolph Street  
Chicago, Illinois 60601  
(312) 814-8966 [telephone]  
(312) 814-2593 [facsimile]  
[egrotheer@atg.state.il.us](mailto:egrotheer@atg.state.il.us) [email, Grotheer]  
[kslider@atg.state.il.us](mailto:kslider@atg.state.il.us) [email, Slider]  
[tjames@atg.state.il.us](mailto:tjames@atg.state.il.us) [email, James]  
Attorneys for Plaintiff  
STATE OF ILLINOIS

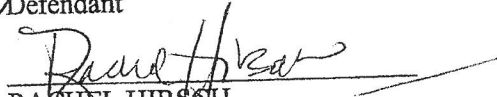
Date: 10/25/17

**FOR DEFENDANT GAURAV MOHINDRA:**



GAURAV MOHINDRA  
Defendant

Date: 7-24-2017



RACHEL HIRSCH  
JEFF IFRAH  
Ifrah PLLC  
1717 Pennsylvania Avenue NW, Suite 650  
Washington, DC 20006  
(202) 524-4140 [telephone]  
(202) 524-4141 [facsimile]  
[rhirsch@ifrahlaw.com](mailto:rhirsch@ifrahlaw.com) [email, Hirsch]  
[jeff@ifrahlaw.com](mailto:jeff@ifrahlaw.com) [email, Ifrah]

Date: 7/24/2017

Attorney for Defendant  
GAURAV MOHINDRA

STEVEN A. GREENBERG  
Steven A. Greenberg and Associates, Ltd.  
53 West Jackson Boulevard  
Chicago, Illinois 60603  
(312) 879-9500  
Local Counsel for Defendant  
GAURAV MOHINDRA