

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS
Springfield Division

ANDREW ZIMMERMANN and)
KELLY ZIMMERMANN on behalf of)
Themselves and all other similarly situated,)

Plaintiffs,)

v.)

Civil Action No. 03-CV-30261-MAP

CAMBRIDGE CREDIT CORP., JOHN)
PUCCIO, et al.,)

Defendants.)

**ORDER APPOINTING RECEIVER OVER ENTITY DEFENDANTS
AND RELATED ENTITIES**

On November 17, 2008, at 2:00 p.m., in the above-entitled Court, before the Honorable Michael A. Ponsor, United States District Court Judge presiding, came on regularly for hearing the application of Robb Evans & Associates LLC ("Monitor") for order to show cause why John Puccio and Richard Puccio should not be held in contempt of Court for violation of the Order Granting Monitor's Motion: (1) Advising Court of Defendants' Violations of Consent Decree; (2) Seeking Expanded and Additional Powers; (3) Requiring Defendants to Immediately Submit Detailed Budgets to Court for Approval; (4) Requiring Defendants to Submit Accountings Under Oath; and (5) Clarifying and Expanding Scope of Consent Decree [Document No. 309] and Memorandum and Order Regarding Monitor's Proposed Order Detailing Expanded and Additional Powers [Document No. 313] ("Contempt Application") and the Class Plaintiffs' Emergency Motion for Receivership and Joinder in Motion to Show Cause and Request for Receivership to Purge the Contempt ("Receivership Motion"). Gary Owen Caris of McKenna Long & Aldridge LLP appeared on behalf of the Monitor; David J. Vendler of Morris, Polich & Purdy LLP, Gregory S. Duncan, Paul C. Whalen of Whalen & Tusa, P.C., and Stephen G. Hennessey appeared on behalf of the Class Plaintiffs; Joseph R. Harbeson and Mel Ruskin of Ruskin, Moscou Faltischek, P.C. appeared on

behalf of John Puccio and Richard Puccio; and other appearances were made as noted in the record. Having read and considered all papers filed in support of and in opposition to the Contempt Application and the Receivership Motion, and having heard and considered the arguments and contentions of counsel, the Court, having granted the Monitor's Contempt Application and having found John Puccio and Richard Puccio in contempt of Court, having granted the Class Plaintiffs' Receivership Motion as a sanction for the contemptuous conduct of John Puccio and Richard Puccio and also as a means to enable John Puccio and Richard Puccio to purge, at least in part their contemptuous conduct, and additionally finding that there exists a sufficient basis in law for the appointment of a receiver independent of the contemptuous conduct of John Puccio and Richard Puccio and based on the Court's findings stated on the record in open Court at the conclusion of the hearing, and good cause appearing therefor, it is

ORDERED as follows:

I. DEFINITIONS

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

A. "Assets" means any legal or equitable interest in, right to, or claim to any real or personal property or anything else having a monetary value, including, without limitation, funds, vehicles, boats, certificates of title, accounts with any Financial Institution, chattels, choses in action, chattel paper, claims, causes of action against other persons or entities, goods, instruments, equipment, fixtures, general intangibles, leaseholds, mail or other deliveries, inventory, checks, notes, accounts, credits, contracts, receivables, shares of stock, membership interests in any limited liability company, partnership interests, inheritances, options, contractual rights, interests in any trust, documents, art, collectibles, furnishings, jewelry, personal effects and all cash or money, wherever located, and shall include both existing Assets and Assets acquired after the date of entry of this Order. Further, the definition of Assets shall include all books, records, computer files, databases and other information that may be utilized to determine the existence of Assets, liabilities, or the location of Assets, and shall include all property defined as "Assets" in the Court's orders [Documents 265, 309 and 313] appointing and authorizing the work of a monitor in this action other

than Assets of the Individual Defendants except for any ownership interest either may have in any Receivership Defendant defined in this Order.

B. "Class" means the class of consumers certified by this Court by its Order dated December 6, 2007 [Document # 231].

C. "Claim or Cause of Action" means any existing or potential claim, demand, cause of action or lawsuit by a Defendant in this action against his or its former counsel of record in this matter for damages, including without limitation, for legal malpractice or for improper billings.

D. "Defendants" means the Individual Defendants and the Entity Defendants.

E. "Entity Defendants" means Cambridge Credit Corp., Brighton Credit Corp., CB Budget Planning Corp. also known as Cambridge Brighton Budget Planning Corp., Brighton Credit Management Corp., Brighton Credit Corp. of Massachusetts, Brighton Debt Management Services, Ltd., Inc., Debt Relief Clearinghouse Ltd., Inc., Cypress Advertising and Promotions, Inc., First Consumer Credit Management Corporation, Southfork Asset Management Corp., and Cambridge Consumer Credit Index, Inc.

F. "Financial Institution" means any bank, savings and loan institution, credit union, insurance company, trust company or any financial depository of any kind, including but not limited to any brokerage house, institutional trustee, broker-dealer, escrow agent, title company, or commodity trading company, located or doing business in this country or abroad.

G. "Individual Defendants" means John Puccio and Richard Puccio.

H. "Receivership Property" means Assets, things or property of any and every kind whatsoever that is or are (1) owned, controlled or held by or for the benefit of any Receivership Defendant, in whole or in part; (2) in the actual or constructive possession of any Receivership Defendant, Related Entity or other individual or entity acting in concert with any Receivership Defendant or Related Entity; (3) held by an agent of any Receivership Defendant or Related Entity, including as a retainer for the agent's provision of services to either or both of them; or (4) owned, controlled or held by, or in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, trust, or other entity directly or indirectly owned or controlled by

any Receivership Defendant or Related Entity, including Assets that have been transferred to other persons or entities but as to which Assets such persons or entities do not have a legitimate claim, including without limitation, transfers during this litigation for less than fair consideration.

Purported transfers of Receivership Property may be set aside or the Receiver.

I. "Receiver" means Robb Evans & Associates LLC.

J. "Receivership Defendants" means the Entity Defendants, Related Entities and all other Persons the Court may in the future designate as Receivership Defendants.

K. "Related Entities" means Debt Relief Solutions Ltd., Consumer Debt Management Center, and any other entity directly or indirectly owned or controlled by any Defendant in whole or in part, whether currently existing and any other entity in active concert or participation with any Defendant, including, without limitation, 135 Freshwater Boulevard LLC, B. Colby Consultants, Inc., B.T. & Associates, Ltd., Chelsea Drive Realty, Class N' Style Travel & Limousines, Debt Relief Solutions, Inc., Enfield Realty Corp., First Consumer Corp., Gatepath Advertising Corp., JRJ Associates, Inc., Lendingdirect.com, Inc., RJP of Southwick, Inc., RJP Realty Co., Inc., Southfork Environmental Services Co., Southfork Recovery & Remarketing Corp., Sports Associates, Inc., and Winsor Consulting Corp.

L. "Person" means any natural person, any entity formed, existing or recognized under any body of law as a legal entity, and any unincorporated association or other organization including, but not limited to, any proprietorship, partnership, company, firm, corporation, joint venture, society, association, trust, or government agency or unit, and any other group or combination acting as an entity.

II. TURNOVER OF PROPERTY

IT IS FURTHER ORDERED THAT:

A. The Receivership Defendants shall, upon entry of this Order, turn over to the Receiver possession and control of all Receivership Property, and transfer, assign, turn over or otherwise convey or shall cause the transfer, assignment, turnover, or conveyance of title and ownership of Receivership Property to the Receiver except as the Receiver expressly deems

inadvisable or unnecessary. Receivership Defendants shall relinquish all dominion and control of the Assets delivered and funds paid to the Receiver pursuant to this Order. Furthermore, Receivership Defendants shall take all steps the Receiver may request to aid and assist the Receiver to marshal and recover Receivership Property of any nature, whether located domestically or abroad.

B. Without limiting the generality and breadth of subsection II.A., the Receivership Defendants shall immediately upon entry of this order take the following steps:

1. *Participate Fully in Pursuit of Claims and Causes of Action*

(a) Receivership Defendants shall comply promptly with all requests of the Receiver pertaining to the pursuit and/or disposition of any Receivership Defendants' Claims or Causes of Action. Receivership Defendants' duty of compliance shall obligate them to collaborate with the Receiver and its counsel to develop the Claims or Causes of Action, and to respond immediately, fully and truthfully to all information requests by the Receiver or its counsel concerning the Claims or Causes of Action, and in the litigation to respond promptly, fully and truthfully to all subpoenas, discovery propounded, or other examinations deemed necessary by the Receiver.

2. *Repatriate All Receivership Property*

(a) Receivership Defendants shall transfer to the Receiver all Receivership Property outside of the United States held jointly or singularly (a) by them; (b) for their benefit; (c) in trust by them or for them, individually or jointly; or (d) under their direct or indirect ownership or control, in whole or in part, with such Receivership Property to be transferred to one or more accounts as may be instructed by the Receiver or in such other manner as the Receiver may direct.

(b) Within three business days of the date of entry of this Order, Receivership Defendants shall provide Plaintiffs and the Receiver with a full accounting, verified under oath to be complete and accurate, of all Receivership Property outside of the territory of the United States that is held jointly or singularly (a) by them; (b) for their benefit; (c) in trust by or for

them, individually or jointly; or (d) under their direct or indirect ownership or control, in whole or in part. Such accounting shall include names including both beneficial and nominal owners' names, addresses, telephone numbers and facsimile numbers, and such information for all Financial Institutions or other entities or persons holding such Receivership Property, along with the account numbers and balances.

(c) Receivership Defendants shall provide the Receiver full and complete access to Receivership Defendants' records and documents held by Financial Institutions outside of the United States, by signing and delivering to the Receiver such consents to release financial records as may be reasonably requested by the Receiver from time to time.

C. In furtherance of the foregoing repatriation provisions, Receivership Defendants, their successors and assigns, and their officers, agents, servants, employees, affiliates, and attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are hereby enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign Receivership Property, or in the hindrance of the repatriation required by this Order, including but not limited to:

1. sending any statement, letter, fax, e-mail or wire transmission, or telephoning or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a "duress" event has occurred under the terms of a foreign trust agreement until such time that all Receivership Property has been fully repatriated pursuant to this Order; and

2. notifying any trustee, trust protector, or other agent of any foreign trust or other related entities of either the existence of this Order, or of the fact that repatriation is required pursuant to court order, until such time that all Receivership Property has been fully repatriated pursuant to this Order.

III. RECEIVERSHIP PROVISIONS

IT IS FURTHER ORDERED THAT:

A. Robb Evans & Associates LLC is appointed Receiver over the Entity Defendants and the Related Entities and over all of their affiliates and subsidiaries, with the full power of an equity receiver. In executing its functions hereunder, the Receiver's discretion shall be guided by the objective of maximizing the Receivership Property available for distribution to the Class and for the benefit of the customers of the Receivership Defendants. The Receiver shall issue an initial written report to the Court with copies to all attorneys that have appeared in this case within 60 days from entry of this Order, and shall then thereafter report in the same manner periodically every six months on its activity during the pendency of the receivership.

B. The Receiver is authorized, empowered and directed to accomplish the following:

1. Assume full control of the Receivership Defendants by removing, as the Receiver deems necessary or advisable, any director, officer, employee, manager, independent contractor, or agent of the Receivership Defendants, including, without limitation, the Individual Defendants, in control of, management of, or participation in, the affairs of the Receivership Defendants.

2. Take exclusive custody, control and possession of all Receivership Property and documents of, or in the possession, custody, or control of, the Receivership Defendants, wherever situated. The Receiver shall have full power to divert mail and to sue for, collect, receive, take into possession, hold and manage all Receivership Property and documents of the Receivership Defendants and other persons or entities whose interests are now held by, or under the direction, possession, or control of, the Receivership Defendants.

3. Take all steps necessary to secure all premises owned, rented, leased, or otherwise controlled by the Receivership Defendants. Such steps may include but are not limited to any of the following as the Receiver deems necessary or advisable: (1) serving this Order; (2) obtaining pertinent information from all employees and other agents of the Receivership Defendants, including but not limited to the name, home address, social security number, job description, method of compensation, and all accrued and unpaid commissions and compensation of each such employee or agent; (3) photographing and videotaping any or all portions of the premises;

(4) securing the locations by changing the locks and disconnecting any computer modems or other means of access to the computer or other records maintained at the locations; (5) requiring any persons present on the premises at the time this Order is served to leave the premises, to provide the Receiver with proof of identification, or to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises documents or assets of the Receivership Defendants; and (6) employ the assistance of law enforcement officers as the Receiver deems necessary to implement the provisions of this Order.

4. Conserve, hold, and manage all Receivership Property of the Receivership Defendants and perform all acts necessary or advisable to preserve the value of the Receivership Property, in order to prevent any loss, damage, or injury to the Plaintiffs, including but not limited to obtaining an accounting of the Receivership Property and preventing transfer, withdrawal, or misapplication of Receivership Property.

5. Liquidate, sell or otherwise dispose of the Receivership Property of the Receivership Defendants as may be advisable or necessary.

6. Enter into and reject contracts, and purchase insurance as advisable or necessary.

7. Manage and administer or wind-up the businesses of the Receivership Defendants as the Receiver deems necessary or appropriate, by performing all incidental acts that the Receiver deems to be advisable or necessary, including retaining, hiring or dismissing any employees, independent contractors, or agents.

8. Choose, engage and employ attorneys, accountants, appraisers, and any other independent contractors and technical specialists, as the Receiver deems advisable or necessary in the performance of its duties and responsibilities under the authority granted by this Order.

9. Make payments and disbursements that are necessary or advisable for carrying out the directions of, or exercising the authority granted by this Order. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by the

Receivership Defendants prior to the date of entry of this Order, except payments that the Receiver deems necessary or advisable to secure or preserve Receivership Property, such as rental payments.

10. Make all payments and disbursements to the attorneys for the Individual Defendants from the Assets as are approved by the Court which may include fees and disbursements incurred by such attorneys to carry out the Individual Defendants' responsibilities under the prior Court's Orders [Documents 265, 309 and 313] to the extent funds are available or may become available.

11. Evaluate and prosecute or direct the prosecution by Receivership Defendants of, all Claims and Causes of Action and take all such steps as are reasonably necessary to accomplish such prosecutions successfully.

12. Institute, compromise, adjust, appear in, intervene in, or become party to any and all other actions or proceedings in state, federal or foreign courts that the Receiver deems necessary and advisable to preserve or recover Receivership Property or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order.

13. Defend, compromise, adjust, or otherwise dispose of any and all actions or proceedings instituted in the past or in the future against the Receiver in its role as Receiver, or against the Receivership Defendants that the Receiver deems necessary and advisable to preserve Receivership Property, or as the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order.

14. Continue to conduct the business of the Receivership Defendants in such manner, to such extent, and for such duration as the Receiver may in good faith deem to be necessary or appropriate to operate the businesses at a profit, or without a loss, as may be appropriate, and lawfully, if at all; provided, however, that the continuation and conduct of the businesses shall be conditioned upon the Receiver's good faith determination that the businesses can be operated at a profit, or without a loss, as may be appropriate, using the Assets of the receivership estate.

15. Issue subpoenas and letters rogatory to obtain documents and records pertaining to the Receivership Property and/or and the Receivership Defendants, and conduct discovery in this action on behalf of the receivership estate, including but not limited to subpoenaing documents and records and taking depositions of all Receivership Defendants and third parties on not less than five calendar days' notice.

16. Open one or more bank accounts (hereinafter referred to as the "Receivership Accounts") separate from any accounts of the Defendants (or related person within the meaning of Treas. Reg. §1.468B-1(d)(2)) at an authorized government depository in accordance with Treas. Reg. §1.6302-1 to receive and hold the monetary assets of the Receivership within the meaning of Section 468B of the Code and Treas. Reg. §1.468B-1 *et. seq.* The Receiver shall deposit all funds of the Receivership Defendants in such designated accounts and shall make all payments and disbursements from the receivership estate from such accounts.

17. Publish this Order to all officers, directors, agents, employees, independent contractors, attorneys, corporations, subsidiaries, affiliates, successors, and assigns of the Receivership Defendants, and all other persons or entities in active concert or participation with them. Receivership Defendants and the Individual Defendants shall consult with the Receiver as to the names and addresses of all Persons to be notified. The Individual Defendants have a good faith duty to provide to the Receiver such information concerning the Persons to be notified within their control or which they can reasonably obtain within seven days of the entry of this Order. Receivership Defendants shall comply with the Receiver's directions as to the means and scope of any such publication the Receiver determines to be appropriate.

18. Maintain accurate records of all receipts and expenditures that it makes as Receiver.

19. Cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency.

20. Perform all other reasonable efforts to determine the nature, location, and value of all Receivership Property and to recover all Receivership Property.

21. Disburse the net proceeds of Receivership Property pursuant to Court order as may be hereinafter entered.

IV. COMPENSATION OF RECEIVER

IT IS FURTHER ORDERED THAT:

The Receiver shall be permitted to pay its ongoing fees and expenses and those fees and expenses of its attorneys, accountants, appraisers, and any other independent contractors and technical specialists on a monthly basis from the Assets of the receivership estate without prior Court approval, provided however that the Receiver shall file periodic motions no less frequently than once every six months seeking allowance and approval for the fees and expenses of the Receiver and its attorneys already charged to and/or paid from the Assets of the receivership estate.

V. RETENTION OF ASSETS AND DOCUMENTS BY FINANCIAL INSTITUTIONS AND OTHER THIRD PARTIES

IT IS FURTHER ORDERED THAT:

All Financial Institutions, courts, county clerks and any person or other entity served with a copy of this Order, or who otherwise has actual knowledge of this Order, shall:

A. Except as provided in Section VI below, hold and retain within such Financial Institution's, person's or other entity's control, and prohibit the withdrawal, removal, assignment, transfer, pledge, hypothecation, encumbrance, disbursement, dissipation, conversion, sale, liquidation, or other disposal of any funds, documents, property, or other Assets held by or under such Financial Institution's, person's or other entity's control that are held:

1. on behalf of, or for the benefit of, any Receivership Defendant;
2. in any account maintained in the name of, or subject to withdrawal by, any Receivership Defendant; or
3. that are subject to access or use by, or under the signatory power of, any Receivership Defendant.

B. Deny access to any safe deposit box that is either:

1. titled in the name, individually or jointly, of any Receivership Defendant; or

2. subject to access by any Receivership Defendant.

C. To the extent not already provided pursuant to any prior order of this Court or other provisions of this Order, provide to the Receiver within five (5) calendar days, a statement setting forth:

1. the identification of each account or Asset titled in the name, individually or jointly, or held for or on behalf of, or for the benefit of, the Receivership Defendants, whether in whole or in part;

2. the balance of each such account, or a description of the nature and value of such Asset;

3. the identification of any safe deposit box that is either titled in the name of, individually or jointly, or is otherwise subject to access or control by, any Receivership Defendant, whether in whole or in part;

4. the identification of any account or safe deposit box which a Receivership Defendant has closed within the past four years, the date closed, and the contents (if known) and balance on said date; and

5. full electronic (or in the case of safe deposit boxes, physical) access to each such account or Asset disclosed hereunder to the full extent of the Financial Institution's customer service capacity.

D. Upon request by counsel for Receiver, promptly provide the Receiver with copies of all records or other documentation pertaining to such account or Asset, including but not limited to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs.

E. At the direction of the Receiver (with respect to Assets held for any of the Receivership Defendants), and without further order of this Court, convert any investments of any type, including stocks, bonds, options, mutual funds, or other securities, to their cash equivalents.

VI. COOPERATION WITH THE RECEIVER

IT IS FURTHER ORDERED THAT:

A. The Receivership Defendants and their officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, successors, and assigns, and all other persons or entities in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, or any of them, shall fully cooperate with and assist the Receiver. This cooperation and assistance shall include, but not be limited to:

1. Providing any information, documents, property or testimony that the Receiver deems necessary or appropriate to its exercise of the authority and its discharge of the responsibilities of the Receiver under this Order;
2. Providing any password required to access any computer, electronic file, or telephonic data in any medium;
3. Immediately advising all persons who owe money to the Receivership Defendants that all debts should be paid directly to the Receiver;
4. Providing full access to all Receivership Property; and
5. Maintaining and not wasting, damaging, disposing of, or transferring in any manner any Receivership Property.

B. The Receivership Defendants and their officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, successors, and assigns, and all other persons or entities in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, or any of them, are hereby restrained and enjoined from directly or indirectly:

1. Transacting any of the business of the Receivership Defendants or transferring any property or Assets to anyone other than the Receiver;

2. Destroying, secreting, defacing, transferring, or otherwise altering or disposing of any documents of the Receivership Defendants, including, but not limited to, books, records, accounts, writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations, electronically-stored records, or any other records of any kind or nature ("Document") and to the extent any such Documents are no longer in existence, failing to disclose the nature and contents of such documents and how, when and by whom such Documents were caused to no longer be in existence;

3. Transferring, receiving, altering, selling, encumbering, pledging, assigning, liquidating, or otherwise disposing of any Receivership Property;

4. Excusing debts owed to the Receivership Defendants;

5. Failing to notify the Receiver of any Receivership Property, including accounts, of the Receivership Defendants held in any name other than the name of the Receivership Defendants, or by any person or entity other than the Receivership Defendants, or failing to provide any assistance or information requested by the Receiver in connection with obtaining possession, custody, or control of such Receivership Property;

6. Doing any act whatsoever to interfere with the Receiver's taking custody, control, possession, or managing the Receivership Property or documents subject to this receivership; or to harass or interfere with the Receiver in any way; or to interfere in any manner with the exclusive jurisdiction of this Court over the Receivership Property or documents of the Receivership Defendants; or to refuse to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or

7. Filing, or causing to be filed, any petition on behalf of any of the Entity Defendants and the Related Entities for relief under the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, without prior permission from this Court.

8. Violating any of the restrictions contained in Section I of the Court's February 15, 2008 consent decree (Document # 265) enjoining the Defendants from alienating

assets. To the extent that any inconsistency exists between those provisions and the ones set forth herein, the more restrictive shall prevail.

VII. DELIVERY OF RECEIVERSHIP PROPERTY BY FINANCIAL INSTITUTIONS AND OTHER PERSONS

IT IS FURTHER ORDERED THAT:

A. Immediately upon service of this Order upon them, or within such period as may be permitted by the Receivership Defendants, Financial Institutions, and all other Persons in active concert or participation with them who receive actual notice of this Order, whether by personal service or otherwise, and whether acting directly or through any corporation, subsidiary, division, or other device, shall transfer or deliver possession, custody, and control of the following to the Receiver:

1. All Receivership Property, including Receivership Property subject to repatriation pursuant to subsection II.B.2.;
2. All documents, including electronic records, of the Receivership Defendants, including, but not limited to, books and records of accounts, all financial and accounting records, balance sheets, income statements, bank records (including monthly statements, canceled checks, records of wire transfers, details of items deposited, and check registers), client lists, title documents and other papers;
3. All Assets belonging to members of the public now held by the Receivership Defendants; and
4. All keys, codes, and passwords necessary to gain or to secure access to any Assets or documents of the Receivership Defendants, including, but not limited to, access to their business premises, means of communication, accounts, computer systems, mail boxes, lock boxes, or other property.

B. In the event any Person fails to deliver or transfer any Receivership Property or otherwise fails to comply with any provision of this Section, the Receiver may file *ex parte* an Affidavit of Non-Compliance regarding the failure, provided, however, if such an Affidavit of Non-

Compliance is directed to an Individual Defendant, said Individual Defendant shall be entitled to ten (10) days' notice thereof (unless shortened by an order of this Court) and an opportunity to be heard. Except as set forth above, upon filing of the affidavit, the Court may authorize, without additional process or demand, writs of possession or sequestration or other equitable writs requested by the Receiver. The writs shall authorize and direct the United States Marshal or any sheriff or deputy sheriff of any county or city, or any other federal or state law enforcement officer, to seize the Receivership Property, document, or other thing and to deliver it to the Receiver.

C. Upon service of a copy of this Order, all banks, savings and loan associations, credit unions, depository institutions, finance companies, commercial lending companies, credit card issuing companies, credit card processing agents or agents providing electronic funds transfer services or automated clearing house processing, brokerage houses, escrow agents, money market or mutual funds, title companies, commodity futures merchants, commodity trading companies, precious metal dealers, trustees, payroll processing companies, or other Financial Institutions or depositories of any kind, shall cooperate with all reasonable requests of the Receiver relating to implementation of this Order, including transferring funds at the Receiver's direction and producing records related to the Receivership Property.

VIII. IMMEDIATE ACCESS TO DEFENDANTS' BUSINESS PREMISES, BOOKS AND RECORDS, AND RESIDENCES

IT IS FURTHER ORDERED THAT:

A. Receivership Defendants and their officers, agents, servants, employees, attorneys, and all persons or entities directly or indirectly under their control or under common control with them, and all other Persons in active concert or participation with them who receive actual notice of this Order, whether by personal service or otherwise, and whether acting directly or through any corporation, subsidiary, division, or other device, shall, except to the extent such identification has already been given to the Receiver in its prior capacity as Monitor, promptly identify to the Receiver:

1. All of Receivership Defendants' business premises;

2. Any premises where Receivership Defendants conduct business operations of any kind;

3. Any premises where documents related to Receivership Defendants' businesses are stored or maintained;

4. Any premises where the Receivership Defendants' desktop and laptop computers and network servers are stored or maintained; and

5. All agents, employees, officers, servants or other persons in active concert and participation with Receivership Defendants or who have done work for any Receivership Defendant.

B. The Receiver, and its representatives, agents, and assistants, shall have immediate access to the business premises of the Receivership Defendants. Such locations include but are not limited to:

1. Premises at which Receivership Defendants' business operations are physically located; and

2. Post office boxes and private mailboxes rented or owned by the Receivership Defendants.

C. Delivery of Assets that are located within the business premises of a Receivership Defendant and which are required to be delivered to the Receiver pursuant to this Order shall be deemed to have been delivered by surrendering control and occupancy of the business premises of such Receivership Defendant.

IX. NONINTERFERENCE WITH RECEIVER

IT IS FURTHER ORDERED THAT:

A. Except by leave of Court, during the pendency of the receivership, all clients, creditors, claimants, lessors and all other persons or entities seeking relief of any kind, in law or in equity, from the Receivership Defendants, and all persons acting on behalf of any such client, creditor, claimant, lessor or other person, including sheriffs, marshals, servants, agents, employees, and attorneys, are stayed from:

1. Commencing, prosecuting, continuing or enforcing any suit or proceeding against or affecting the Receivership Defendants or any part of the Receivership Property, except that such actions may be filed to toll any statutes of limitations;

2. Using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution, or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any portion of the Receivership Property, including, without limitation, any property owned by or in the possession of Receivership Defendants or the Receiver, wherever situated;

3. Attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate the obligations of any lease, loan, mortgage, indebtedness, security agreement or other agreement with Receivership Defendants, or any entity controlled by Receivership Defendants, or otherwise affecting Receivership Property.

4. Doing any act to interfere with the taking control, possession, management, or sale by the Receiver of any portion of the Receivership Property, or to in any way interfere with or harass the Receiver, or to interfere in any manner with the exclusive jurisdiction of the Court over the Receivership Property.

Provided, however, this provision shall not be construed to restrict:

(a) The commencement or continuation of a criminal action or proceeding;

(b) The commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;

(c) The enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;

(d) The enforcement of the right that any Person other than any of the Defendants and Related Entities may have under Title 11 of the United States Code. Nothing herein

shall be construed to prevent the Individual Defendants from filing for individual relief on their own behalves under Title 11 of the United States Code.

X. SECURITY

IT IS FURTHER ORDERED THAT pursuant to Fed.R.Civ.Proc. 65, Class Plaintiffs shall give a security in the amount of \$25,000 to pay the costs and damages sustained by any party found to have been wrongfully enjoined or restrained.

XI. SERVICE OF THIS ORDER

IT IS FURTHER ORDERED THAT this Order may be served by any means, including facsimile transmission and electronic transmission, upon any Receivership Defendant, Financial Institution, and any other Person that may be subject to any provision of this Order. Service upon any branch or office of any Financial Institution shall effect service upon the entire Financial Institution.

XII. CUMULATIVE OBLIGATIONS

IT IS FURTHER ORDERED THAT the requirements imposed upon Defendants, Related Entities, Financial Institutions and any other Person pursuant to any provision of this Order are cumulative with, and not in lieu of, the requirements imposed upon Defendants, Related Entities, Financial Institutions and any other Person pursuant to any prior order of the Court in this action, except such requirements that are expressly contrary to any provision of this Order.

This Order shall remain in effect and continue notwithstanding entry of a final judgment against the Defendants unless and until expressly suspended or modified by the Court.

IT IS SO ORDERED.



Michael A. Ponsor
United States District Court Judge

December 2, 2008