

Public Law 111-203, Section 1097, 124 Stat. 1376, 2102-03 (July 21, 2010) (“Dodd-Frank Act”), 12 U.S.C. § 5538. The Commission and Defendants stipulate to entry of this STIPULATED FINAL ORDER FOR PERMANENT INJUNCTION AND MONETARY (“Order”) to resolve all matters in dispute in this action between 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, and the Mortgage Assistance Relief Services Rule (“MARS Rule”), 16 C.F.R. Part 322, recodified as Mortgage Assistance Relief Services (“Regulation O”), 12 C.F.R. Part 1015, in connection with the marketing and sale of mortgage assistance relief services (“MARS”).
3. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.
4. Defendants waive any claim that they 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 agree to bear their own costs and attorney fees.
5. Defendants waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

For the purpose of this Order, the following definitions apply:

A. “**Assisting Others**” includes:

1. performing customer service functions, including receiving or responding to consumer complaints;
2. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including any telephone sales script, direct mail solicitation, or the design, text, or use of images of any Internet website, email, or other electronic communication;
3. formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services;
4. providing names of, or assisting in the generation of, potential customers;
5. performing marketing, billing, or payment services of any kind; or
6. acting or serving as an owner, officer, director, manager, or principal of any entity.

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

1. “**Corporate Defendant**” means Home Relief Foundation, Inc, also doing business as National Home Retention and its successors and assigns.

2. **“Individual Defendants”** means, John DiCristofalo, a/k/a John Christy, and Josephine Amanda DiCristofalo, a/k/a Amanda DiCristofalo, Amanda Sue DiCristofalo, and Amanda Christy.
- C. **“Financial product or service”** means any product, service, plan, or program represented, expressly or by implication, to:
1. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, a loan or other extension of credit;
 2. provide any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit, debit, or stored value cards;
 3. improve, repair, or arrange to improve or repair, any consumer’s credit record, credit history, or credit rating; or
 4. provide advice or assistance to improve any consumer’s credit record, credit history, or credit rating.
- D. **“Person”** means a natural person, organization, or other legal entity, including a corporation, partnership, proprietorship, association, cooperative, or any other group or combination acting as an entity.
- E. **“Secured or unsecured debt relief product or service”** means:
1. With respect to any mortgage, loan, debt, or obligation between a person and one or more secured or unsecured creditors or debt collectors, any product, service, plan, or program represented, expressly or by implication, to:
 - a. stop, prevent, or postpone any mortgage deed of foreclosure sale for a person’s dwelling, any other sale of collateral, any repossession of a

- person's dwelling or other collateral, or otherwise save a person's dwelling or other collateral from foreclosure or repossession;
- b. negotiate, obtain, or arrange a modification, or renegotiate, settle, or in any way alter any terms of the mortgage, loan, debt, or obligation, including a reduction in the amount of interest, principal balance, monthly payments, or fees owed by a person to a secured or unsecured creditor or debt collector;
 - c. obtain any forbearance or modification in the timing of payments from any secured or unsecured holder or servicer of any mortgage, loan, debt, or obligation;
 - d. negotiate, obtain, or arrange any extension of the period of time within which a person may (i) cure his or her default on the mortgage, loan, debt, or obligation, (ii) reinstate his or her mortgage, loan, debt, or obligation, (iii) redeem a dwelling or other collateral, or (iv) exercise any right to reinstate the mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;
 - e. obtain any waiver of an acceleration clause or balloon payment contained in any promissory note or contract secured by any dwelling or other collateral; or
 - f. negotiate, obtain, or arrange (i) a short sale of a dwelling or other collateral, (ii) a deed-in-lieu of foreclosure, or (iii) any other disposition of a mortgage, loan, debt, or obligation other than a sale to a third party that is not the secured or unsecured loan holder.

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

2. With respect to any loan, debt, or obligation between a person and one or more unsecured creditors or debt collectors, any product, service, plan, or program represented, expressly or by implication, to:
 - a. repay one or more unsecured loans, debts, or obligations; or
 - b. combine unsecured loans, debts, or obligations into one or more new loans, debts, or obligations.

ORDER

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

IT IS ORDERED that Defendants are permanently restrained and enjoined from advertising, marketing, promoting, offering for sale, or assisting in the advertising, marketing, promoting, or offering for sale of any secured or unsecured debt relief product or service.

II. PROHIBITION AGAINST MISREPRESENTATIONS RELATING TO FINANCIAL PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that Defendant, 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 promoting or offering for sale any financial product or service, are permanently restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication, any material fact, including:

- A. the terms or rates that are available for any loan or other extension of credit, including:

1. closing costs or other fees;
 2. the payment schedule, monthly payment amount(s), any balloon payment, or other payment terms;
 3. the interest rate(s), annual percentage rate(s), or finance charge(s), and whether they are fixed or adjustable;
 4. the loan amount, credit amount, draw amount, or outstanding balance; the loan term, draw period, or maturity; or any other term of credit;
 5. the amount of cash to be disbursed to the borrower out of the proceeds, or the amount of cash to be disbursed on behalf of the borrower to any third parties;
 6. whether any specified minimum payment amount covers both interest and principal, and whether the credit has or can result in negative amortization; or
 7. that the credit does not have a prepayment penalty or whether subsequent refinancing may trigger a prepayment penalty and/or other fees;
- B. the savings associated with the loan or other extension of credit;
- C. the ability to improve or otherwise affect a consumer's credit record, credit history, credit rating, or ability to obtain credit, including that a consumer's credit record, credit history, or credit rating, or ability to obtain credit can be improved by permanently removing current, accurate negative information from the consumer's credit record or history; or
- D. that a consumer will receive legal representation.

III. PROHIBITED MISREPRESENTATIONS RELATING TO ANY PRODUCTS OR SERVICES

IT IS FURTHER ORDERED that Defendant, 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 promoting or offering for sale any product or service are permanently restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication:

- A. any material aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy, including the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted to the consumer;
- B. that any person is affiliated with, endorsed or approved by, or otherwise connected to any other person; government entity; public, non-profit, or other non-commercial program; or any other program;
- C. the nature, expertise, position, or job title of any person who provides any product, service, plan, or program;
- D. the person who will provide any product, service, plan, or program to any consumer;
- E. that any person providing a testimonial has purchased, received, or used the product, service, plan, or program;
- F. the total costs to purchase, receive, or use, or the quantity of, the product, service, plan, or program;
- G. any material restriction, limitation, or condition on purchasing, receiving, or using the product, service, plan, or program; or

- H. any other material fact concerning any aspect of the performance, efficacy, nature, or characteristics of the product, service, plan, or program.

IV. MONETARY JUDGMENT AND PARTIAL SUSPENSION

IT IS FURTHER ORDERED that:

- A. Judgment in the amount of ONE MILLION TWO HUNDRED AND SEVENTY THOUSAND FOUR HUNDRED AND THIRTY-NINE DOLLARS \$1,270,439 is entered in favor of the Commission against Individual Defendants and Corporate Defendant, jointly and severally, as equitable monetary relief. Provided, however, that this judgment shall be fully suspended upon the Defendants' fulfillment of the obligations in Subsection B of this Section titled "Monetary Judgment and Partial Suspension."
- B. Within seven (7) days of the entry of this Order, Defendants and the third parties identified below are ordered to remit to the Commission, in the form of electronic fund transfers to the Commission or its designated agent, the following:
1. Great Plains National Bank shall transfer to the Commission or its designated agent the entire balance of the account ending in 1842 worth approximately \$2,777.06;
 2. University Federal Credit Union shall transfer to the Commission or its designated agent the entire balance of Amanda DiCristofalo's account ending 1431 worth approximately \$319.65;
 3. University Federal Credit Union shall transfer to the Commission or its designated agent the entire balance of John DiCristofalo's account ending 2741 worth approximately \$196.03;

4. Fidelity Investments shall transfer to the Commission or its designated agent the entire balance of John and Amanda DiCristofalo's joint account ending in 0567 worth approximately \$1,091;
5. Fidelity Investments shall transfer to the Commission or its designated agent the entire balance of John and Amanda DiCristofalo's joint account ending in 4722 worth approximately \$9,990.17; and
6. The Alexander Law Firm shall transfer to the Commission or its designated agent \$53,900 that is held in its client-trust account.

Provided that to the extent that any third party cannot comply with this Subsection without the assistance of Defendants, the third party must, within three (3) business days of receiving this Order, notify Defendants and counsel for the Commission of its inability to comply. Such notification shall specify the action by Defendants that are necessary to comply with this Order. Within five (5) days of receipt of such notice, Defendants shall complete any action necessary to facilitate the identified third party's ability to comply with this Subsection. Defendants' failure to complete such action within five (5) days shall be deemed a violation of this Order and interest at the rate prescribed in 28 U.S.C. § 1961 shall immediately begin to accrue.

- C. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Defendants' sworn financial statements and related documents (collectively, "financial representations") submitted to the Commission, namely:

1. the Financial Statement of Individual Defendant John DiCristofalo signed on July 29, 2014, including the attachments, and the Supplement to the Financial Statement signed on August 18, 2014;
 2. the Financial Statement of Individual Defendant Josephine Amanda DiCristofalo signed on July 29, 2014, including the attachments, and the Supplement to the Financial Statement signed on August 18, 2014;
 3. the Financial Statement of Home Relief Foundation, Inc, signed by Josephine Amanda DiCristofalo, Director, on July 30, 2014, including attachments; and
 4. the Financial Statement of HD Interests, Inc, signed by Josephine Amanda DiCristofalo, Director, on July 30, 2014, including attachments.
- D. The suspension of the judgment will be lifted as to any Defendant if, upon motion by the Commission, the Court finds that 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.
- E. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that 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.

V. ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

- A. Defendants relinquish 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.
- B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the Commission, including in a proceeding to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.
- C. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission 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.
- D. Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Defendants previously submitted to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.
- E. All money paid to the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other equitable relief (including consumer information remedies)

as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any money not used for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

- F. The asset freeze is modified to permit the payments/transfers identified in the Monetary Judgment Section. Upon completion of those payments/transfers, the asset freeze is dissolved.

VI. CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are permanently restrained or enjoined from directly or indirectly:

- A. failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the Commission, within 14 days;
- B. disclosing, using, or benefiting from customer information, including the name, address, telephone number, email address, Social Security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that any Defendant obtained prior to entry of this Order in connection with the marketing and sale of secured or unsecured debt relief products or services; and

- C. failing to destroy such customer information in all forms in their possession, custody, or control within thirty (30) days of receipt of written authorization from the Commission.

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

VII. ORDER ACKNOWLEDGMENTS

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

- A. Each Defendant, within 7 days of entry of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. For 15 years after entry of this Order, each Individual Defendant for any business that such Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, and the Corporate Defendant, 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 conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

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

VIII. COMPLIANCE REPORTING

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

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

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

- B. For 20 years after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:
1. Each Defendant must report any change in: (a) any designated point of contact; or (b) the structure of the Corporate Defendant or any entity that 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.
 2. Additionally, each Individual Defendant must report any change in: (a) name, including aliases or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

- C. Each Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant within 14 days of its filing.
- D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____,” and supplying the date, signatory’s full name, title (if applicable), and signature.
- E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington DC 20580. The subject line must begin: *FTC v. Home Relief Foundation, Inc, et al.*, Case No. 1:14-cv-00652-SS [FTC File No. X140040].

IX. RECORDKEEPING

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

- A. accounting records showing the revenues from all goods or services sold;

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

X. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for purposes of monitoring Defendants' 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 the Order:

- A. Within 14 days of receipt of a written request from a representative of the Commission, each Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Commission is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.
- B. For matters concerning this Order, the Commission is authorized to communicate directly with each Defendant. Defendant must permit representatives of the Commission to interview any employee or other person affiliated with Defendant

who has agreed to such an interview. The person interviewed may have counsel present.

- C. The Commission may use all other lawful means, including posing, through its representatives as consumers, suppliers, or other individuals or entities, to Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.
- D. Upon written request from a representative of the Commission, any consumer reporting agency must furnish consumer reports concerning Individual Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XI. RETENTION OF JURISDICTION

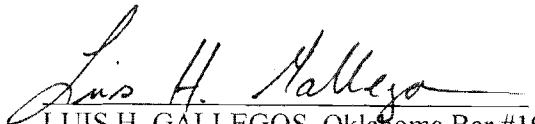
IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED this 5th day of March, 2015


DISTRICT JUDGE

SO STIPULATED AND AGREED:

FOR PLAINTIFF:
FEDERAL TRADE COMMISSION



LUIS H. GALLEGOS, Oklahoma Bar #19098

EMILY ROBINSON, Texas Bar # 24046737

1999 Bryan Street, Suite 2150

Dallas, Texas 75201

(214) 979-9383 (telephone) (Gallegos)

(214) 979-9386 (telephone) (Robinson)

(214) 953-3079 (facsimile)

LGALLEGOS@FTC.GOV (email)

EROBINSON@FTC.GOV (email)

FOR DEFENDANTS:



Date: 12/9/2014

Richard W. Alexander
Alexander Law Firm
1505 West Sixth Street
Austin, Texas 78703
(512) 482-9500
(512) 472-4013 (facsimile)
ralexander@alexanderatty.com
COUNSEL FOR HOME RELIEF FOUNDATION,
INC; JOHN DICRISTOFALO; AND
JOSEPHINE AMANDA DICRISTOFALO.

DEFENDANTS:


HOME RELIEF FOUNDATION, INC


_____ DIRECTOR

Date: 12/9/2014

BY: JOHN DICRISTOFALO,
INDIVIDUALLY AND AS AN OFFICER OF
HOME RELIEF FOUNDATION, INC

JOHN DICRISTOFALO



Date: 12/9/2014

JOHN DICRISTOFALO,
INDIVIDUALLY AND AS AN OFFICER OF
HOME RELIEF FOUNDATION, INC.

JOSEPHINE AMANDA DICRISTOFALO



Date: 12/9/2014

JOSEPHINE AMANDA DICRISTOFALO,
INDIVIDUALLY AND AS AN OFFICER OF
HOME RELIEF FOUNDATION, INC.