

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NEW YORK



FEDERAL TRADE COMMISSION,

Plaintiff,

v.

UNIFIED GLOBAL GROUP, LLC,  
*et al.*,

Defendants.

Case No. 1:15-cv-00422-EAW

**STIPULATED ORDER FOR  
PERMANENT INJUNCTION AND  
MONETARY JUDGMENT AS TO  
DEFENDANT ANTHONY COPPOLA**

Plaintiff, the Federal Trade Commission (“Commission”), filed its Complaint for Permanent Injunction and Other Equitable Relief on May 11, 2015, pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), and Section 814 of the Fair Debt Collection Practices Act (“FDCPA”), 15 U.S.C. § 1692i. On motion by the FTC, on May 12, 2015, this Court entered an *ex parte* temporary restraining order with asset freeze, appointment of receiver, and other equitable relief against defendants Unified Global Group, LLC; ARM WNY, LLC; Audubon Financial Bureau, LLC; Domenico D’Angelo; and Anthony Coppola (collectively, “Defendants”). (Dkt. No. 13.). On June 26, 2015, the Court entered two Stipulated Preliminary Injunctions, one pertaining to defendant Anthony Coppola (Dkt. No. 35), and one pertaining to defendants Unified Global Group, LLC; ARM WNY, LLC; Audubon Financial Bureau, LLC; and Domenico D’Angelo (Dkt. No. 36). On August 26, 2016, the Court entered a Stipulated Permanent Injunction And Monetary Judgment As To Defendants ARM WNY, LLC; Audubon Financial Bureau, LLC; Unified Global Group, LLC; and Domenico D’Angelo. The Commission

and Defendant Anthony Coppola (“Stipulating Defendant”) stipulate to the entry of this Stipulated Order For Permanent Injunction And Monetary Judgment As To Defendant Anthony Coppola (“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, abusive, and unfair debt collection practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45, and the FDCPA, 15 U.S.C. §§ 1692-1692p.
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, Defendants admit the facts necessary to establish jurisdiction.
4. Defendant Coppola filed a petition for relief under Chapter 11 of the Bankruptcy Code on December 8, 2015. *In re Anthony J. Coppola*, No. 15-12616 (Bankr. W.D.N.Y.) (“Coppola Bankruptcy Case”). On May 17, 2016, Coppola filed his Debtor’s Voluntary Consent to Convert from Chapter 11 to Chapter 7 Pursuant to 11 U.S.C. § 1112(a) (the “Motion to Convert”). The Bankruptcy Court granted the relief in the Motion to Convert and converted the Coppola Bankruptcy Case to a Chapter 7 proceeding on May 24, 2016. Plaintiff’s prosecution of this action, including the entry of a monetary judgment and the enforcement of a judgment (other than a money judgment) obtained in this action, are actions to enforce Plaintiff’s police or regulatory powers. As a result, if the Coppola Bankruptcy Case is pending as of the date of entry of this Order, then these actions are excepted from the automatic stay pursuant to 11 U.S.C. § 362(b)(4).

5. 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.
6. Stipulating Defendant and the Commission 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. **“Credit repair services”** means selling, providing, or performing any service (or representing that such service can or will be sold, provided, or performed) through the use of any instrumentality of interstate commerce or the mails, 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).
- B. **“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.
- C. **“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.
- D. **“Debt collector”** means any person who uses any instrumentality of interstate commerce or the mail 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.

- E. **“Defendants”** means all of the Corporate and Individual Defendants, individually, collectively, or in any combination, by whatever names each might be known.
1. **“Corporate Defendants”** means Unified Global Group, LLC; ARM WNY, LLC, also d/b/a Accredited Receivables Management; Audubon Financial Bureau LLC, also d/b/a AFB; and their successors and assigns.
  2. **“Individual Defendants”** means Domenico D’Angelo, a/k/a Dominick D’Angelo, and Anthony Coppola.
- F. **“Financial-related product or service”** means any product, service, plan, or program represented, expressly or by implication, to:
1. Provide to any consumer, arrange for any consumer to receive, or assist any consumer in receiving, an extension of consumer credit;
  2. Provide to any consumer, arrange for any consumer to receive, or assist any consumer in receiving, credit repair services;
  3. 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.

- G. **“Person”** means a natural person, organization, or other legal entity, including a corporation, partnership, proprietorship, association, cooperative, or any other group or combination acting as an entity.
- H. **“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:
1. 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;
  2. 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;
  3. obtain any forbearance or modification in the timing of payments from any secured or unsecured holder of any mortgage, loan, debt, or obligation;
  4. negotiate, obtain, or arrange any extension of the period of time within which the person may (a) cure his or her default on the mortgage, loan, debt, or obligation, (b) reinstate his or her mortgage, loan, debt, or obligation, (c) redeem a dwelling or other collateral, or (d) exercise any right to reinstate

the mortgage, loan, debt, or obligation or redeem a dwelling or other collateral;

5. 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
6. negotiate, obtain, or arrange (a) a short sale of a dwelling or other collateral, (b) a deed-in-lieu of foreclosure, or (c) 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.

- I. **"Stipulating Defendant"** means Anthony Coppola.

## **ORDER**

### **I. BAN ON DEBT COLLECTION ACTIVITIES**

**IT IS THEREFORE ORDERED** that the 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, or buying any consumer or commercial debt or any consumer information relating to a debt.

## II. PROHIBITED MISREPRESENTATIONS RELATING TO 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 by personal service, facsimile transmission, email, or otherwise, 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, or 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 SUSPENSION**

**IT IS FURTHER ORDERED** that:

- A. Judgment in the amount of nine million, three-hundred ninety-four thousand, seventy-four dollars and eighty-eight cents (\$9,394,074.88) is entered in favor of the Commission against Stipulating Defendant, as equitable monetary relief.
- B. The judgment is suspended subject to the Subsections below.



- C. The FTC's agreement to the suspension of the judgment against the Stipulating Defendant is expressly premised upon the truthfulness, accuracy, and completeness of the Stipulating Defendant's sworn financial statements and related documents (collectively, "financial representations") submitted to the FTC, namely:
1. The March 20, 2017 Financial Statement of Anthony Coppola, and attachments submitted by Stipulating Defendant's counsel, Scott J. Bogucki, on March 20, 2017, by emails with the subject COPPOLA - Financial Statement Email #1, COPPOLA - Financial Statement Email #2, COPPOLA - Financial Statement Email #3, COPPOLA - Financial Statement Email #4, COPPOLA - Financial Statement Email, #5 COPPOLA - Financial Statement Email #6, and COPPOLA - Financial Statement Email #7.
  2. The August 11, 2016 Financial Statement of Anthony Coppola, and attachments submitted by Stipulating Defendant's counsel, Scott J. Bogucki, by letter dated August 12, 2016.
  3. The April 11, 2017 Final Affidavit of Defendant Anthony J. Coppola In Support of Financial Statement of Individual Defendant.
- D. The suspension of the judgment will be lifted as to the Stipulating Defendant if, upon motion by the FTC, the Court finds the 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.

- E. If the suspension of the judgment is lifted, the judgment becomes immediately due as to the 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), plus interest computed from the date of entry of this Order.

#### IV. ADDITIONAL MONETARY PROVISIONS

**IT IS FURTHER ORDERED** that:

- A. Stipulating Defendant 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.
- 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. Stipulating Defendant agrees:
1. That the judgment ordered by Section III.A is not dischargeable in bankruptcy;
  2. To the filing by the Plaintiffs in the Coppola Bankruptcy Case of:

- a. Complaint to Determine Nondischargeability of Debt Owed to Plaintiff (in the form attached as Attachment A); and
  - b. Stipulated Judgment for Nondischargeability of Debt Owed to Plaintiff (in the form attached as Attachment B), which defendant Coppola has executed concurrently with this Order, determining that the equitable monetary relief ordered by Section III, including the conditions set forth in Sections III.D & E, is excepted from discharge pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A);
3. To the allowance of a general unsecured claim in the Coppola Bankruptcy Case under Section 502 of the Bankruptcy Code, 11 U.S.C. § 502, in favor of the Plaintiff in the amount of \$9,394,074.88, and that the Plaintiff is entitled to participate in any distributions made to creditors in the Coppola Bankruptcy Case, on account of the Plaintiff's filed proof of claim.
- E. Stipulating Defendant acknowledges that his Taxpayer Identification Numbers (Social Security and Employer Identification Numbers), which Stipulating Defendant previously submitted to the FTC, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.
- F. 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.

#### V. CONSUMER INFORMATION

**IT IS FURTHER ORDERED** that Stipulating Defendant and his 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 by personal service, facsimile transmission, email, or otherwise, are permanently restrained and enjoined from directly or indirectly:

- A. Failing to provide sufficient consumer information to enable the FTC to administer efficiently consumer redress. If a representative of the FTC requests in writing any information related to redress, Stipulating Defendant must provide it, in the form prescribed by the FTC, within 14 days.
- B. Disclosing, using, or benefitting 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; and

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

#### VI. ORDER ACKNOWLEDGMENTS

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

- A. Stipulating 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, Stipulating Defendant for any business that he, individually or collectively with any other Defendants, 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 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 Stipulating Defendant delivered a copy of this Order, Stipulating Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

## VII. COMPLIANCE REPORTING

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

- A. One year after entry of this Order, Stipulating Defendant must submit a compliance report, sworn under penalty of perjury. In that report, Stipulating Defendant must:
1. 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 Stipulating Defendant;
  2. Identify all of Stipulating Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses;
  3. Describe the activities of each such 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);
  4. 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;
  5. Describe in detail Stipulating Defendant's involvement in each such business, including title, role, responsibilities, participation, authority,

- control, and any ownership;
6. Describe in detail whether and how Stipulating Defendant is in compliance with each Section of this Order; and
  7. Provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission.
- B. For 15 years after entry of this Order, Stipulating Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:
1. Any designated point of contact or 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.
  2. Additionally, Stipulating 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 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.
- C. Stipulating Defendant must submit to the Commission notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against

Stipulating 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. Unified Global Group, LLC, X15044.

#### **VIII. RECORDKEEPING**

**IT IS FURTHER ORDERED** that Stipulating Defendant must create certain records for 15 years after entry of the Order, and retain each such record for 5 years. Specifically, Stipulating Defendant for any business that he, 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; and
- E. A copy of each unique advertisement or other marketing material.

#### IX. COMPLIANCE MONITORING

**IT IS FURTHER ORDERED** that, for the purpose of monitoring Stipulating Defendant's compliance with this Order:

- A. Within 14 days of receipt of a written request from a representative of the Commission, 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. 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 Stipulating Defendant. Stipulating Defendant must permit representatives of the Commission to interview any employee or other person affiliated with any 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

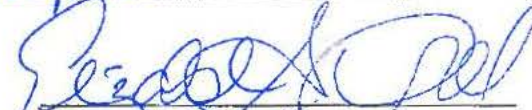
representatives as consumers, suppliers, or other individuals or entities, to Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 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 Stipulating Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

**X. 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.

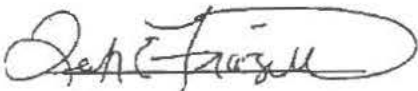
SO ORDERED this 24<sup>th</sup> day of August, 2017.

  
HON. ELIZABETH A. WOLFORD  
United States District Judge

**SO STIPULATED AND AGREED:**

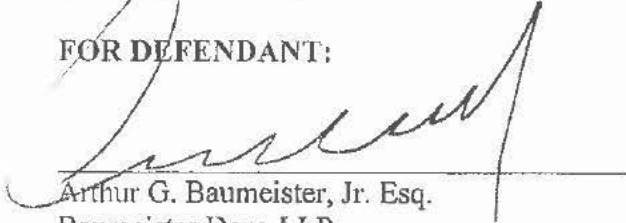
**FOR PLAINTIFF:**

**FEDERAL TRADE COMMISSION**



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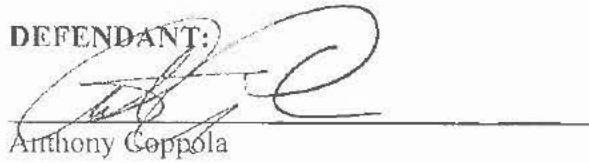
**FOR DEFENDANT:**



Date: 5/10/17

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**DEFENDANT:**



Anthony Coppola

Date: 5/10/17