

IN THE CIRCUIT COURT OF THE THIRTEENTH JUDICIAL CIRCUIT
IN HILLSBOROUGH COUNTY, FLORIDA
CIVIL ACTION

OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiff,

v.

CASE NO.: 19-CA-3137

ELLENWOOD ACADEMY, LLC,
A Florida Limited Liability Company; and
JOSEPH WILLIAMS, individually and
as an officer of ELLENWOOD ACADEMY, LLC,

Defendants.

**CONSENT FINAL JUDGMENT FOR PERMANENT INJUNCTION
AND MONETARY RELIEF**

Plaintiff, the Office of the Attorney General, State of Florida, Department of Legal Affairs (“Attorney General”) filed a Complaint for Injunctive Relief, Civil Penalties and Other Statutory Relief (“Complaint”) in this matter against Defendants Ellenwood Academy, LLC, and Joseph Williams (collectively referred to as “Defendants”), alleging Defendants violated the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes (“FDUTPA”). Plaintiffs and Defendants stipulate to the entry of this Consent Final Judgment for Permanent Injunction and Monetary Relief against Ellenwood Academy, LLC, and Joseph

Williams (“Judgment”). This Judgment resolves all matters in dispute in this action between Plaintiffs and Defendants. This Court, having considered all filings, memoranda, and exhibits, and Plaintiff’s Motion to Enter Consent Final Judgment for Permanent Injunction and Monetary Relief, and having heard no objection, hereby **FINDS, ORDERS, AND ADJUDGES:**

Final Judgment is hereby entered in favor of the Attorney General, and against Defendants Ellenwood Academy, LLC and Joseph Williams as follows:

DEFINITIONS

For purpose of this Judgment, the following definitions shall apply:

1. “Defendants” means corporate defendant, Ellenwood Academy, LLC, and individual defendant Joseph Williams (“Williams”) individually, collectively, or in any combination.
2. “Effective Date” means the date upon which the Judgment is entered by the Court.
3. “Ellenwood Academy” means corporate Defendant Ellenwood Academy, an inactive Florida Limited Liability Company, and its successors and assigns.
4. “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.

FINDINGS

5. This Court has jurisdiction over the subject matter pursuant to the provisions of the FDUTPA.

6. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Judgment. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.

7. Defendants' activities are in or affecting commerce as respectively defined in Section 501.203(8), Florida Statutes.

8. The Complaint charges that Defendants participated in deceptive acts or practices by making false or misleading claims in violation of FDUTPA.

9. Defendants waive all rights to appeal or otherwise challenge or contest the validity of this Judgment.

10. Defendants waive and release any claims that they may have against the Attorney General.

11. Entry of this Judgment is in the public interest.

INJUNCTIVE RELIEF

I. BAN ON ENGAGING IN THE BUSINESS OF SELLING DIPLOMAS

12. Defendants are permanently enjoined from, directly or indirectly, participating and assisting others in operating, managing, owning, directing, controlling, or maintaining any financial interest in any business or entity that

markets or provides any high school or high school equivalency diplomas, and from managing or supervising any Person employed by such business or entity.

13. As of the Effective Date of this Judgment, Defendants have caused the website associated with Ellenwood Academy, ellenwoodacademy.com, to be taken down and made inaccessible to the public. Defendants, Defendants' officers, directors, agents, employees, independent contractors, and attorneys, and all other Persons in active concert or participation with any of them who receive actual notice of this Judgment, whether acting directly or indirectly, are hereby enjoined from reactivating the Ellenwood Academy website or otherwise making it accessible to the public in the future.

II. PROHIBITION AGAINST MISREPRESENTATIONS

14. Defendants, Defendants' officers, directors, agents, employees, independent contractors, and attorneys, and all other Persons in active concert or participation with any of them who receive actual notice of this Judgment, whether acting directly or indirectly, in connection with Telemarketing or the advertising, marketing, promotion, offering for sale, selling, or distribution of any good, or service, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, expressly or by implication, any material fact, including:

- A. That Ellenwood Academy is a legitimate, state-approved and accredited secondary school;

- B. That consumers who enroll in Ellenwood Academy will earn an “accredited online high school diploma;”
- C. That consumers with an Ellenwood Academy high school diploma will open doors to a better future;
- D. That consumers with an Ellenwood Academy high school diploma will enhance their professional skills and marketability, and;
- E. That consumers with an Ellenwood Academy high school diploma will have credentials necessary for most jobs in all 50 states.

III. COMPLIANCE WITH STATE LAW

15. Defendants, Defendants’ officers, directors, agents, employees, independent contractors, and attorneys, whether acting directly or indirectly, are permanently restrained and enjoined from violating, or assisting others in violating, any provision of the FDUTPA.

IV. COOPERATION

16. Defendants must cooperate fully with the Attorney General’s representatives in this case and in any investigation related to or associated with the transactions or occurrences that are the subject of the Complaint. Defendants must provide truthful and complete information, evidence, and testimony. Williams must

appear, and Ellenwood Academy must cause its officers, employees, representatives, or agents to appear, for interviews, discovery, hearings, trials, and any other proceedings that the Attorney General's representative may reasonably request upon five (5) days' written notice, or other reasonable notice, at such places and times as either Plaintiffs or Plaintiffs' representatives may designate, without the service of a subpoena.

MONETARY RELIEF

V. TOTAL DISGORGEMENT AMOUNT

17. Judgment in the amount Eight Hundred Forty Eight Thousand Four Hundred Forty-Five Dollars and No Cents (\$848,445.00) ("Total Disgorgement Amount") is entered in favor of Plaintiffs against Defendants, jointly and severally, as equitable monetary relief.

VI. CIVIL PENALTIES

18. Pursuant to Section 501.2075, Florida Statutes, any person, corporation, or entity who willfully engaged in a deceptive act, or practice in violation of the FDUTPA is liable for a civil penalty of not more than \$10,000 for each such violation. The Attorney General identified at least 4,351 occasions on which Defendants sold deceptive, sham diplomas between 2015 and 2019. For purposes of this Judgment, the Attorney General and Defendants agree the appropriate penalty amount is \$500 for each of the identified transactions. Pursuant

to Section 501.2075, Civil Penalties are assessed in the amount of Two Million One Hundred and Seventy-Five Thousand Five Hundred Dollars and No Cents (\$2,175,500.00) (“Penalty Amount”), plus interest as prescribed under Section 55.03, Florida Statutes, for which let execution issue forthwith.

19. The Defendants agree that any Penalty Amount is not subject to discharge under the Bankruptcy Code pursuant to 11 U.S.C. § 523(a)(7). The Defendants further agree not to object to or otherwise dispute any claim for non-dischargeability of the Penalty Amount in any voluntary or involuntary bankruptcy proceedings. In any bankruptcy proceeding relating to the non-dischargeability of the Penalty Amount, the Defendants stipulate that the allegations of the Complaint and the findings of this Court may be taken as true and correct without further proof. Further, the Defendants agree that the facts alleged in the Complaint establish all elements necessary to find the Penalty Amount is not subject to discharge pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, and this Judgment will have collateral estoppel effect for such purposes.

VII. ATTORNEY’S FEES AND COSTS

20. The parties stipulate and agree that the Attorney General is entitled to payment of its attorney’s fees and costs in the amount of Twenty Seven Thousand Five Hundred Thirty Three Dollars and Fifty Four Cents (\$27,533.54).

21. Judgment is hereby entered against the Defendants, jointly and severally, for attorney's fees and costs in the amount of Twenty Seven Thousand Five Hundred Thirty Three Dollars and Fifty-Four Cents (\$27,533.54) ("Fees Amount"), plus interest as prescribed under Section 55.03, Florida Statutes, for which let execution issue forthwith.

VIII. TOTAL MONETARY JUDGMENT AND PARTIAL SUSPENSION

22. When added together, the Disgorgement Amount of Eight Hundred Forty Eight Thousand Four Hundred Forty-Five Dollars and No Cents (\$848,445.00), the Penalty Amount of Two Million One Hundred and Seventy-Five Thousand Five Hundred Dollars and No Cents (\$2,175,500.00), and the Fees Amount of Twenty Seven Thousand Five Hundred Thirty-Three Dollars and Fifty Four Cents (\$27,533.54), total Three Million Fifty-One Thousand Four Hundred and Seventy-Eight Dollars and Fifty-Four Cents (\$3,051,478.54) (the "Total Judgment Amount").

23. Defendants, Ellenwood Academy and Joseph Williams, submitted financial affidavits, sworn to under oath, to the Attorney General on June 8, 2020. Defendants Ellenwood Academy and Joseph Williams also provided other financial documentation on April 20, 2020 and June 8, 2020. The financial affidavits and supporting documentation ("Financial Documentation") demonstrate Ellenwood Academy and Williams are unable to pay the Total Judgment Amount. Based on

the agreement of the parties, and subject to the veracity and truthfulness of Respondents' sworn financial affidavits provided to the Attorney General, the Defendants shall pay Twenty Thousand Dollars and No Cents (\$20,000.00) ("Defendants' Payment Amount"). The Defendants' Payment Amount shall be paid via wire transfer, cashier's check or other certified funds payable to Department of Legal Affairs, to be deposited in the Department of Legal Affairs Revolving Trust Fund or as otherwise directed by the Attorney General.

24. Upon completion of the payment listed in Paragraph 23, the remainder of the Total Judgment Amount is suspended as to Defendants Ellenwood Academy and Williams. The Total Judgment Amount Three Million Fifty-One Thousand Four Hundred Seventy-Eight Dollars and Fifty-Four Cents (\$3,051,478.54), less Defendants' Payment Amount (\$20,000.00), is Three Million Thirty-One Thousand Four Hundred Seventy-Eight Dollars and Fifty-Four Cents (\$3,031,478.54) ("The Suspension Amount").

25. Five Thousand Dollars and No Cents (\$5,000.00) of funds from the Defendants' Payment Amount shall be directed to the General Revenue Fund as the Penalty Amount.

26. The Attorney General will use the remaining funds from Defendants' Payment Amount to make refunds to consumers. Eligibility for refunds lies solely within the discretion and judgment of the Attorney General. If the Attorney General

is unable to locate consumers for restitution or determines that restitution is not practical, any remaining monies will revert to the Department of Legal Affairs and shall be applied to the Fee Amount.

27. Upon the Effective Date, any monies received by Ellenwood Academy, or Williams as a result of a transaction or transactions related to Ellenwood Academy shall be refunded to that consumer within seven (7) days of receipt. Proof that a refund has been made shall be provided to the Attorney General within seven (7) days of the refund being issued.

28. The suspension of the judgment will be lifted as to either Defendant if the Court finds that such 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 Documentation described above in Paragraph 23.

29. If the suspension of the judgment is lifted, the Total Judgment Amount becomes immediately due as to that Defendant in the amount specified in Paragraph 22 (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 Judgment.

30. Defendants shall pay the Payment Amount to the Attorney General as follows:

- A. \$3,000 shall be submitted within fourteen (14) days of Defendants' receipt of a fully executed copy of this Judgment, and shall be applied to make refunds to consumers;
- B. The remainder of the Payment Amount will be paid in up to thirty-six (36) monthly installments at least \$472.22 until such time as the full Payment Amount is paid.

31. Upon full, complete and timely payment of the Payment Amount by Defendants, the Office of the Attorney General shall file a satisfaction of judgment as to the monetary obligations of Defendant Joseph Williams under the Judgment, provided that no bankruptcy petition is filed for 91 days following full payment of the Payment Amount.

32. In no case shall the timely performance of payment obligations under this Judgment or any satisfaction of judgment release Defendants from any non-monetary provisions of the Judgment.

ADDITIONAL STATUTORY RELIEF

IX. FUTURE VIOLATIONS

33. Any failure to comply with the terms and conditions of this Judgment is prima facie evidence of a FDUTPA violation, and will subject the Defendants to a Modified Consent Final Judgment in the amount of the Total Judgment Amount, minus any payments made to date, and any and all additional civil penalties and

sanctions authorized by law, including attorney's fees and costs incurred in enforcing this Judgment. Any sanction or payment provided by this Judgment does not preclude the Attorney General from pursuing any other action, relief, or sanction available to the Attorney General for any act which, independent of this Judgment, would constitute a violation of the laws of Florida.

X. COMPLIANCE MONITORING AND REPORTING

34. Beginning from the Effective Date of this Judgment, the Defendants' records must be retained for a minimum of three (3) years. The Defendants shall maintain and make available to the Attorney General's representative, upon any reasonable written request, all books, records and other documents, except privileged documents, in the format in which they exist, which reflect the implementation of the terms of this Judgment and compliance with its terms. Any such records requested by the Attorney General shall be made available for inspection within ten (10) business days of the Defendants' receipt of the request. The Defendants shall honor any request from the Attorney General to make such records available without legal process.

35. For a period of three (3) years from the Effective Date, upon any reasonable written request by the Attorney General, the Defendants shall notify the Attorney General of the occurrence of:

- a. Any changes in Williams' residence, mailing address, and telephone number;
- b. Any changes in Williams' employment status (including self-employment), and any change in Williams' ownership in any business entity. Such notice shall include the name and address of each business that Williams is affiliated with, employed by, creates or forms, or performs services for; a detailed description of the nature of the business; and a detailed description of Williams' duties and responsibilities in connection with the business or employment; and,
- c. Any changes in Williams' name or use of any aliases or fictitious names.

36. Joseph Williams shall notify the Attorney General of the filing of a bankruptcy petition within fifteen (15) days of filing.

37. Within seven (7) days of the Effective Date, the Defendants must:

- a. Designate at least one telephone number and email, physical, and postal address as points of contact, which the Attorney General may use to communicate with Defendants;
- b. Identify all businesses Williams' owns, or directly or indirectly controls, by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; and
- c. Describe the activities of each such business, including the products and services offered, and the means of advertising, marketing, and sales.

38. For three (3) years from the Effective Date, the Consent Defendants must report any change in the information required to be submitted under Paragraph 37 at least 30 days before the change or as soon as practicable after learning about the change, whichever is sooner.

39. The Attorney General is authorized to monitor the Defendants' compliance with this Judgment, without further leave of the Court, by all lawful means, including but not limited to the use of representatives posing as consumers to the Defendants, any of the Defendants' employees, or any other entity managed or controlled in whole or in part by the Defendants, without the necessity of identification or prior notice.

40. Defendants stipulate that the Attorney General, in connection with efforts to enforce this Judgment, may execute post-judgment third-party discovery without the necessity of prior notice to the Defendants, and they hereby waive the notice requirements of Florida Rule of Civil Procedure 1.351 in any subsequent proceeding to enforce this Judgment.

41. The Defendants shall not effect any change in the form of doing business or the organizational identity of any of the existing business entities or create any new business entities as a method of avoiding the obligations and terms and conditions set forth in this Judgment.

42. Unless otherwise directed by a representative of the Attorney General in writing, all submissions to the Attorney General pursuant to this Order must be emailed to oag.ec.ori@myfloridalegal.com or sent to:

Florida Office of the Attorney General
Consumer Protection Division
135 W. Central Blvd., Suite 1000

Orlando, FL 32801

The subject line must begin: Attorney General v. Ellenwood Academy.

XI. GENERAL AND ADMINISTRATIVE PROVISIONS

43. Acceptance by the Attorney General shall be established by the signature of the Deputy Attorney General.

44. The receipt of any monies pursuant to the Judgment by the Attorney General does not constitute acceptance by the Attorney General, and any monies received shall be returned to Defendants if this Judgment is not accepted and fully executed by the Attorney General.

45. It is further agreed that facsimile copies of signatures and notary seals may be accepted as original for the purposes of establishing the existence of this agreement, and this Judgment may be executed in counterparts the compilation of which shall constitute the full and final agreement.

46. Nothing herein constitutes approval by the Attorney General of any person or corporation's past or future business practices. The Defendants shall not make any representation contrary to this paragraph.

47. Nothing herein shall be construed as a waiver of any private rights, causes of action, or remedies of any private person, business, corporation, government or legal entity against the Defendants. Similarly, nothing contained herein shall waive the right of the Defendants to assert any lawful defenses in

response to a claim of a consumer. Any and all findings contained herein are solely for the purposes of this Judgment, and shall not be binding against Defendants for the purpose of establishing liability in any action asserted by any private person, business, corporation, government or legal entity against Defendants, except in any bankruptcy proceeding relating to the discharge or dischargeability of any monetary award in this Judgment as set forth above.

48. Notwithstanding any other provision of this Judgment, nothing herein shall be construed to impair, compromise or affect any right of any government agency other than the Attorney General except as expressly limited herein.

49. Notwithstanding the foregoing, the Attorney General may institute an action or proceeding to enforce the terms and provisions of this Judgment or to take action based on future conduct by the Defendants, or conduct relating to matters not released by this Judgment. The fact that such conduct was not expressly prohibited by the terms of this Judgment shall not be a defense to any such enforcement action.

50. Defendants shall release and forever discharge the Office of the Attorney General (including any of its past, present or future administrators, employees, officers, attorneys, agents, representatives, officials acting in their official capacities, agencies, departments, commissions, and divisions) from any and all manner of civil claims, demands, actions, suits and causes of action, damages whenever incurred, liabilities of any nature whatsoever, whether known or unknown,

accrued or unaccrued, legal, equitable or statutory, arising out of or in any way related to, in whole or in part, the subject matter of the litigation of this lawsuit.

51. Defendants waive all rights to appeal or otherwise challenge or contest the validity of this Judgment.

52. Nothing herein relieves the Defendants of their continuing duty to comply with applicable laws of the State of Florida nor constitutes authorization by the Attorney General for the Defendants to engage in acts and practices prohibited by such laws.

53. Defendants expressly acknowledge that they have obtained or had the opportunity to obtain the advice and counsel of an independent attorney of their choosing to assist in the negotiation and preparation of this Judgment. The Defendants have read this Judgment, are aware of its terms and have voluntarily agreed to and signed this Judgment. Further, Defendants acknowledge that to the extent they have waived any rights or defenses by entry into this Judgment, such waiver was made voluntarily and with full knowledge of the ramifications of such waiver.

54. Further, the parties acknowledge that this Judgment constitutes the final, complete, and exclusive statement of the parties' agreement on the matters contained in this Judgment, and it supersedes all previous negotiations and agreements. Other than any representation expressly stated in this Judgment, the

parties have not made any promises, representations or warranties to each other, and neither party's decision to enter into this Judgment is based upon any statements by the other party outside of those reflected in this Judgment.

55. Defendants state that no promises of any kind or nature whatsoever, other than the written terms of this Judgment, were made to induce the Defendants into entering into this Judgment.

56. If any term of this Judgment is to any extent unenforceable, invalid, or illegal, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms hereof shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

57. This Judgment shall be governed by laws of the State of Florida.

58. This document is signed in anticipation of this Judgment being submitted to the Court for approval, without necessity of hearing, which is hereby waived by all parties. The signatures below indicate the parties' consent and agreement to this Judgment.

XII. RETENTION OF JURISDICTION

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

SO ORDERED this ___ day of _____, 202__.

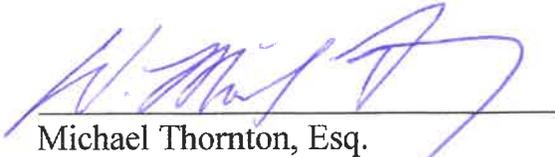
Electronically Conformed 1/4/2021
Steven Scott Stephens

CIRCUIT JUDGE

SO STIPULATED AND AGREED:

FOR DEFENDANTS:

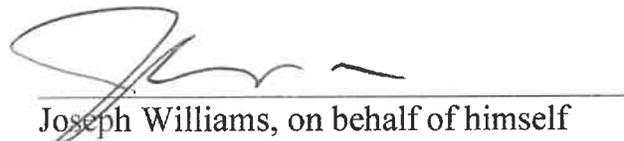
DEFENDANT ELLENWOOD ACADEMY



Michael Thornton, Esq.
Law Offices of Michael Thornton

Date: 11-27-2020

DEFENDANT JOSEPH WILLIAMS



Joseph Williams, on behalf of himself
individually and on behalf of Ellenwood
Academy, LLC.

Date: 11-27-20

FOR PLAINTIFF OFFICE OF THE ATTORNEY GENERAL STATE OF
FLORIDA DEPARTMENT OF LEGAL AFFAIRS:

ASHLEY MOODY
Attorney General



Ellen Annaliese Bullock, Esq.
FL Bar #102980
Assistant Attorney General

Date: 12/10/2020



Victoria Butler, Esq.
FL Bar # 861250
Deputy Attorney General

Date: 12/21/2020

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