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**NO FEE PURSUANT TO
GOVERNMENT CODE § 6103**

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

18 **COUNTY OF SAN DIEGO**

19
20 THE PEOPLE OF THE STATE OF
CALIFORNIA,

21 Plaintiff,

22 v.

23 A G JEWELER CORP.; HAMPTON RUIZ;
24 HAKEEM MILBES,

25 Defendants.
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Case No.

[PROPOSED] FINAL JUDGMENT

1 Plaintiff, the People of the State of California (hereinafter, Plaintiff or People), represented
2 by Rob Bonta, Attorney General of the State of California, by Daniel Osborn and Laurel Carnes,
3 Deputy Attorneys General, by Jon Worm, Supervising Deputy Attorney General, by Summer
4 Stephan, San Diego County District Attorney, by Stephen Spinella, Deputy District Attorney; and
5 defendants A G Jeweler Corp., Hampton Ruiz, and Hakeem Milbes (“Defendants”), appearing
6 through their attorney Law Office of Lee David Lubin, Inc., by Lee Lubin, having stipulated and
7 consented to the Court’s entry of this Final Judgment (“Judgment”) in this proceeding and accepting
8 this Judgment as the final adjudication of this civil action without taking proof and without trial,
9 without this Judgment constituting evidence of or an admission by Defendant regarding any issue of
10 law or fact alleged in the Complaint, without Defendants admitting any liability, with all parties
11 having waived their right to appeal, and the Court having considered the matter and good cause
12 appearing:

13 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:
14

15 **PARTIES**

16 1. Plaintiff is the People of the State of California.

17 2. Defendant A G JEWELER CORP. (“AGJ”) is, and at all times relevant herein was,
18 a California corporation, authorized to do and doing business throughout the State of California,
19 with its principal place of business in the City of Escondido, County of San Diego. AGJ has done
20 business under the name ATTRACTIVE GEM JEWELERS during the timeframe relevant herein.

21 3. Defendant HAMPTON RUIZ is an individual, domiciled in the State of California,
22 County of San Diego, and the Chief Executive Officer of AGJ.

23 4. Defendant HAKEEM MILBES is an individual, domiciled in the State of California,
24 County of Riverside, and the Secretary and Chief Financial Officer of AGJ.
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26 **JURISDICTION AND VENUE**

27 5. Defendants, at all relevant times, have transacted business in the State of California,
28 including but not limited to business in the County of San Diego.

6. This Court has jurisdiction over the Complaint and the parties necessary for the Court to enter this Judgment and any orders hereafter appropriate.

7. Venue is proper in the County of San Diego.

8. This Judgment is entered pursuant to and subject to the Unfair Competition Law, Business and Professions Code section 17200 et seq. (the “UCL”), and False Advertising Law, Business and Professions Code section 17500 et seq. (the “FAL”).

A. DEFINITIONS

9. “CREDIT REPAIR SERVICES” means any product or service that is promoted as or designed to improve a consumer's credit score or creditworthiness, or to otherwise help a consumer obtain credit.

10. “CREDIT LINE” means an open-ended extension of credit against which a consumer may continually borrow over time and/or over the course of multiple transactions, including the CREDIT LINE advertised as the Attractive Gems Jewelers \$10,000 Line of Credit. A CREDIT LINE may or may not include a cap on the amount of credit a consumer may draw against, and may or may not require the payment of fees, such as an initiation fee, annual fee, or any other fee.

11. “CONSUMER CREDIT BUREAUS” means Equifax, TransUnion, Experian, or any other similar organization that produces information designed to help lenders and creditors determine a consumer’s creditworthiness.

B. INJUNCTION

12. Under Business and Professions Code sections 17203 and 17535, Defendants, and Defendants' officers, agents, employees, successors, assigns, and attorneys, and all other persons in active concert or participation with any of them, whether acting directly or indirectly, are permanently enjoined from:

a. Engaging in acts or practices that violate California Business and Professions Code section 17200.

- 1 b. Engaging in acts or practices that violate California Business and Professions
2 Code section 17500.
- 3 c. Representing, expressly or by implication:
- 4 i. That purchasing from Defendants on credit will improve or otherwise
5 positively affect a consumer's credit record, credit history, credit rating
6 or score, or ability to obtain credit, or reduce the amount a consumer
7 will pay for credit in the future;
- 8 ii. That any product Defendants sell or any extension of credit they grant
9 is intended or designed to serve as a CREDIT REPAIR SERVICE;
- 10 iii. That Defendants can or will report a consumer's account to any of the
11 CONSUMER CREDIT BUREAUS;
- 12 d. Failing to comply with California Civil Code section 1789.13, subdivision (p),
13 by offering a CREDIT LINE or any other credit product as a CREDIT REPAIR
14 SERVICE, including any credit product that is promoted or intended to improve
15 a consumer's creditworthiness or credit rating as reported by the CONSUMER
16 CREDIT BUREAUS.
- 17 e. Misrepresenting, expressly or by implication:
- 18 i. The interest rate or APR associated with any extension of credit
19 Defendants grant to a consumer;
- 20 ii. Any other fact material to consumers concerning any good or service
21 sold by Defendants, such as: the total costs; any material restrictions,
22 limitations, or conditions; or any material aspect of the good or service's
23 performance, efficacy, nature, or central characteristics.
- 24 f. When advertising consumer credit, stating, expressly or by implication:
- 25 i. The amount or percentage of any down payment, the number of
26 payments or period of repayment, the amount of any payment, or the
27 amount of any finance charge, without disclosing clearly and
28 conspicuously all of the following terms:

1. The amount or percentage of the down payment;

- 1 2. The terms of repayment; and
- 2 3. The annual percentage rate, using the term “annual percentage
- 3 rate” or the abbreviation “APR.” If the annual percentage rate
- 4 may be increased after consummation of the credit transaction,
- 5 that fact must also be disclosed.
- 6 ii. A rate of finance charge without stating the rate as an “annual
- 7 percentage rate” or the abbreviation “APR,” using that term.
- 8 g. When extending a fixed amount of credit that a consumer is to repay in one or
- 9 more installments, failing to disclose in writing, accurately, clearly and
- 10 conspicuously, and in a form that the consumer may keep, before the consumer
- 11 signs the credit agreement, the following information in a manner reflecting the
- 12 terms of the legal obligation between the parties:
- 13 i. The identity of the creditor;
- 14 ii. The payment schedule (the number, amount, and timing of payments
- 15 scheduled to repay the obligation);
- 16 iii. The total sale price, including the down payment;
- 17 iv. The annual percentage rate, using the term “annual percentage rate” or
- 18 the abbreviation “APR”, and;
- 19 v. Separated from the other required disclosures under TILA, 15 U.S.C.
- 20 sections 1601-1666j, and Regulation Z, 12 C.F.R. Part 1026, the
- 21 itemization of the amount financed.
- 22 h. Violating any provision of TILA, 15 U.S.C. sections 1601-1666j, and
- 23 Regulation Z, 12 C.F.R. Part 1026.
- 24 i. When extending a CREDIT LINE to a consumer, failing to provide all Unruh
- 25 Act disclosures pursuant to California Civil Code sections 1810.1 and 1810.3,
- 26 and all TILA and Regulation Z disclosures pursuant to Title 12 of the Code of
- 27 Federal Regulations, sections 1026.5, 1026.6, 1026.7, 1026.8 and 1026.9.
- 28 j. Violating any provision of the Military Lending Act, 10 U.S.C. section 987, and
- 32 C.F.R. Part 232, including, without limitation, by:

- i. Entering into contracts with covered members of the armed forces or their covered dependents that bind them to an arbitration clause or any similar clause, or;
 - ii. Enforcing, seeking to enforce, or threatening to enforce any arbitration clause against covered members of the armed forces or their covered dependents.
- k. Violating any provision of the Military Lending Act, 10 U.S.C. section 987, and 32 C.F.R Part 232.4, including, without limitation, by charging a military annual percentage rate (“MAPR”) in excess of 36 percent.
- l. Before extending consumer credit to a covered borrower as defined in 32 C.F.R. Part 232, before or at the time the borrower becomes obligated on the transaction:
 - i. Failing to disclose in writing a clear description of the payment obligation of the borrower; and
 - ii. Failing to provide orally:
 1. A statement of the MAPR; and
 2. A clear description of the payment obligation of the borrower, provided that the oral disclosures required by this subparagraph may be given to the borrower either in person or through a toll-free telephone number if such number is included on the creditor’s application form or on the creditor’s disclosure form provided under the MLA, 10 U.S.C. section 987, and 32 C.F.R. Part 232.
- m. In conjunction with the sale of any product offered by Defendants, advertising, claiming, or otherwise referencing, the price at which a third-party, including a manufacturer, supplier or competitor, may offer the same product for sale, including by use of nomenclature such as “compare at,” unless the price for which Defendants claim the third-party offers that same product is the bona fide

1 retail price of the product within the last 90 days within the locality in which
2 Defendants do business.

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4 **C. MONETARY PROVISIONS**

5 13. Defendants shall pay, in the aggregate, \$500,000, as further described in paragraphs
6 14-20 of this Judgment. The monetary obligations in this judgment are joint and several as to each
7 of the Defendants.

8 14. Of the aggregate \$500,000 sum, pursuant to Business and Professions Code
9 sections 17206 and 17536, Defendants shall pay a total of \$100,000 in civil penalties, to be split
10 evenly between the California Attorney General's Office and the San Diego District Attorney's
11 Office.

12 15. Of the aggregate \$500,000 sum, pursuant to Business and Professions code sections
13 17203 and 17535, Defendants shall pay \$400,000 in consumer restitution. The Attorney General
14 and the San Diego District Attorney may use these funds to pay restitution to consumers who
15 purchased a CREDIT LINE from AGJ, on a pro rata basis, taking into account the total number of
16 eligible consumers and amount available for restitution.

17 16. Restitution shall be administered by a third-party administrator ("Restitution
18 Administrator") selected by the Attorney General's Office, and restitution shall be paid to eligible
19 consumers by the Restitution Administrator according to this Judgment and pursuant to
20 instructions provided by the Attorney General's Office and the San Diego District Attorney's
21 Office. Payment for services rendered by the Restitution Administrator shall be paid from the
22 \$400,000 restitution payment and shall not increase that sum. Defendants shall cooperate in good
23 faith with the People and the Restitution Administrator to provide consumer contact information
24 and to seek to resolve any issues regarding identity of eligible consumers who purchased a
25 CREDIT LINE.

26 17. In their sole discretion, the People may direct that any restitution that the Restitution
27 Administrator was unable to return to consumers be paid as a cy pres award to the Legal Aid
28 Society of San Diego, or otherwise used for the enforcement of consumer protection laws.

18. Defendants shall pay the aggregate \$500,000 amount in monthly installments over 14 months. Defendants shall make the first of these monthly payments by no later than September 1, 2025, with each subsequent monthly payment due by no later than the 5th day of each month. Defendants will make the first 11 monthly payments of \$35,714.29 to the Restitution Administrator, pursuant to instructions provided by the California Attorney General's Office. In month 12, Defendants will make a final payment of \$7,142.81 to the Restitution Administrator, and a payment of \$14,285.74 each to the California Attorney General's Office and the San Diego District Attorney's Office. In months 13 and 14, Defendants will make a payment of \$17,857.14 each to the California Attorney General's Office and the San Diego District Attorney's Office. In all respects, Defendants may make payments early, with all early payments going first to satisfy the restitution portion of the judgment, and the remainder to satisfy civil penalties.

19. If Defendants fail to make any payment due under this judgment, the entire amount of the monetary judgment shall become immediately due and payable as a joint and several obligation of each of the Defendants, and the People may seek to enforce the entire monetary judgment against any or all of the Defendants.

20. Defendants shall make the payments required by this Section by check or wire transfer in accordance with instructions provided by the California Attorney General's Office and the San Diego District Attorney's Office. Defendants shall be responsible for any fees associated with initiating the wire transfers or issuing checks.

D. COMPLIANCE REPORTING

21. For a period of two years from the date of entry of this Judgment, Defendants shall comply with requests from the People for information and materials related to compliance monitoring of this Judgment. Nothing in this Judgment shall be construed to limit the People's subpoena authority pursuant to Government Code section 11180 et seq.

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23. Nothing in this Judgment shall be construed to create, waive, or limit any private right of action by consumers.

F. OTHER TERMS

For the People:

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19 DATED this ____ day of _____, 2025.

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JUDGE OF THE SUPERIOR COURT