

ROBB EVANS & ASSOCIATES LLC

Receiver of the Assets of

DebtWorks, Inc., and

Andris Pukke

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Federal Trade Commission v. Ameridebt, Inc., et al.

CASE No. PJM 03-3317

**Findings of Fact and Conclusions of Law Regarding Motion by
Receiver for Order Authorizing Filing of Supplemental Declaration of
Gary Owen Caris in Support of Receiver's Opposition to Motion of
Non-Party Media Choice, LLC to Quash Subpoena Under Seal**

Filed July 10, 2006

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
SOUTHERN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

AMERIDEBT, INC., et al.,

Defendants.

Civil Action No. PJM 03-3317

**FINDINGS OF FACT AND CONCLUSIONS OF LAW REGARDING MOTION BY
RECEIVER FOR ORDER AUTHORIZING FILING SUPPLEMENTAL
DECLARATION OF GARY OWEN CARIS IN SUPPORT OF OPPOSITION TO
MOTION BY MEDIA CHOICE, LLC TO QUASH SUBPOENA UNDER SEAL**

The Court has reviewed and considered the Motion by Receiver for Order Authorizing Filing Supplemental Declaration of Gary Owen Caris in Support of Motion by Media Choice, LLC to Quash Subpoena Under Seal (“Motion”) filed by Robb Evans & Associates LLC (“Receiver”), and Supplemental Declaration of Gary Owen Caris in Support of Receiver’s Opposition to Motion by Non-Party Media Choice, LLC to Quash Subpoena, or in the Alternative, for Protective Order (“Supplemental Declaration”) provisionally filed with the Court under seal, and good cause appearing to the Court to grant the Motion, the Court hereby enters its findings of fact and conclusions of law pursuant to F.R.Civ.P. 52 and other applicable authority. Any Finding of Fact that constitutes a Conclusion of Law shall be deemed a Conclusion of Law, and any Conclusion of Law that constitutes a Finding of Fact shall be deemed a Finding of Fact.

FINDINGS OF FACT

1. This action is a civil enforcement action filed by plaintiff Federal Trade Commission (“FTC”) in November 2003.

2. The defendants in the action include Andris Pukke (“Pukke”) and DebtWorks, Inc. (“DebtWorks”).

3. Robb Evans & Associates LLC (“Receiver”) is the duly appointed receiver over the assets of Pukke and DebtWorks pursuant to the Court’s Preliminary Injunction Order with Asset Freeze, Appointment of a Receiver, Repatriation of Assets, and Other Equitable Relief dated April 20, 2005 (the “Preliminary Injunction Order”).

4. The Receiver’s powers and duties have been continued in the Stipulated Final Judgment and Permanent Injunction as to Defendants DebtWorks, Inc. and Andris Pukke (“Final Judgment”) entered by the Court on May 17, 2006.

5. Pursuant to Local Rule 105.11, the Receiver has filed its Receiver’s Opposition to Motion by Non-Party Media Choice, LLC to Quash Subpoena, or in the Alternative, for Protective Order (“Opposition”) which is supported in part by the Supplemental Declaration of Gary Owen Caris in Support of Receiver’s Opposition to Motion by Non-Party Media Choice, LLC to Quash Subpoena, or in the Alternative, for Protective Order (“Sealed Record”) temporarily filed under seal with Court on July 10, 2006.

6. The “Sealed Record” describes and attaches a document produced in discovery pursuant to subpoena to a third party witness, Google, pertaining to an e-mail account of third party witness Peter Baker (“Baker”).

7. The Sealed Record contains information which third party Baker has alleged is private and should not be subject to disclosure to the Receiver or to public disclosure or dissemination.

8. The Motion sets forth reasons justifying the sealing of the Supplemental Declaration, including the potential harm to the third party witness Baker and to the receivership estate if it is later determined that privacy rights attached to the content of the Sealed Record and the Receiver’s need to present this information to the Court in opposition to the Motion to Quash.

9. The Motion also sets forth reasons why alternatives to sealing would not provide sufficient protection under the circumstances and would be impractical, in that a confidentiality

agreement or protective order governing the parties would still allow for disclosure to the FTC and third parties through the public records in this action and in that redaction of the information in the statements would prevent the Court from viewing information the Receiver contends is necessary and appropriate for consideration by the Court in connection with the Receiver's Opposition to the Motion by Non-Party Media Choice, LLC to Quash Subpoena, or in the Alternative, for Protective Order and given the Receiver's time constraints for filing opposition to the Motion to Quash.

10. More than fourteen days have elapsed since the Motion was entered on the public Court docket to permit the filing of objections by interested parties.

CONCLUSIONS OF LAW

1. The Motion filed by the Receiver has presented "proposed reasons supported by specific factual representations to justify the [requested] sealing" in accordance with Local Rule 105.11.

2. The Receiver has stated in the Motion why alternatives to sealing would not provide sufficient protection in accordance with Local Rule 105.11.

3. The Court has considered any opposition or objections to the Receiver's Motion and the request to seal the Sealed Record.

4. The Court has deferred ruling on the Motion for more than fourteen (14) days since the Motion was filed on the public Court docket in this action as provided by Local Rule 105.11.

5. Alternatives to sealing would not provide sufficient protection for the information contained in the Sealed Record, as hereinabove described.

6. Sealing the Sealed Record, consisting of the Supplemental Declaration of Gary Owen Caris in Support of Receiver's Opposition to Motion by Non-Party Media Choice, LLC to Quash Subpoena, or in the Alternative, for Protective Order filed on July 10, 2006, is appropriate under the standards of Local Rule 105.11 and applicable law, including In re Knight Publishing Co., 743 F. 2d 231 (4th Cir. 1984); Rushford v. The New Yorker Magazine, Inc., 846 F. 2d 249

(4th Cir. 1984); Stone v. University of Maryland Medical Systems Corp., 855 F. 2d 178, 181 (4th Cir. 1988); and Pena v. Schwartz, 853 F. Supp. 164 (D. Md. 1994).

Dated: July ____, 2006
