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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION, )

Plaintiff, )

v. )

GRANT CONNECT, LLC; GLOBAL GOLD, )  
INC.; HORIZON HOLDINGS, LLC; )  
O'CONNELL GRAY, LLC; PINK LP; VANTEX )  
GROUP, LLC; VERTEK GROUP, LLC; )  
RACHAEL A. COOK; JAMES J. GRAY; )  
STEVEN R. HENRIKSEN; JULIETTE M. )  
KIMOTO; AND RANDY D. O'CONNELL, )

Defendants. )

Case No. 2:09-CV-01349

**[FILED UNDER SEAL]**

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**TEMPORARY RESTRAINING ORDER**

Plaintiff, the Federal Trade Commission ("FTC"), has filed its Complaint for Injunction and Other Equitable Relief pursuant to Sections 13(b) of the Federal Trade Commission Act, 15 U.S.C. §§ 53(b), and applied for a temporary restraining order with asset freeze and for an order to show cause why a Preliminary Injunction should not issue pursuant to Rule 65(b) of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 65(b).

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**FINDINGS OF FACT**

The Court, having considered the Complaint, the *ex parte* application for a temporary restraining order and preliminary injunction, declarations, exhibits, and the memorandum of points and authorities filed in support thereof, and being otherwise advised, it appears to the satisfaction of the Court that:

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1. This Court has jurisdiction over the subject matter of this case, and there is good cause to believe it will have jurisdiction of all parties hereto and that venue in this district is proper;
  2. There is good cause to believe that Defendants Grant Connect, LLC; Global Gold,

1 Inc.; Horizon Holdings, LLC; O’Connell Gray, LLC; Pink LP; Vantex Group, LLC;  
2 Vertek Group, LLC; Rachael A. Cook; James J. Gray; Steven R. Henriksen; Juliette  
3 M. Kimoto; and Randy D. O’Connell, (collectively “Defendants”) have engaged in  
4 and are likely to engage in acts and practices that violate Section 5(a) of the Federal  
5 Trade Commission Act, 15 U.S.C. § 45(a), Section 907(a) of the Electronic Funds  
6 Transfer Act, 15 U.S.C. §§ 1693e(a) (“EFTA”); and Section 205.10(b) of Regulation  
7 E, 12 C.F.R. § 205.10(b) (“Regulation E”), and the Commission is therefore likely to  
8 prevail on the merits of this action;

- 9 3. There is good cause to believe that immediate and irreparable harm will result from  
10 Defendants’ ongoing violations of the FTC Act, the EFTA, and Regulation E unless  
11 Defendants are restrained and enjoined by Order of this Court;
- 12 4. There is good cause to believe that immediate and irreparable damage to this Court’s  
13 ability to grant effective final relief for consumers, including monetary restitution,  
14 rescission or refunds, will occur from the sale, transfer, or other disposition or  
15 concealment by Defendants of their assets or records if Defendants are provided with  
16 advance notice of this Order, and that therefore in accordance with Fed. R. Civ. P.  
17 65(b), the interests of justice require that this order be granted without prior notice to  
18 Defendants. There is thus good cause for relieving the Commission of the duty to  
19 provide Defendants with prior notice of the Commission’s application;
- 20 5. Good cause exists for (a) the appointment of a Temporary Receiver over Corporate  
21 Defendants Grant Connect, LLC; Global Gold, Inc.; Horizon Holdings, LLC;  
22 O’Connell Gray, LLC; Pink LP; Vantex Group, LLC; and Vertek Group, LLC; (b)  
23 the freezing of Defendants’ assets; and (c) ancillary relief;
- 24 6. Weighing the equities and considering Plaintiff’s likelihood of ultimate success on  
25 the merits, a temporary restraining order with an asset freeze, the appointment of a

1 Temporary Receiver, and other equitable relief is in the public interest. The FTC is  
2 an independent agency of the United States of America and no security is required of  
3 any agency of the United States for the issuance of a temporary restraining order.  
4 Fed. R. Civ. P. 65(c).

## 5 **ORDER**

### 6 **DEFINITIONS**

7 For the purpose of this Temporary Restraining Order (“Order”), the following definitions  
8 shall apply:

- 9 1. “**Asset**” means any legal or equitable interest in, right to, or claim to, any real,  
10 personal, or intellectual property including, but not limited to, chattel, goods,  
11 instruments, equipment, fixtures, general intangibles, effects, leaseholds, contracts,  
12 mail or other deliveries, shares or stock, securities, inventory, checks, notes, accounts,  
13 credits, receivables (as those terms are defined in the Uniform Commercial Code),  
14 cash, trusts, including but not limited to asset protection trusts, and reserve funds or  
15 other accounts associated with any payments processed on behalf of any Defendant,  
16 including, but not limited to, such reserve funds held by a payment processor, credit  
17 card processor, or bank.
- 18 2. “**Assisting others**” includes knowingly providing any of the following goods or  
19 services to another entity: (1) performing customer service functions, including, but  
20 not limited to, charging consumers for products or services, or receiving or  
21 responding to consumer complaints; (2) formulating or providing, or arranging for the  
22 formulation or provision of, any promotional material; (3) providing names of, or  
23 assisting in the generation of, potential customers; or (4) performing promotional or  
24 marketing services of any kind, including but not limited to, creating, hosting, or  
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1 maintaining websites, or recruiting affiliates; or (5) processing credit and debit card  
2 payments.

3 3. **“Charge”** means any amount charged or debited to a consumer’s credit card,  
4 debit card, checking, savings, share or similar financial account, or collected from a  
5 consumer by any other method.

6 4. **“Clearly and Conspicuously”**

7 a. with regard to print advertisements, solicitations, or other  
8 promotional material, the disclosure shall be in a type size and location  
9 sufficiently noticeable for an ordinary consumer to read and comprehend  
10 it, in print that contrasts with the background against which it appears; and  
11 in multi-page promotional materials, the disclosure shall appear on the  
12 cover or first page;

13 b. with regard to Internet advertisements, solicitations, or other  
14 promotional material, the disclosure shall be made next to any advertised  
15 price or cost (including free), and where consumers’ financial account  
16 information is required, without the use of pop-up windows or hyperlinks  
17 to other electronic pages to display Material information.

18 5. **“Continuity Program”** means any plan, arrangement, or system under which a  
19 consumer is periodically charged for products or services, including but not limited to  
20 access to a “member only” website, without prior notification by the seller before  
21 each charge, regardless of any trial or approval period allowing the consumer to  
22 cancel the program

23 6. **“Corporate Defendants”** mean Grant Connect, LLC; Global Gold, Inc.; Horizon  
24 Holdings, LLC; O’Connell Gray, LLC; Pink LP; Vantex Group, LLC; Vertek Group,  
25 LLC; and their successors, assigns, affiliates or subsidiaries.

1           7.       **“Defendants”** means all of the Individual Defendants and the Corporate  
2 Defendants, individually, collectively, or in any combination.

3           8.       **“Document”** is synonymous in meaning and equal in scope to the usage of the  
4 term in the Federal Rules of Civil Procedure 34(a), and includes writing, drawings,  
5 graphs, charts, Internet sites, Web pages, Web sites, electronic correspondence,  
6 including e-mail and instant messages, photographs, audio and video recordings,  
7 contracts, accounting data, advertisements (including, but not limited to,  
8 advertisements placed on the World Wide Web), FTP Logs, Server Access Logs,  
9 USENET Newsgroup postings, World Wide Web pages, books, written or printed  
10 records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers,  
11 personal and business canceled checks and check registers, bank statements,  
12 appointment books, computer records, and other data compilations from which  
13 information can be obtained and translated, if necessary, through detection devices  
14 into reasonably usable form. A draft or non-identical copy is a separate document  
15 within the meaning of the term.

16          9.       **“Host”** or **“Hosting Company”** means the person or entity that provides the  
17 infrastructure for a computer service. With respect to Web pages and websites, a Host  
18 or Hosting Company maintains “Web servers” - the computers on which websites and  
19 pages reside. The Host or Hosting Company also maintains the communication lines  
20 required to link the server to the Internet.

21          10.       **“Individual Defendants”** mean Rachael A. Cook, James J. Gray, Steven R.  
22 Henriksen, Juliette M. Kimoto, and Randy D. O’Connell.

23          11.       **“Material”** means likely to affect a person’s choice of, or conduct regarding,  
24 goods or services;

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1           **A.** Misrepresenting, directly or indirectly, expressly or by implication, or from assisting  
2 others who are misrepresenting, any consumer's eligibility to receive, or the likelihood of  
3 receiving, a grant or other financial assistance from the government or any other source;

4           **B.** Making any representation, expressly or by implication, concerning Defendants'  
5 success rate in securing grants or any person's likelihood of receiving a grant, unless Defendants  
6 possess and rely upon reliable evidence that substantiates the representation at the time the  
7 representation is made;

8           **C.** Failing to disclose, Clearly and Conspicuously, all applicable material terms  
9 regarding any and all products and services sold, marketed, promoted, or distributed by  
10 Defendants, including but not limited to:

- 11           **1.** all products and services that are part of the sales offer, including but not  
12           limited to, all goods and services provided by third parties and/or affiliates;
- 13           **2.** all Continuity Programs associated with the sales offer;
- 14           **3.** in conjunction with any Continuity Program:
  - 15                   **a.** that consumers are signing up for a Continuity Program;
  - 16                   **b.** the length of any trial period;
  - 17                   **c.** that consumers who do not take affirmative action to cancel the  
18                   Continuity Program within the trial period will incur a Charge by  
19                   Defendants;
  - 20                   **d.** the Charge(s) that Defendants impose on consumers who do not  
21                   cancel within the trial period, and the date(s) the Charge(s) will be  
22                   submitted for payment; and
  - 23                   **e.** the specific steps consumers must follow to cancel enrollment in all  
24                   Continuity Programs to avoid incurring any Charge;



1 E, 12 C.F.R. § 205.10(b) as more fully set out in Section 205.10 of the Federal Reserve Board's  
2 Official Staff Commentary to Regulation E, 12 C.F.R. § 205, Supp. I; and

3 **B.** Failing to provide a copy of a valid written authorization to the consumer for  
4 preauthorized Electronic Fund Transfers from a consumer's account, as required by Section  
5 907(a) of EFTA, 15 U.S.C. § 1693e(a) and Section 205.10(b) of Regulation E, 12 C.F.R.  
6 § 205.10(b), as more fully set out in Section 205.10 of the Federal Reserve Board's Official Staff  
7 Commentary to Regulation E, 12 C.F.R. § 205, Supp. I.

8 **III.**

9 **ASSET FREEZE**

10 **IT IS FURTHER ORDERED** that Defendants and their Representatives, whether acting  
11 directly or through any entity, corporation, subsidiary, division, director, manager, member,  
12 affiliate, independent contractor, accountant, financial advisor, or other device, are **hereby**  
13 **temporarily restrained and enjoined** from:

14 **A.** Transferring, liquidating, converting, encumbering, pledging, loaning, selling,  
15 concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, granting a  
16 lien or security interest in, or otherwise disposing of any funds, real or personal property,  
17 accounts, contracts, shares of stock, lists of consumer names, or other assets, but wherever  
18 located, including outside the United States, that are:

- 19 **1.** owned or controlled, in whole or in part by any Defendant;
- 20 **2.** held for the benefit of, directly or indirectly, any Defendant, in whole or in  
21 part;
- 22 **3.** in the actual or constructive possession of any Defendant;
- 23 **4.** held by an agent of any Defendant as a retainer for the agent's provision of  
24 services to Defendants; or
- 25 **5.** owned or controlled by, or in the actual or constructive possession of or

1 otherwise held for the benefit of, any corporation, partnership, asset protection  
2 trust, or other entity that is directly or indirectly owned, managed, controlled  
3 by any of the Defendants, or of which any Defendant is an Officer, Director,  
4 Member, or Manager. This includes, but is not limited to, any assets held by,  
5 for, or subject to access by, any of the Defendants at any bank or savings and  
6 loan institution, or with any broker-dealer, escrow agent, title company,  
7 commodity trading company, precious metal dealer, or other financial  
8 institution or depository of any kind; or

9 **6.** held in any account for which any Defendant is an authorized signer.

10 **7.** This Order shall not preclude any Individual Defendant from spending a  
11 maximum of \$100 per day for living expenses from their personal funds.

12 **B.** Opening or causing to be opened, unless accompanied by Counsel for the  
13 Commission, any safe deposit boxes titled in the name of any Defendant, either individually or  
14 jointly, or subject to access by any Defendant;

15 **C.** Obtaining a personal or secured loan encumbering the assets of any Defendant, or  
16 subject to access by any Defendant;

17 **D.** Incurring liens or other encumbrances on real property, personal property, or  
18 other assets in the name, singly or jointly, of any Defendant or of any corporation, partnership, or  
19 other entity directly or indirectly owned, managed, or controlled by any Defendant; or

20 **E.** Incurring charges or cash advances on any credit or bank card issued in the name,  
21 individually or jointly, of any Corporate Defendant or any corporation, partnership, or other  
22 entity directly or indirectly owned, managed, or controlled by any Defendant or of which any  
23 Defendant is an Officer, Director, Member, or Manager. This includes, but is not limited to, any  
24 corporate bank or credit card account for which any Defendant is an authorized signor.

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1 business or of which they are an officer, and for each trust for which any Defendant is a trustee.  
2 The financial statements shall be accurate as of the date of entry of this Order. Each Defendant  
3 shall include in the financial statements a full accounting of all funds and assets, whether located  
4 inside or outside of the United States, that are: (a) titled in the name of such Defendant, jointly,  
5 severally, or individually; (b) held by any person or entity for the benefit of such Defendant; or  
6 (c) under the direct or indirect control of such Defendant.

## 7 VI.

### 8 REPATRIATION OF ASSETS AND DOCUMENTS

9 **IT IS FURTHER ORDERED** that within ten (10) days following the service of this  
10 Order, each Defendant shall:

- 11 **A.** Provide the Commission and the Receiver with a full accounting of all funds,  
12 documents, and assets outside of the United States which are: (1) titled in the name,  
13 individually or jointly, of any Defendant; or (2) held by any person or entity for the  
14 benefit of any Defendant; or (3) under the direct or indirect control, whether jointly or  
15 singly, of any Defendant;
- 16 **B.** Transfer to the territory of the United States and deliver to the Receiver all funds,  
17 documents, and assets located in foreign countries which are: (1) titled in the name  
18 individually or jointly of any Defendant; or (2) held by any person or entity, for the  
19 benefit of any Defendant; or (3) under the direct or indirect control of any Defendant,  
20 whether jointly or singly;
- 21 **C.** Provide the Commission access to all records of accounts or assets of any Defendant  
22 held by financial institutions located outside the territorial United States by signing  
23 the Consent to Release of Financial Records appended to this Order as **Attachment**  
24 **C.**

1 **VII.**

2 **NONINTERFERENCE WITH REPATRIATION**

3 **IT IS FURTHER ORDERED** that Defendants and their Representatives, whether acting  
4 directly or through any entity, corporation, subsidiary, division, director, manager, member,  
5 affiliate, independent contractor, accountant, financial advisor, or other device, are hereby  
6 temporarily restrained and enjoined from taking any action, directly or indirectly, which may  
7 result in the encumbrance or dissipation of foreign assets, or in the hindrance of the repatriation  
8 required by Section VI of this Order, including, but not limited to:

9 **A.** Sending any statement, letter, fax, email or wire transmission, or telephoning or  
10 engaging in any other act, directly or indirectly, that results in a determination by a foreign  
11 trustee or other entity that a “duress” event has occurred under the terms of a foreign trust  
12 agreement until such time that all assets have been fully repatriated pursuant to Section VI of this  
13 Order; or

14 **B.** Notifying any trustee, protector or other agent of any foreign trust or other related  
15 entities of either the existence of this Order, or of the fact that repatriation is required pursuant to  
16 a court order, until such time that all assets have been fully repatriated pursuant to Section VI of  
17 this Order.

18 **VIII.**

19 **CONSUMER CREDIT REPORTS**

20 **IT IS FURTHER ORDERED** that pursuant to Section 604(1) of the Fair Credit  
21 Reporting Act, 15 U.S.C. § 1681b(1), any consumer reporting agency served with this Order  
22 shall promptly furnish consumer reports as requested concerning any Defendant to the counsel  
23 for the Commission.

1 **IX.**

2 **PRESERVATION OF RECORDS**

3 **IT IS FURTHER ORDERED** that Defendants and their Representatives, whether acting  
4 directly or through any entity, corporation, subsidiary, division, director, manager, member,  
5 affiliate, independent contractor, accountant, financial advisor, or other device, are hereby  
6 temporarily restrained and enjoined from:

7 **A.** destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing  
8 of, in any manner, directly or indirectly, documents that relate to the business, business  
9 practices, assets, or business or personal finances of any Defendant; and

10 **B.** Failing to create and maintain documents that, in reasonable detail, accurately, fairly, and  
11 completely reflect Defendants' incomes, disbursements, transactions, and use of money.

12 **X.**

13 **PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**  
14 **OR CUSTOMER LISTS**

15 **IT IS FURTHER ORDERED** that that Defendants and their Representatives, whether  
16 acting directly or through any entity, corporation, subsidiary, division, director, manager,  
17 member, affiliate, independent contractor, accountant, financial advisor, or other device, are  
18 hereby temporarily restrained and enjoined from selling, renting, leasing, transferring, or  
19 otherwise disclosing the name, address, telephone number, credit card number, bank account  
20 number, e mail address, or other identifying information of any person who paid money to the  
21 Defendant for grant-related services, programs, or products or who were contacted or are on a  
22 list to be contacted by the Defendant; provided that the Defendant may disclose such identifying  
23 information to a law enforcement agency or as required by any law, regulation, or court order.

1 **XI.**

2 **APPOINTMENT OF TEMPORARY RECEIVER**

3 **IT IS FURTHER ORDERED** that that Robb Evans of Robb Evans and Associates,  
4 LLC is appointed temporary receiver for the Receivership Defendants. The Receiver shall be the  
5 agent of this Court, and solely the agent of this Court, in acting as Receiver under this Order.  
6 The Receiver shall be accountable directly to this Court.

7 **XII.**

8 **RECEIVER'S DUTIES**

9 **IT IS FURTHER ORDERED** that the Receiver is authorized and directed to accomplish  
10 the following:

11 A. Assume full control of the Receivership Defendants by removing, as the Receiver  
12 deems necessary or advisable, any director, officer, independent contractor, employee, or agent  
13 of any of the Receivership Defendants, including any Defendant, from control of, management  
14 of, or participation in, the affairs of the Receivership Defendants;

15 B. Take exclusive custody, control, and possession of all assets and documents of, or  
16 in the possession, custody, or under the control of, the Receivership Defendants, wherever  
17 situated. The Receiver shall have full power to divert mail and to sue for, collect, receive, take in  
18 possession, hold, and manage all assets and documents of the Receivership Defendants and other  
19 persons or entities whose interests are now under the direction, possession, custody, or control  
20 of, the Receivership Defendants. The Receiver shall assume control over the income and profits  
21 therefrom and all sums of money now or hereafter due or owing to the Receivership Defendants.  
22 Provided, however, that the Receiver shall not attempt to collect any amount from a consumer if  
23 the Receiver believes the consumer was a victim of the unfair or deceptive acts or practices or  
24 other violations of law alleged in the Complaint in this matter, without prior Court approval;

1           C.     Take all steps necessary to secure and take exclusive custody of each location  
2 from which the Receivership Defendants operate their business. Such steps may include, but are  
3 not limited to, any of the following, as the Receiver deems necessary or advisable: (1) serving  
4 this Order; (2) completing a written inventory of all Receivership assets; (3) obtaining pertinent  
5 information from all employees and other agents of the Receivership Defendants, including, but  
6 not limited to, the name, home address, Social Security Number, job description, passwords or  
7 access codes, method of compensation, and all accrued and unpaid commissions and  
8 compensation of each such employee or agent; (4) photographing and video taping any or all  
9 portions of the location; (5) securing the location by changing the locks and disconnecting any  
10 computer modems or other means of access to the computer or other records maintained at that  
11 location; and (6) requiring any persons present on the premises at the time this Order is served to  
12 leave the premises, to provide the Receiver with proof of identification, or to demonstrate to the  
13 satisfaction of the Receiver that such persons are not removing from the premises documents or  
14 assets of the Receivership Defendants. Law enforcement personnel, including, but not limited  
15 to, police or sheriffs, may assist the Receiver in implementing these provisions in order to keep  
16 the peace and maintain security. If requested by the Receiver, the United States Marshal will  
17 provide appropriate and necessary assistance to the Receiver to implement this Order and is  
18 authorized to use any necessary and reasonable force to do so;

19           D.     Conserve, hold, and manage all assets of the Receivership Defendants, and  
20 perform all acts necessary or advisable to preserve the value of those assets in order to prevent  
21 any irreparable loss, damage, or injury to consumers or creditors of the Receivership Defendants,  
22 including, but not limited to, obtaining an accounting of the assets and preventing the  
23 unauthorized transfer, withdrawal, or misapplication of assets;

24           E.     Enter into and cancel contracts, and purchase insurance as advisable or necessary;  
25

1 F. Prevent the inequitable distribution of assets and determine, adjust, and protect  
2 the interests of consumers and creditors who have transacted business with the Receivership  
3 Defendants;

4 G. Manage and administer the business of the Receivership Defendants until further  
5 order of this Court by performing all incidental acts that the Receiver deems to be advisable or  
6 necessary, which includes but is not limited to retaining, hiring, or dismissing any employees,  
7 independent contractors, or agents;

8 H. Prevent the destruction or erasure of any web page or website registered to and  
9 operated, in whole or in part, by Defendants;

10 I. Take all steps necessary to ensure that any of Defendants' web pages or websites  
11 relating to grants including, but not limited to, [www.grantconnectoffer.com](http://www.grantconnectoffer.com),  
12 [www.grantconnect.com](http://www.grantconnect.com), [www.grantsourceamerica.com](http://www.grantsourceamerica.com), and  
13 [www.grantsourceamericaoffers.com](http://www.grantsourceamericaoffers.com), can not be accessed by the public, or are modified for  
14 consumer education and/or informational purposes.

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

18 K. Make payments and disbursements from the receivership estate that are necessary  
19 or advisable for carrying out the directions of, or exercising the authority granted by, this Order.  
20 The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation  
21 incurred by the Receivership Defendants prior to the date of entry of this Order, except payments  
22 that the Receiver deems necessary or advisable to secure assets of the Receivership Defendants,  
23 such as rental payments;

24 L. Suspend business operations of the Receivership Defendants if in the judgment of  
25 the Receiver such operations cannot be continued legally and profitably;

1 M. Institute, compromise, adjust, appear in, intervene in, or become party to such  
2 actions or proceedings in state, federal or foreign courts or arbitration proceedings as the  
3 Receiver deems necessary and advisable to preserve or recover the assets of the Receivership  
4 Defendants, or that the Receiver deems necessary and advisable to carry out the Receiver's  
5 mandate under this Order, including but not limited to, actions challenging fraudulent or  
6 voidable transfers;

7 N. Defend, compromise, adjust, or otherwise dispose of any or all actions or  
8 proceedings instituted in the past or in the future against the Receiver in his role as Receiver, or  
9 against the Receivership Defendants, as the Receiver deems necessary and advisable to preserve  
10 the assets of the Receivership Defendants, or as the Receiver deems necessary and advisable to  
11 carry out the Receiver's mandate under this Order;

12 O. Issue subpoenas to obtain documents and records pertaining to the Receivership,  
13 and conduct discovery in this action on behalf of the Receivership estate;

14 P. Open one or more bank accounts as designated depositories for funds of the  
15 Receivership Defendants. The Receiver shall deposit all funds of the Receivership Defendants in  
16 such a designated account and shall make all payments and disbursements from the Receivership  
17 estate from such an account. The Receiver shall serve copies of monthly account statements on  
18 all parties;

19 Q. Maintain accurate records of all receipts and expenditures incurred as Receiver;  
20 and

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

1 **XIII.**

2 **TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

3 **IT IS FURTHER ORDERED** that Defendants, their Representatives, and any other person,  
4 with possession, custody or control of property of or records relating to the Receivership  
5 Defendants shall upon notice of this Order by personal service or otherwise immediately notify  
6 the Receiver of, and, upon receiving a request from the Receiver, immediately transfer or deliver  
7 to the Receiver possession, custody, and control of, the following:

- 8 A. All assets of the Receivership Defendants;
- 9 B. All documents of the Receivership Defendants, including, but not limited to, books and  
10 records of accounts, all financial and accounting records, balance sheets, income  
11 statements, bank records (including monthly statements, canceled checks, records of wire  
12 transfers, and check registers), client lists, title documents and other papers;
- 13 C. All computers and data in whatever form used to conduct the business of the  
14 Receivership Defendants;
- 15 D. All assets belonging to other persons or entities whose interests are now under the  
16 direction, possession, custody, or control of, the Receivership Defendants; and
- 17 E. All keys, codes, and passwords necessary to gain or to secure access to any assets or  
18 documents of the Receivership Defendants, including, but not limited to, access to their  
19 business premises, means of communication, accounts, computer systems, or other  
20 property.

21 In the event that any person or entity fails to deliver or transfer any asset or otherwise fails to  
22 comply with any provision of this Section, the Receiver may file ex parte an Affidavit of Non-  
23 Compliance regarding the failure. Upon filing of the affidavit, the Court may authorize, without  
24 additional process or demand, Writs of Possession or Sequestration or other equitable writs  
25 requested by the Receiver. The writs shall authorize and direct the United States Marshal or any

1 sheriff or deputy sheriff of any county, or any other federal or state law enforcement officer, to  
2 seize the asset, document, or other item covered by this Section and to deliver it to the Receiver.

3 **XIV.**

4 **PROVISION OF INFORMATION TO RECEIVER**

5 **IT IS FURTHER ORDERED** that Defendants shall provide to the Receiver, immediately  
6 upon request, the following:

7 A. A list of all assets and property, including accounts, of the Receivership  
8 Defendants that are held in any name other than the name of a Receivership Defendant, or by any  
9 person or entity other than a Receivership Defendant; and

10 B. A list of all agents, employees, officers, servants or those persons in active  
11 concert and participation with the Individual Defendants and Receivership Defendants, who have  
12 been associated or done business with the Receivership Defendants.

13 **XV.**

14 **COOPERATION WITH THE RECEIVER**

15 **IT IS FURTHER ORDERED** that Defendants, their Representatives, and any other  
16 person served with a copy of this Order shall fully cooperate with and assist the Receiver in  
17 taking and maintaining possession, custody, or control of the assets of the Receivership  
18 Defendants. This cooperation and assistance shall include, but not be limited to: providing  
19 information to the Receiver that the Receiver deems necessary in order to exercise the authority  
20 and discharge the responsibilities of the Receiver under this Order; providing any password  
21 required to access any computer, electronic file, or telephonic data in any medium; advising all  
22 persons who owe money to the Receivership Defendants that all debts should be paid directly to  
23 the Receiver; and transferring funds at the Receiver's direction and producing records related to  
24 the assets and sales of the Receivership Defendants. The entities obligated to cooperate with the  
25 Receiver under this provision include, but are not limited to, banks, broker-dealers, savings and

1 loans, escrow agents, title companies, commodity trading companies, precious metals dealers  
2 and other financial institutions and depositories of any kind, and all common carriers, third-party  
3 billing agents, including but not limited to, payment processors, and other telecommunications  
4 companies, that have transacted business with the Receivership Defendants.

5 **XVI.**

6 **INTERFERENCE WITH THE RECEIVER**

7 **IT IS FURTHER ORDERED** that Defendants and their Representatives, corporations,  
8 subsidiaries, divisions, or affiliates, are hereby restrained and enjoined from directly or  
9 indirectly:

10 **A.** Interfering with the Receiver managing, or taking custody, control, or possession of,  
11 the assets or documents subject to this Receivership;

12 **B.** Transacting any of the business of the Receivership Defendants;

13 **C.** Transferring, receiving, altering, selling, encumbering, pledging, assigning,  
14 liquidating, or otherwise disposing of any assets owned, controlled, or in the possession or  
15 custody of, or in which an interest is held or claimed by, the Receivership Defendants, or the  
16 Receiver; and

17 **D.** Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in  
18 the exercise of their duties or authority under any order of this Court.

19 **XVII.**

20 **STAY OF ACTIONS AGAINST RECEIVERSHIP DEFENDANTS**

21 **IT IS FURTHER ORDERED** that, except by leave of this Court, during pendency of  
22 the Receivership ordered herein, Defendants, their Representatives, corporations, subsidiaries,  
23 divisions, or affiliates, and all investors, creditors, stockholders, lessors, customers and other  
24 persons seeking to establish or enforce any claim, right, or interest against or on behalf of  
25 Defendants, and all others acting for or on behalf of such persons, are hereby enjoined from



1 or control of, or which may be received by, the Receivership Defendants. The Receiver shall file  
2 with the Court and serve on the parties periodic requests for the payment of such reasonable  
3 compensation, with the first such request filed no more than sixty (60) days after the date of  
4 entry of this Order. The Receiver shall not increase the hourly rates used as the bases for such  
5 fee applications without prior approval of the Court.

6 **XIX.**

7 **RECEIVER'S BOND**

8 **IT IS FURTHER ORDERED** that the Receiver shall file with the Clerk of this Court a  
9 bond in the sum of \$10,000 with sureties to be approved by the Court, conditioned that the  
10 Receiver will well and truly perform the duties of the office and abide by and perform all acts the  
11 Court directs. 28 U.S.C. § 754.

12 **XX.**

13 **ACCESS TO BUSINESS OFFICES AND RECORDS**

14 **IT IS FURTHER ORDERED** that, in order to allow the Commission and the Receiver  
15 to preserve assets and evidence relevant to this action, and to expedite discovery, Plaintiff and  
16 Receiver, and their representatives, agents, and assistants, shall have immediate access to the  
17 business premises of the Receivership Defendants. Such locations include, but are not limited to:  
18 1135 Terminal Way, Suite 203, Reno, Nevada; 1404 S. Jones Blvd, Las Vegas, Nevada; and  
19 6060 W. Elton Ave, Suite A, Las Vegas, Nevada. The Commission and the Receiver, and their  
20 representatives, agents, and assistants, are authorized to employ the assistance of the U.S.  
21 Marshal's office and other law enforcement officers as they deem necessary to effect service and  
22 to implement peacefully the provisions of this Order. The Commission and the Receiver, and  
23 their representatives, agents, and assistants, are authorized to remove documents from the  
24 Receivership Defendants' premises in order that they may be inspected, inventoried, and copied

1 for the purpose of preserving discoverable material in connection with this action, following  
2 which they will be returned to the premises from which they were removed.

3 Furthermore, the Receiver shall allow the Defendants reasonable access to the premises  
4 and business records of the Receivership Defendants within his possession for the purpose of  
5 inspecting and copying materials relevant to this action. The Receiver shall have the discretion  
6 to determine the time, manner, and reasonable conditions of such access.

7 **XXI.**

8 **DISTRIBUTION OF ORDER BY DEFENDANTS**

9 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a copy of this  
10 Order to each affiliate, sales entity, successor, assign, member, officer, director, employee, agent,  
11 independent contractor, client company, servant, attorney, spouse, subsidiary, division, and  
12 representative of any Defendant, and shall, within ten (10) days from the date of entry of this  
13 Order, provide the FTC with a sworn statement that Defendants have complied with this  
14 provision of the Order, which statement shall include the names and addresses of each such  
15 person or entity who received a copy of this Order. Furthermore, Defendants shall not take any  
16 action that would encourage officers, agents, members, directors, employees, salespersons,  
17 independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other persons or  
18 entities in active concert or participation with them to disregard this Order or believe that they  
19 are not bound by its provisions.

20 **XXII.**

21 **SERVICE ON FINANCIAL INSTITUTIONS,**  
22 **ENTITIES OR PERSONS**

23 **IT IS FURTHER ORDERED** that copies of this Order may be served by any means,  
24 including facsimile transmission, email, and overnight delivery service, upon any financial  
25 institution or other entity or person that may have possession, custody, or control of any

1 documents or assets of any Defendant, or that may otherwise be subject to any provision of this  
2 Order. Service upon any branch or office of any financial institution shall effect service upon the  
3 entire financial institution.

4  
5 **XXIII.**

6 **GENERAL SERVICE OF ORDER**

7 **IT IS FURTHER ORDERED** that pursuant to Fed. R. Civ. P. 4(c)(2), this Order and the  
8 initial papers filed in this matter may be served on Defendants, upon the business premises of  
9 Defendants, and upon any financial institution or other entity or person that may have  
10 possession, custody or control of any documents or assets of any Defendant, or that may be  
11 subject to any provision of this Order, by employees of the FTC, by employees of any other law  
12 enforcement agency, by any agent of Plaintiff or by any agent of any process service retained by  
13 Plaintiff.

14 **XXIV.**

15 **CORRESPONDENCE**

16 **IT IS FURTHER ORDERED** that, for the purpose of this Order, all correspondence  
17 and service of pleadings on Plaintiff shall be addressed to:

18  
19 Roberto Anguizola and Tracey Thomas  
20 Federal Trade Commission  
21 600 Pennsylvania Avenue NW, #286  
22 Washington, DC 20580  
23 FAX: 202-326-3395  
24 Email: [ranguizola@ftc.gov](mailto:ranguizola@ftc.gov), [tthomas@ftc.gov](mailto:tthomas@ftc.gov)  
25

1 **XXV.**

2 **PRELIMINARY INJUNCTION HEARING**

3 **IT IS FURTHER ORDERED** that, pursuant to Fed. R. Civ. P. 65(b), Defendants shall  
4 appear before this Court on **Friday, July 31, 2009 at 1:30 p.m.** in Courtroom 7C, U.S.  
5 Courthouse, 333 S. Las Vegas Boulevard, Las Vegas, Nevada, to show cause, if there is any,  
6 why this Court should not enter a preliminary injunction, pending final ruling on the Complaint  
7 against Defendants, enjoining the violations of the law alleged in the Commission's Complaint,  
8 continuing the freeze of their assets, continuing the Receivership, and imposing such additional  
9 relief as may be appropriate.

10 **XXVI.**

11 **DURATION OF TEMPORARY RESTRAINING ORDER**

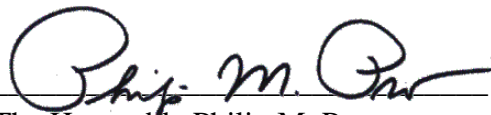
12 **IT IS FURTHER ORDERED** that except as ordered by this Court, this Temporary  
13 Restraining Order shall expire within ten (10) days from the date of entry noted below, as  
14 computed by Rule 6, Fed. R. Civ. P., unless within such time, the Order, for good cause shown,  
15 is extended for an additional period not to exceed ten (10) days or unless it is further extended  
16 pursuant to Federal Rule of Civil Procedure 65 or by stipulation of counsel.

17 **XXVII.**

18 **RETENTION OF JURISDICTION**

19 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for  
20 all purposes.

21 **IT IS SO ORDERED:**

22 

23 The Honorable Philip M. Pro  
24 UNITED STATES DISTRICT JUDGE

25 DATED: July 28, 2009 \_\_\_\_\_