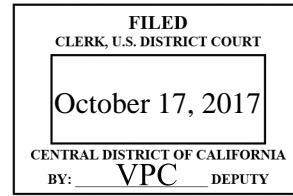


1 K. MICHELLE GRAJALES
2 mgrajales@ftc.gov
3 LISA ANNE ROTHFARB
4 lrothfarb@ftc.gov
5 FEDERAL TRADE COMMISSION
6 600 Pennsylvania Ave., NW
7 Mail Stop: CC-10232
8 Washington, DC 20580
9 (202) 326-3172



8 JOHN D. JACOBS, Cal. Bar No. 134154
9 jjacobs@ftc.gov
10 FEDERAL TRADE COMMISSION
11 10990 Wilshire Blvd., Ste. 400
12 Los Angeles, CA 90024
13 Tel: (310) 824-4343; Fax: (310) 824-4380
14 Attorneys for Plaintiff

14 **UNITED STATES DISTRICT COURT**
15 **CENTRAL DISTRICT OF CALIFORNIA**

16 _____) Case No. CV17-07044-SJO (JCX)
17 FEDERAL TRADE COMMISSION,)
18 Plaintiff,) **STIPULATED PRELIMINARY**
19 vs.) **INJUNCTION**
20) **AS TO DEFENDANTS A1**
21 A1 DOCPREP INC., et al.,) **DOCPREP, INC., STREAM LINED**
22 Defendants.) **MARKETING, and HOMAN**
23) **ARDALAN**
24)
25)

26 Plaintiff, the Federal Trade Commission, commenced this civil action on
27 September 25, 2017, pursuant to Section 13(b) of the Federal Trade Commission
28 Act (“FTC Act”), 15 U.S.C. § 53(b), the Telemarketing and Consumer Fraud and

1 Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, and the
2 2009 Omnibus Appropriations Act, Public Law 111-8, Section 626, 123 Stat. 524,
3 678 (Mar. 11, 2009) (“Omnibus Act”), as clarified by the Credit Card
4 Accountability Responsibility and Disclosure Act of 2009, Public Law 111-24,
5 Section 511, 123 Stat. 1734, 1763-64 (May 22, 2009) (“Credit Card Act”), and
6 amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act,
7 Public Law 111-203, Section 1097, 124 Stat. 1376, 2102-03 (July 21, 2010)
8 (“Dodd-Frank Act”). On motion by the FTC, on September 28, 2017, this Court
9 entered an *ex parte* Temporary Restraining Order (“TRO”) with asset freeze,
10 appointment of a receiver, and other equitable relief against the Defendants. The
11 FTC and Defendants A1 DocPrep, Inc., Stream Lined Marketing, and Homan
12 Ardalan (“Stipulating Defendants”), by and through their Counsel, have stipulated
13 and agreed to the entry of a preliminary injunction (“Order”).

14 THEREFORE IT IS ORDERED as follows:

15
16 **FINDINGS OF FACT**

17 By stipulation of the parties, the Court finds as follows:

- 18 1. The FTC and Stipulating Defendants have stipulated and agreed to the
19 entry of this preliminary injunction order without any admission of wrongdoing or
20 violation of law, and without a finding by the Court of law or fact other than stated
21 below.
- 22 2. Stipulating Defendants waive all rights to seek judicial review or
23 otherwise challenge or contest the validity of this Order.
- 24 3. This Court has jurisdiction over the subject matter of this case, and
25 there is good cause to believe that it will have jurisdiction over the parties.
- 26 4. Venue in this district is proper.
- 27
28

1 5. The activities of Stipulating Defendants are in or affecting commerce,
2 as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

3 6. The FTC asserts that there is good cause to believe that the FTC will
4 ultimately succeed in establishing that Defendants Homan Ardalan, A1 DocPrep
5 Inc., and Stream Lined Marketing have engaged in and are likely to engage in acts
6 or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the FTC’s
7 Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and the Mortgage
8 Assistance Relief Services Rule (“MARS Rule” or “Regulation O”), 12 C.F.R. Part
9 1015, formerly codified as 16 C.F.R. Part 322, and therefore there is good cause to
10 believe the FTC is likely to prevail on the merits of this action.

11 7. The FTC asserts that there is good cause to believe that consumers
12 will suffer continuing harm unless Stipulating Defendants are restrained and
13 enjoined by order of this Court.

14 8. The FTC asserts that there is good cause to believe that immediate and
15 irreparable damage to the Court’s ability to grant effective final relief for
16 consumers—including monetary restitution, rescission, disgorgement, or refunds—
17 will occur from the sale, transfer, destruction or other disposition or concealment
18 by Stipulating Defendants of their assets or records, unless Stipulating Defendants
19 are immediately restrained and enjoined by order of this Court.

20 9. The FTC asserts that good cause exists for continuing the receivership
21 over the Receivership Entities and continuing the asset freeze imposed pursuant to
22 the TRO issued in this case.

23 10. The FTC asserts that entry of this order is in the public interest;

24 11. Plaintiff FTC is an independent agency of the United States and no
25 security is required of any agency of the United States for issuance of a
26 preliminary injunction. Fed. R. Civ. P. 65(c).

27
28

1 **DEFINITIONS**

2 For the purpose of this Preliminary Injunction, the following definitions shall
3 apply:

4 A. **“Asset”** or **“Assets”** means any legal or equitable interest in, right to,
5 or claim to, any real or personal property, including “goods,” “instruments,”
6 “equipment,” “fixtures,” “general intangibles,” “inventory,” “checks,” or “notes”
7 (as these terms are defined in the Uniform Commercial Code), lines of credit,
8 chattels, leaseholds, contracts, mail or other deliveries, shares of stock, lists of
9 consumer names, accounts, credits, premises, receivables, funds, and all cash,
10 wherever located.

11 B. **“Assisting Others”** includes: (a) providing administrative services,
12 including filing business registrations with federal, state, or local government
13 entities, establishing bank or merchant accounts, and/or handling banking
14 transactions; (b) acting as an officer, director, or registered agent of a business
15 entity; (c) establishing mail accounts or mail receiving boxes, and/or providing
16 mailing or printing services; (d) performing customer service functions, including
17 forwarding mail received from consumers and/or receiving or responding to
18 consumer complaints; (e) formulating or providing, or arranging for the
19 formulation or provision of, any sales script or other marketing material; (f)
20 providing names of, or assisting in the generation of, potential customers; and (g)
21 performing or providing marketing or billing services of any kind, including
22 performing or providing telemarketing services.

23 C. **“Commercial communication”** means any written or oral statement,
24 illustration, or depiction, whether in English or any other language, that is designed
25 to affect a sale or create interest in purchasing any service, plan, or program,
26 whether it appears on or in a label, package, package insert, radio, television, cable
27 television, brochure, newspaper, magazine, pamphlet, leaflet, circular, mailer, book
28 insert, free standing insert, letter, catalogue, poster, chart, billboard, public transit

1 card, point of purchase display, film, slide, audio program transmitted over a
2 telephone system, telemarketing script, onhold script, upsell script, training
3 materials provided to telemarketing firms, program-length commercial
4 (“infomercial”), the Internet, cellular network, or any other medium. Promotional
5 materials and items and Web pages are included in the term “commercial
6 communication.”

7 D. **“Consumer-specific commercial communication”** means a
8 commercial communication that occurs prior to a consumer agreeing to permit the
9 provider to seek offers of mortgage assistance relief on behalf of the consumer, or
10 otherwise agreeing to use the mortgage assistance relief service, and that is
11 directed at a specific consumer.

12 E. **“Corporate Defendants”** means A1 DocPrep Inc., Stream Lined
13 Marketing, also doing business as Project Uplift Students and Project Uplift
14 America, and Bloom Law Group P.C., also doing business as Home Shield
15 Network and Keep Your Home USA, and each of their subsidiaries, affiliates,
16 successors, and assigns.

17 F. **“Debt relief service”** means any program or service represented,
18 directly or by implication, to renegotiate, settle, or in any way alter the terms of
19 payment or other terms of the debt between a person and one or more unsecured
20 creditors or debt collectors, including, but not limited to, a reduction in the balance,
21 interest rate, or fees owed by a person to an unsecured creditor or debt collector.

22 G. **“Defendant(s)”** means Corporate Defendants and Holman Ardalan,
23 individually, collectively, or in any combination.

24 H. **“Document”** is synonymous in meaning and equal in scope to the
25 usage of “document” and “electronically stored information” in Fed. R. Civ. P.
26 34(a), and includes writings, drawings, graphs, charts, photographs, sound and
27 video recordings, images, Internet sites, web pages, websites, electronic
28 correspondence, including e-mail and instant messages, contracts, accounting data,

1 advertisements, FTP Logs, Server Access Logs, books, written or printed records,
2 handwritten notes, telephone logs, telephone scripts, receipt books, ledgers,
3 personal and business canceled checks and check registers, bank statements,
4 appointment books, computer records, customer or sales databases and any other
5 electronically stored information, including Documents located on remote servers
6 or cloud computing systems, and other data or data compilations from which
7 information can be obtained directly or, if necessary, after translation into a
8 reasonably usable form. A draft or non-identical copy is a separate document
9 within the meaning of the term.

10 I. **“Electronic data host”** means any person in the business of storing,
11 hosting, or otherwise maintaining electronically stored information. This includes,
12 but is not limited to, any entity hosting a website or server, and any entity
13 providing “cloud based” electronic storage.

14 J. **“Established Business Relationship”** means a relationship between a
15 Seller and a person based on: (a) the person’s purchase, rental, or lease of the
16 Seller’s good or services or a financial transaction between the Seller and person,
17 within the eighteen months immediately preceding the date of the Telemarketing
18 call; or (b) the person’s inquiry or application regarding a product or service
19 offered by the Seller, within the three months immediately preceding the date of a
20 Telemarketing call.

21 K. **“Financial institution”** means any bank, savings and loan institution,
22 credit union, or any financial depository of any kind, including, but not limited to,
23 any brokerage house, trustee, broker-dealer, escrow agent, title company,
24 commodity trading company, or precious metal dealer.

25 L. **“General commercial communication”** means a commercial
26 communication that occurs prior to the consumer agreeing to permit the provider to
27 seek offers of mortgage assistance relief on behalf of the consumer, or otherwise
28 agreeing to use the mortgage assistance relief service, and that is not directed at a

1 specific consumer.

2 M. **“Individual Defendant”** means Holman Ardalan, by whatever names
3 he may be known.

4 N. **“Mortgage assistance relief service”** or **“MARS”** means any
5 product, service, plan, or program, offered or provided to the consumer in
6 exchange for consideration, that is represented, expressly or by implication, to
7 assist or attempt to assist the consumer with any of the following:

- 8 1. stopping, preventing, or postponing any mortgage or deed of
9 foreclosure sale for the consumer’s dwelling, any repossession
10 of the consumer’s dwelling, or otherwise saving the consumer’s
11 dwelling from foreclosure or repossession;
- 12 2. negotiating, obtaining, or arranging a modification of any term
13 of a dwelling loan, including a reduction in the amount of
14 interest, principal, balance, monthly payments, or fees;
- 15 3. obtaining any forbearance or modification in the timing of
16 payments from any dwelling loan holder or servicer on any
17 dwelling loan;
- 18 4. negotiating, obtaining, or arranging any extension of the period
19 of time within which the consumer may (i) cure his or her
20 default on a dwelling loan, (ii) reinstate his or her dwelling
21 loan, (iii) redeem a dwelling, or (iv) exercise any right to
22 reinstate a dwelling loan or redeem a dwelling;
- 23 5. obtaining any waiver of an acceleration clause or balloon
24 payment contained in any promissory note or contract secured
25 by any dwelling; or
- 26 6. negotiating, obtaining, or arranging (i) a short sale of a
27 dwelling, (ii) a deed-in-lieu of foreclosure, or (iii) any other
28 disposition of a dwelling other than a sale to a third party who

1 is not the dwelling loan holder.

2 The foregoing shall include any manner of claimed assistance, including
3 auditing or examining a consumer's mortgage or home loan application.

4 O. **“National Do Not Call Registry”** means the “do-not-call” registry of
5 telephone numbers maintained by the Commission pursuant to 16 C.F.R. §
6 310.4(b)(1)(iii)(B).

7 P. **“Outbound Telephone Call”** means a telephone call initiated by a
8 Telemarketer to induce the purchase of goods or services or to solicit a charitable
9 contribution.

10 Q. **“Person”** means a natural person, organization, or other legal entity,
11 including a corporation, partnership, proprietorship, association, cooperative, or
12 any other group or combination acting as an entity.

13 R. **“Receiver”** means the receiver appointed in Section XIV of this Order
14 and any deputy receivers that shall be named by the receiver.

15 S. **“Receivership entities”** means the Corporate Defendants, as well as
16 any other business related to Defendants' debt relief, MARS, or tax debt relief
17 business and which the Receiver has reason to believe is owned or controlled in
18 whole or in part by any of the Defendants.

19 T. **“Seller”** means any person who, in connection with a Telemarketing
20 transaction, provides, offers to provide, or arranges for others to provide goods or
21 services to the customer in exchange for consideration.

22 U. **“Stipulating Defendants”** means the Individual Defendant, and A1
23 DocPrep Inc., and Stream Lined Marketing, also doing business as Project Uplift
24 Students and Project Uplift America, and each of their subsidiaries, affiliates,
25 successors, and assigns.

26 V. **“Tax relief product or service”** means any product, service, plan, or
27 program, represented, expressly or by implication, to negotiate, settle, or alter the
28 terms of a tax obligation between a person and a taxing entity.

1 W. “**Telemarketer**” means any person who, in connection with
2 telemarketing, initiates or receives telephone calls to or from a customer or donor.
3 16 C.F.R. § 310.2(cc).

4 X. “**Telemarketing**” means a plan, program, or campaign (whether or
5 not covered by the TSR, 16 C.F.R. Part 310) that is conducted to induce the
6 purchase of goods or services or a charitable contribution by use of one or more
7 telephones.

8 **I. PROHIBITION ON DECEPTIVE REPRESENTATIONS**

9 **IT IS THEREFORE ORDERED** that Stipulating Defendants, their
10 officers, agents, employees, and attorneys, and all other persons in active concert
11 or participation with them, who receive actual notice of this Order by personal
12 service or otherwise, whether acting directly or indirectly, in connection with the
13 advertising, marketing, promoting, or offering for sale of any MARS, debt relief
14 service, or tax relief product or service, are preliminarily restrained and enjoined
15 from:

16 A. misrepresenting or assisting others in misrepresenting, expressly or by
17 implication:

- 18 1. that Stipulating Defendants are part of or affiliated with the
19 federal government or a federal government program;
- 20 2. that consumers who enroll in Stipulating Defendants’ debt
21 relief services will have their monthly payments reduced or
22 their loan balances forgiven in whole or in part;
- 23 3. that consumers who enroll in Stipulating Defendants’ MARS
24 will obtain a loan modification that will make their payments
25 substantially more affordable or help them avoid foreclosure;
- 26 4. any other fact material to consumers concerning any MARS or
27 debt relief service, such as: the total costs; any material
28

1 restrictions, limitations, or conditions; or any material aspect of
2 its performance, efficacy, nature, or central characteristics; and
3 B. making or assisting others in making, any representation, expressly or by
4 implication, about the benefits, performance, or efficacy of any product or
5 service, unless the representation is non-misleading and, at the time such
6 representation is made, Stipulating Defendants possess and rely upon
7 competent and reliable evidence that is sufficient in quality and quantity
8 based on standards generally accepted in the relevant fields, when
9 considered in light of the entire body of relevant and reliable evidence, to
10 substantiate that the representation is true.

11 **II. PROHIBITION ON COLLECTION OF ADVANCE FEES**

12 **IT IS FURTHER ORDERED** that Stipulating Defendants, and their
13 officers, agents, employees, and those persons or entities in active concert or
14 participation with any of them who receive actual notice of this Order, whether
15 acting directly or indirectly, are hereby restrained and enjoined from:

16 A. In connection with providing, offering to provide, or arranging for
17 others to provide any MARS, requesting or receiving payment of any fee or other
18 consideration for any MARS before the consumer has executed a written
19 agreement with the consumer's dwelling loan holder or servicer incorporating the
20 offer of mortgage assistance relief that a Defendant obtained from the consumer's
21 dwelling loan holder or servicer on the consumer's behalf; and

22 B. providing, offering to provide, or arranging for others to provide any
23 debt relief service and requesting or receiving payment of any fees or consideration
24 for any debt relief service, until and unless:

25 1. the seller or telemarketer has renegotiated, settled, reduced, or
26 otherwise altered the terms of at least one debt pursuant to a
27 settlement agreement, debt management plan, or other such
28 valid contractual agreement executed by the customer;

- 1 2. the customer has made at least one payment pursuant to that
- 2 settlement agreement, debt management plan, or other valid
- 3 contractual agreement between the customer and the creditor or
- 4 debt collector; and
- 5 3. to the extent that debts enrolled in a service are renegotiated,
- 6 settled, reduced, or otherwise altered individually, the fee or
- 7 consideration either:
 - 8 a. bears the same proportional relationship to the total fee
 - 9 for renegotiating, settling, reducing, or altering the terms
 - 10 of the entire debt balance as the individual debt amount
 - 11 bears to the entire debt amount. The individual debt
 - 12 amount and the entire debt amount are those owed at the
 - 13 time the debt was enrolled in the service; or
 - 14 b. is a percentage of the amount saved as a result of the
 - 15 renegotiation, settlement, reduction, or alteration. The
 - 16 percentage charged cannot change from one individual
 - 17 debt to another. The amount saved is the difference
 - 18 between the amount owed at the time the debt was
 - 19 enrolled in the service and the amount actually paid to
 - 20 satisfy the debt.

21 **III. DISCLOSURES REQUIRED BY THE MARS RULE**

22 **IT IS FURTHER ORDERED** that Stipulating Defendants and their
23 officers, agents, employees, and attorneys, and those persons or entities in active
24 concert or participation with any of them who receive actual notice of this Order,
25 whether acting directly, in connection with the advertising, marketing, promotion,
26 offering for sale, sale, or provision of any MARS, are hereby preliminarily
27 restrained and enjoined from engaging in the following conduct:

- 28 A. Failing to disclose the following information in all general

1 commercial communications:

- 2 1. “[Name of Company] is not associated with the government,
3 and our service is not approved by the government or your
4 lender;” and
- 5 2. “Even if you accept this offer and use our service, your lender
6 may not agree to change your loan;”

7 B. Failing to disclose the following information in all consumer-specific
8 commercial communications:

- 9 1. “You may stop doing business with us at any time. You may
10 accept or reject the offer of mortgage assistance we obtain from
11 your lender [or servicer]. If you reject the offer, you do not
12 have to pay us. If you accept the offer, you will have to pay us
13 [insert amount or method for calculating the amount] for our
14 services.” For the purposes of this section, the amount “you
15 will have to pay” shall consist of the total amount the consumer
16 must pay to purchase, receive, and use all of the MARS that are
17 the subject of the sales offer, including but not limited to, all
18 fees and charges;
- 19 2. “[Name of company] is not associated with the government,
20 and our service is not approved by the government or your
21 lender;”
- 22 3. “Even if you accept this offer and use our service, your lender
23 may not agree to change your loan;” and
- 24 4. “If you stop paying your mortgage, you could lose your home
25 and damage your credit.”

26 **IV. PROHIBITION AGAINST UNLAWFUL TELEMARKETING**
27 **PRACTICES**

28 **IT IS FURTHER ORDERED** that Stipulating Defendants and their

1 officers, agents, employees, and attorneys, and those persons or entities in active
2 concert or participation with any of them who receive actual notice of this Order,
3 whether acting directly, in connection with the advertising, marketing, promotion,
4 offering for sale, sale, or provision of any good or service, are hereby preliminarily
5 restrained and enjoined from engaging in any of the following practices:

6 A. Initiating or causing others to initiate any outbound telephone call to
7 any person at a telephone number on the National Do Not Call Registry, unless:

- 8 1. Stipulating Defendants have obtained the express agreement, in
9 writing, of such person to place calls to that person. Such
10 written agreement shall clearly evidence such person's
11 authorization that calls made by or on behalf of Stipulating
12 Defendants may be placed to that person, and shall include the
13 telephone number to which the calls may be placed and the
14 signature of that person; or
- 15 2. Stipulating Defendants have an established business
16 relationship with such person, and that person has not
17 previously stated that he or she does not wish to receive
18 outbound telephone calls made by or on behalf of Stipulating
19 Defendants;

20 B. Initiating or causing others to initiate any outbound telephone call to
21 a telephone number within a given area code when the annual fee for access to the
22 telephone numbers within that area code that are on the National Do Not Call
23 Registry has not been paid by or on behalf of Stipulating Defendants, unless the
24 telephone call is:

- 25 1. A solicitation to induce charitable contributions;
- 26 2. To a business;
- 27 3. To persons who have given the Seller their express agreement,
28 in writing and signed, to receive calls from Stipulating

1 Defendants; or

- 2 4. To persons who have an Established Business Relationship
3 with Stipulating Defendants.

4 **V. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

5 **IT IS FURTHER ORDERED** that Stipulating Defendants, their officers,
6 agents, employees, and attorneys, and all other Persons in active concert or
7 participation with any of them, who receive actual notice of this Order, whether
8 acting directly or indirectly, are hereby preliminarily restrained and enjoined from:

9 A. Selling, renting, leasing, transferring, or otherwise disclosing, the
10 name, address, birth date, telephone number, email address, credit card number,
11 bank account number, Social Security number, or other financial or identifying
12 information of any person that any Defendant obtained in connection with any
13 activity that pertains to the subject matter of this Order; and

14 B. Benefitting from or using the name, address, birth date, telephone
15 number, email address, credit card number, bank account number, Social Security
16 number, or other financial or identifying information of any person that any
17 Defendant obtained in connection with any activity that pertains to the subject
18 matter of this Order.

19 *Provided, however,* that Stipulating Defendants may disclose such
20 identifying information to a law enforcement agency, as required by any law,
21 regulation, or court order, or in any filings, pleadings or discovery in this action in
22 the manner required by the Federal Rules of Civil Procedure and by any protective
23 order in the case.

24 **VI. ASSET FREEZE**

25 **IT IS FURTHER ORDERED** that Stipulating Defendants and their
26 officers, agents, employees, and attorneys, and all other persons in active concert
27 or participation with any of them, who receive actual notice of this Order, whether
28 acting directly or indirectly, are hereby preliminarily restrained and enjoined from:

1 A. Transferring, liquidating, converting, encumbering, pledging, loaning,
2 selling, concealing, dissipating, disbursing, assigning, relinquishing, spending,
3 withdrawing, granting a lien or security interest or other interest in, or otherwise
4 disposing of any Assets, wherever located, including outside the United States, that
5 are:

- 6 1. owned or controlled, directly or indirectly, by any Defendant,
7 including, but not limited to those for which a Defendant is a
8 signatory on the account;
- 9 2. held, in part or in whole, for the benefit of any Defendant;
- 10 3. in the actual or constructive possession of any Defendant; or
- 11 4. owned or controlled by, in the actual or constructive possession
12 of, or otherwise held for the benefit of, any corporation,
13 partnership, asset protection trust, or other entity that is directly
14 or indirectly owned, managed or controlled by any Defendant,
15 including any Assets that are held by or for any Defendant in
16 any account at any Financial Institution, whether within or
17 without the territorial United States, or with any credit card
18 processing agent, automated clearing house processor, network
19 transaction processor, bank debit processing agent, customer
20 service agent, commercial mail receiving agency, mail holding
21 or forwarding company, credit union, retirement fund
22 custodian, money market or mutual fund, or storage company;

23 B. Opening or causing to be opened any safe deposit boxes, commercial
24 mail boxes, or storage facilities titled in the name of any Defendant or subject to
25 access by any Defendant, except as necessary to comply with written requests from
26 the Receiver acting pursuant to its authority under this Order;

27 C. Incurring charges or cash advances on any credit or bank card issued
28 in the name, individually or jointly, of any Defendant or any corporation,

1 partnership, or other entity directly or indirectly owned, managed, or controlled by
2 any Defendant or of which any Defendant is an officer, director, member, or
3 manager. This includes any corporate bankcard or corporate credit card account
4 for which any Defendant is, or was on the date that this Order was signed, an
5 authorized signor; or

6 D. Cashing any checks or depositing or processing any payments from
7 consumers, clients, or customers of any Defendant.

8 E. Incurring liens or encumbrances on real property, personal property,
9 or other Assets in the name, singly or jointly, of any Defendant or of any
10 corporation, partnership, or other entity directly or indirectly owned, managed, or
11 controlled by any Defendant.

12 The Assets affected by this Section shall include: (1) all Assets of
13 Stipulating Defendants as of the time this Order is entered; (2) Assets obtained by
14 Stipulating Defendants after this Order is entered if those Assets are derived from
15 any activity that is the subject of the Complaint in this matter or that is prohibited
16 by this Order. This Section does not prohibit any transfers to the Receiver or
17 repatriation of foreign Assets specifically required by this order.

18 **VII. DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES**

19 **IT IS FURTHER ORDERED** that any Financial Institution, Electronic
20 Data Host, credit card processor, payment processor, merchant bank, acquiring
21 bank, independent sales organization, third party processor, payment gateway,
22 insurance company, business entity, or person who receives actual notice of this
23 Order (by service or otherwise) and that (a) holds, controls, or maintains custody,
24 through an account or otherwise, of any Document or Asset that is: owned or
25 controlled, directly or indirectly, by any Defendant; held, in part or in whole, for
26 the benefit of any Defendant; in the actual or constructive possession of any
27 Defendant; or owned or controlled by, in the actual or constructive possession of,
28 or otherwise held for the benefit of, any corporation, partnership, asset protection

1 trust, or other entity that is directly or indirectly owned, managed, or controlled by
2 any Defendant; (b) holds, controls, or maintains custody of any Document or Asset
3 associated with credits, debits or charges made on behalf of any Defendant,
4 including reserve funds held by payment processors, credit card processors,
5 merchant banks, acquiring banks, independent sales organizations, third party
6 processors, payment gateways, insurance companies, or other entities; or (c) has
7 held, controlled, or maintained custody of any such Document, Asset, or account at
8 any time since the date of entry of this Order shall:

9 A. Hold, preserve, and retain within its control and prohibit the
10 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,
11 disbursement, dissipation, relinquishment, conversion, sale, or other disposal of
12 any such Document or Asset, as well as all Documents or other property related to
13 such Assets, except by further order of this Court;

14 B. Deny any Person, except the Receiver, access to any safe deposit box,
15 commercial mail box, or storage facility that is titled in the name of any Defendant,
16 either individually or jointly, or otherwise subject to access by any Defendant;

17 C. To the extent not already done so pursuant to the TRO, provide
18 Plaintiff's counsel and the Receiver, within three (3) business days of receiving a
19 copy of this Order, a sworn statement setting forth:

- 20 1. The identification number of each such account or Asset;
- 21 2. The balance of each such account, or a description of the nature
22 and value of each such Asset as of the close of business on the
23 day on which this Order is served, and, if the account or other
24 Asset has been closed or removed, the date closed or removed,
25 the total funds removed in order to close the account, and the
26 name of the person to whom such account or other Asset was
27 remitted; and

1 3. The identification of any safe deposit box, commercial mail
2 box, or storage facility that is either titled in the name,
3 individually or jointly, of any Defendant, or is otherwise subject
4 to access by any Defendant; and

5 D. Upon the request of Plaintiff's counsel or the Receiver, promptly
6 provide Plaintiff's counsel and the Receiver with copies of all records or other
7 Documents pertaining to such account or Asset, including originals or copies of
8 account applications, account statements, signature cards, checks, drafts, deposit
9 tickets, transfers to and from the accounts, including wire transfers and wire
10 transfer instructions, all other debit and credit instruments or slips, currency
11 transaction reports, 1099 forms, and all logs and records pertaining to safe deposit
12 boxes, commercial mail boxes, and storage facilities.

13 **VIII. FINANCIAL DISCLOSURES**

14 **IT IS FURTHER ORDERED** that each Defendant, to the extent each has
15 not done so pursuant to the TRO, within three (3) days of service of this Order
16 upon them, shall prepare and deliver to Plaintiff's counsel and the Receiver (1)
17 completed financial statements on the forms attached to the TRO as **Attachment A**
18 (Financial Statement of Individual Defendant) for the Individual Defendant, and
19 **Attachment B** (Financial Statement of Corporate Defendant) for each Corporate
20 Defendant and (2) a completed statement, verified under oath, of all payments,
21 transfers or assignments of funds, assets, or property worth \$1,000 or more since
22 January 1, 2015. Such statement shall include: (a) the amount transferred or
23 assigned; (b) the name of each transferee or assignee; (c) the date of the transfer or
24 assignment; and (d) the type and amount of consideration paid by the Defendant.
25 Each statement shall specify the name and address of each financial institution and
26 brokerage firm at which the Defendant has accounts or safe deposit boxes. Said
27 statements shall include assets held in foreign as well as domestic accounts.
28

1 **IX. FOREIGN ASSET REPATRIATION**

2 **IT IS FURTHER ORDERED** that, to the extent not already done pursuant
3 to the TRO, within five (5) days following the service of this Order, each
4 Defendant shall:

5 A. Provide Plaintiff's counsel and the Receiver with a full accounting,
6 verified under oath and accurate as of the date of this Order, of all Assets,
7 Documents, and accounts outside of the United States which are: (1) titled in the
8 name, individually or jointly, of any Defendant; (2) held by any person for the
9 benefit of any Defendant or for the benefit of, any corporation, partnership, asset
10 protection trust, or other entity that is directly or indirectly owned, managed, or
11 controlled by any Defendant; or (3) under the direct or indirect control, whether
12 jointly or singly, of any Defendant;

13 B. Take all steps necessary to provide Plaintiff's counsel and Receiver
14 access to all Documents and records that may be held by third parties located
15 outside of the territorial United States of America, including signing the Consent to
16 Release of Financial Records appended to this Order as **Attachment C** and
17 providing it to Plaintiff's counsel.

18 C. Transfer to the territory of the United States and deliver to the
19 Receiver all Documents and Assets located in foreign countries which are: (1)
20 titled in the name, individually or jointly, of any Defendant; (2) held by any person
21 for the benefit of any Defendant or for the benefit of, any corporation, partnership,
22 asset protection trust, or other entity that is directly or indirectly owned, managed,
23 or controlled by any Defendant; or (3) under the direct or indirect control, whether
24 jointly or singly, of any Defendant; and

25 D. The same business day as any repatriation, (1) notify the Receiver and
26 counsel for Plaintiff of the name and location of the financial institution or other
27 entity that is the recipient of such Documents or Assets; and (2) serve this Order on
28 any such financial institution or other entity.

1 **X. NON-INTERFERENCE WITH REPATRIATION**

2 **IT IS FURTHER ORDERED** that Stipulating Defendants, their officers,
3 agents, employees, and attorneys, and all other Persons in active concert or
4 participation with any of them, who receive actual notice of this Order, whether
5 acting directly or indirectly, are hereby preliminarily restrained and enjoined from
6 taking any action, directly or indirectly, which may result in the encumbrance or
7 dissipation of foreign Assets, or in the hindrance of the repatriation required by this
8 Order, including, but not limited to:

9 A. Sending any communication or engaging in any other act, directly or
10 indirectly, that results in a determination by a foreign trustee or other entity that a
11 “duress” event has occurred under the terms of a foreign trust agreement until such
12 time that all Stipulating Defendants’ Assets have been fully repatriated pursuant to
13 this Order; or

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

18 **XI. CONSUMER CREDIT REPORTS**

19 **IT IS FURTHER ORDERED** that Plaintiff may obtain credit reports
20 concerning any Stipulating Defendants pursuant to Section 604(a)(1) of the Fair
21 Credit Reporting Act, 15 U.S.C. 1681b(a)(1), and that, upon written request, any
22 credit reporting agency from which such reports are requested shall provide them
23 to Plaintiff.

24 **XII. PRESERVATION OF RECORDS**

25 **IT IS FURTHER ORDERED** that Stipulating Defendants, and their
26 officers, agents, employees, and attorneys, and all other Persons in active concert
27 or participation with any of them, who receive actual notice of this Order, whether
28 acting directly or indirectly, are hereby preliminarily restrained and enjoined from:

1 A. Destroying, erasing, falsifying, writing over, mutilating, concealing,
2 altering, transferring, or otherwise disposing of, in any manner, directly or
3 indirectly, Documents that relate to: (1) the business, business practices, Assets, or
4 business or personal finances of any Defendant; (2) the business practices or
5 finances of entities directly or indirectly under the control of any Defendant; or (3)
6 the business practices or finances of entities directly or indirectly under common
7 control with any other Defendant; and

8 B. Failing to create and maintain Documents that, in reasonable detail,
9 accurately, fairly, and completely reflect Stipulating Defendants' incomes,
10 disbursements, transactions, and use of Stipulating Defendants' Assets.

11 **XIII. REPORT OF NEW BUSINESS ACTIVITY**

12 **IT IS FURTHER ORDERED** that Stipulating Defendants, their officers,
13 agents, employees, and attorneys, and all other persons in active concert or
14 participation with any of them, who receive actual notice of this Order, whether
15 acting directly or indirectly, are hereby preliminarily restrained and enjoined from
16 creating, operating, or exercising any control over any business entity, whether
17 newly formed or previously inactive, including any partnership, limited
18 partnership, joint venture, sole proprietorship, or corporation, without first
19 providing Plaintiff's counsel and the Receiver with a written statement disclosing:
20 (1) the name of the business entity; (2) the address and telephone number of the
21 business entity; (3) the names of the business entity's officers, directors, principals,
22 managers, and employees; and (4) a detailed description of the business entity's
23 intended activities.

24 **XIV. CONTINUATION OF RECEIVERSHIP**

25 **IT IS FURTHER ORDERED** that Robb Evans & Associates, LLC shall
26 continue to serve as Receiver for the business activities of the Receivership
27 Entities with the full power of an equity receiver. The Receiver shall be the agent
28 of this Court and solely the agent of this Court in acting as Receiver under this

1 Order. The Receiver shall be accountable directly to this Court. The Receiver
2 shall comply with any laws and Local Rules of this Court governing receivers.

3 **XV. DUTIES AND AUTHORITY OF RECEIVER**

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

6 A. Assume full control of Receivership Entities by removing, as the
7 Receiver deems necessary or advisable, any director, officer, independent
8 contractor, employee, attorney, or agent of any of the Receivership Entities from
9 control of, management of, or participation in, the affairs of the Receivership
10 Entities;

11 B. Take exclusive custody, control, and possession of all Assets and
12 Documents of, or in the possession, custody, or under the control of, any
13 Receivership Entity, wherever situated;

14 C. Obtain, conserve, hold, manage, and prevent the loss of all Assets of
15 the Receivership Entities, and perform all acts necessary or advisable to preserve
16 the value of those Assets. The Receiver shall assume control over the income and
17 profits therefrom and all sums of money now or hereafter due or owing to the
18 Receivership Entities. The Receiver shall have full power to sue for, collect, and
19 receive, all Assets of the Receivership Entities and of other persons or entities
20 whose interests are now under the direction, possession, custody, or control of, the
21 Corporate Defendants. *Provided, however,* that the Receiver shall not attempt to
22 collect any amount from a consumer if the Receiver believes the consumer's debt
23 to the Receivership Entities has resulted from the deceptive acts or practices or
24 other violations of law alleged in the Complaint in this matter, without prior Court
25 approval;

26 D. Obtain, conserve, hold, manage, and prevent the loss of all Documents
27 of the Receivership Entities, and perform all acts necessary or advisable to
28 preserve such Documents. The Receiver shall: divert mail; preserve all

1 Documents of the Receivership Entities that are accessible via electronic means
2 such as online access to financial accounts and access to electronic documents held
3 onsite or by Electronic Data Hosts, by changing usernames, passwords or other
4 log-in credentials; take possession of all electronic Documents of the Receivership
5 Entities stored onsite or remotely; take whatever steps necessary to preserve all
6 such Documents; and obtain the assistance of the FTC's Digital Forensic Unit for
7 the purpose of obtaining electronic documents stored onsite or remotely;

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

12 F. Make payments and disbursements from the receivership estate that
13 are necessary or advisable for carrying out the directions of, or exercising the
14 authority granted by, this Order, and to incur, or authorize the making of, such
15 agreements as may be necessary and advisable in discharging his or her duties as
16 Receiver. The Receiver shall apply to the Court for prior approval of any payment
17 of any debt or obligation incurred by the Receivership Entities prior to the date of
18 entry of this Order, except payments that the Receiver deems necessary or
19 advisable to secure Assets of the Corporate Defendants, such as rental payments;

20 G. Take all steps necessary to secure and take exclusive custody of each
21 location from which the Receivership Entities operate their businesses. Such steps
22 may include, but are not limited to, any of the following, as the Receiver deems
23 necessary or advisable: (1) securing the location by changing the locks and alarm
24 codes and disconnecting any internet access or other means of access to the
25 computers, servers, internal networks, or other records maintained at that location;
26 and (2) requiring any persons present at the location to leave the premises, to
27 provide the Receiver with proof of identification, and/or to demonstrate to the
28 satisfaction of the Receiver that such persons are not removing from the premises

1 Documents or Assets of the Receivership Entities. Law enforcement personnel,
2 including, but not limited to, police or sheriffs, may assist the Receiver in
3 implementing these provisions in order to keep the peace and maintain security. If
4 requested by the Receiver, the United States Marshal will provide appropriate and
5 necessary assistance to the Receiver to implement this Order and is authorized to
6 use any necessary and reasonable force to do so;

7 H. Take all steps necessary to prevent the modification, destruction, or
8 erasure of any web page or website registered to and operated, in whole or in part,
9 by any Defendants, and to provide access to all such web page or websites to
10 Plaintiff's representatives, agents, and assistants, as well as Defendants and their
11 representatives;

12 I. Enter into and cancel contracts and purchase insurance as advisable or
13 necessary;

14 J. Prevent the inequitable distribution of Assets and determine, adjust,
15 and protect the interests of consumers who have transacted business with the
16 Receivership Entities;

17 K. Make an accounting, as soon as practicable, of the Assets and
18 financial condition of the receivership and file the accounting with the Court and
19 deliver copies thereof to all parties;

20 L. Institute, compromise, adjust, appear in, intervene in, defend, dispose
21 of, or otherwise become party to any legal action in state, federal or foreign courts
22 or arbitration proceedings as the Receiver deems necessary and advisable to
23 preserve or recover the Assets of the Receivership Entities, or to carry out the
24 Receiver's mandate under this Order, including but not limited to, actions
25 challenging fraudulent or voidable transfers;

26 M. Issue subpoenas to obtain Documents and records pertaining to the
27 Receivership, and conduct discovery in this action on behalf of the receivership
28 estate;

1 N. Open one or more bank accounts at designated depositories for funds
2 of the Receivership Entities. The Receiver shall deposit all funds of the
3 Receivership Entities in such designated accounts and shall make all payments and
4 disbursements from the receivership estate from such accounts. The Receiver shall
5 serve copies of monthly account statements on all parties;

6 O. Maintain accurate records of all receipts and expenditures incurred as
7 Receiver;

8 P. Allow the Plaintiff's representatives, agents, and assistants, as well as
9 Stipulating Defendants' representatives and Stipulating Defendants themselves,
10 reasonable access to the premises of the Receivership Entities, or any other
11 premises where the Receivership Entities conduct business. The purpose of this
12 access shall be to inspect and copy any and all books, records, Documents,
13 accounts, and other property owned by, or in the possession of, the Receivership
14 Entities or their agents. The Receiver shall have the discretion to determine the
15 time, manner, and reasonable conditions of such access;

16 Q. Allow the Plaintiff's representatives, agents, and assistants, as well as
17 Stipulating Defendants and their representatives reasonable access to all
18 Documents in the possession, custody, or control of the Receivership Entities;

19 R. Cooperate with reasonable requests for information or assistance from
20 any state or federal civil or criminal law enforcement agency;

21 S. Suspend business operations of the Receivership Entities if in the
22 judgment of the Receiver such operations cannot be continued legally and
23 profitably;

24 T. Take all steps necessary to ensure that any of the Corporate
25 Defendants' web pages or websites relating to debt relief or MARS cannot be
26 accessed by the public, or are modified for consumer education and/or
27 informational purposes, if the Receiver deems it necessary or advisable;

28

1 U. Take all steps necessary to ensure that any telephone numbers
2 associated with the Corporate Defendants cannot be accessed by the public, or are
3 answered solely to provide consumer education or information regarding the status
4 of operations, if the Receiver deems it necessary or advisable; and

5 V. File timely reports with the Court at reasonable intervals, or as
6 otherwise directed by the Court.

7 **XVI. TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

8 **IT IS FURTHER ORDERED** that, to the extent not already done so
9 pursuant to the TRO, Stipulating Defendants and any other person with possession,
10 custody, or control of property of, or records relating to, the Corporate Defendants
11 shall, upon notice of this Order by personal service or otherwise, fully cooperate
12 with and assist the Receiver in taking and maintaining possession, custody, or
13 control of the Assets and Documents of the Corporate Defendants and immediately
14 transfer or deliver to the Receiver possession, custody, and control of the
15 following:

16 A. All Assets held by or for the benefit of the Corporate Defendants;

17 B. All Documents of or pertaining to the Corporate Defendants;

18 C. All computers, electronic devices, mobile devices and machines used
19 to conduct the business of the Corporate Defendants;

20 D. All Assets and Documents belonging to other persons or entities
21 whose interests are under the direction, possession, custody, or control of the
22 Corporate Defendants; and

23 E. All keys, codes, user names and passwords necessary to gain access or
24 to secure access to any Assets or Documents of or pertaining to the Corporate
25 Defendants, including access to their business premises, means of communication,
26 accounts, computer systems (onsite and remote), Electronic Data Hosts, or other
27 property.

1 In the event that any person fails to deliver or transfer any Asset or
2 Document, or otherwise fails to comply with any provision of this Section, the
3 Receiver may file an Affidavit of Non-Compliance regarding the failure and a
4 motion seeking compliance or a contempt citation.

5 **XVII. PROVISION OF INFORMATION TO RECEIVER**

6 **IT IS FURTHER ORDERED** that, to the extent not already done so
7 pursuant to the TRO, Stipulating Defendants shall immediately provide to the
8 Receiver:

9 A. A list of all Assets and accounts of the Receivership Entities that are
10 held in any name other than the name of a Receivership Entity, or by any person
11 other than a Receivership Entity; and

12 B. A list of all agents, employees, officers, attorneys, and servants of the
13 Receivership Entities, and those persons in active concert and participation with
14 the Receivership Entities, or who have been associated with or done business with
15 the Receivership Entities.

16 **XVIII. COOPERATION WITH THE RECEIVER**

17 **IT IS FURTHER ORDERED** that Stipulating Defendants, their officers,
18 agents, employees, and attorneys, all other persons in active concert or
19 participation with any of them, and any other person with possession, custody, or
20 control of property or of records relating to the Corporate Defendants who receive
21 actual notice of this Order shall fully cooperate with and assist the Receiver. This
22 cooperation and assistance shall include, but is not limited to, providing
23 information to the Receiver that the Receiver deems necessary to exercise the
24 authority and discharge the responsibilities of the Receiver under this Order;
25 providing any keys, codes, user names and passwords required to access any
26 computers, electronic devices, mobile devices, or machines (onsite or remotely) or
27 any cloud account (including the specific method used to access the account) or
28 electronic file in any medium; advising all persons who owe money to any

1 Corporate Defendant that all debts should be paid directly to the Receiver; and
2 transferring funds at the Receiver's direction and producing records related to the
3 Assets and sales of the Corporate Defendants.

4 **XIX. NON-INTERFERENCE WITH THE RECEIVER**

5 **IT IS FURTHER ORDERED** that Stipulating Defendants, their officers,
6 agents, employees, attorneys, and all other persons in active concert or
7 participation with any of them, who receive actual notice of this Order, and any
8 other person served with a copy of this Order, are hereby restrained and enjoined
9 from directly or indirectly:

10 A. Interfering with the Receiver's efforts to manage, or take custody,
11 control, or possession of, the Assets or Documents subject to the receivership;

12 B. Transacting any of the business of the Corporate Defendants;

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

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

20 **XX. STAY OF ACTIONS**

21 **IT IS FURTHER ORDERED** that, except by leave of this Court, during
22 the pendency of the receivership ordered herein, Stipulating Defendants, their
23 officers, agents, employees, attorneys, and all other persons in active concert or
24 participation with any of them, who receive actual notice of this Order, and their
25 corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,
26 stockholders, lessors, customers and other persons seeking to establish or enforce
27 any claim, right, or interest against or on behalf of Corporate Defendants, and all
28 others acting for or on behalf of such persons, are hereby enjoined from taking

1 action that would interfere with the exclusive jurisdiction of this Court over the
2 Assets or Documents of the Corporate Defendants, including, but not limited to:

3 A. Filing or assisting in the filing of a petition for relief under the
4 Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, or of any similar insolvency proceeding
5 on behalf of the Corporate Defendants;

6 B. Commencing, prosecuting, or continuing a judicial, administrative, or
7 other action or proceeding against the Corporate Defendants, including the
8 issuance or employment of process against the Corporate Defendants, except that
9 such actions may be commenced if necessary to toll any applicable statute of
10 limitations; or

11 C. Filing or enforcing any lien on any Asset of the Corporate Defendants,
12 taking or attempting to take possession, custody, or control of any Asset of the
13 Corporate Defendants, attempting to foreclose, forfeit, alter, or terminate any
14 interest in any Asset of the Corporate Defendants, whether such acts are part of a
15 judicial proceeding, are acts of self-help, or otherwise.

16 *Provided, however,* that this Order does not stay: (1) the commencement or
17 continuation of a criminal action or proceeding; (2) the commencement or
18 continuation of an action or proceeding by a governmental unit to enforce such
19 governmental unit's police or regulatory power; or (3) the enforcement of a
20 judgment, other than a money judgment, obtained in an action or proceeding by a
21 governmental unit to enforce such governmental unit's police or regulatory power.

22 **XXI. COMPENSATION OF RECEIVER**

23 **IT IS FURTHER ORDERED** that the Receiver and all personnel hired by
24 the Receiver as herein authorized, including counsel to the Receiver and
25 accountants, are entitled to reasonable compensation for the performance of duties
26 pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by
27 them, from the Assets now held by, in the possession or control of, or which may
28 be received by, the Corporate Defendants. The Receiver shall file with the Court

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

5 **XXII. RECEIVER'S BOND**

6 **IT IS FURTHER ORDERED** that the bond in the sum of \$15,000
7 previously filed by the Receiver with the Clerk of this Court shall remain in effect,
8 conditioned that the Receiver will well and truly perform the duties of the office
9 and abide by and perform all acts the Court directs. 28 U.S.C. § 754.

10 **XXIII. DISTRIBUTION OF ORDER BY STIPULATING DEFENDANTS**

11 **IT IS FURTHER ORDERED** that Stipulating Defendants shall
12 immediately provide a copy of this Order to each affiliate, telemarketer, marketer,
13 sales entity, successor, assign, member, officer, director, employee, agent,
14 independent contractor, attorney, spouse, former spouse, subsidiary, division, and
15 representative of any Defendant and any company owned or controlled by any
16 Defendant, and shall, to the extent no already done so pursuant to the TRO, within
17 three (3) calendar days from the date of entry of this Order provide Plaintiff and
18 the Receiver with a sworn statement that this provision of the Order has been
19 satisfied, which statement shall include the names, physical addresses, phone
20 number, and email addresses of each such person who received a copy of the
21 Order. Furthermore, Stipulating Defendants shall not take any action that would
22 encourage officers, agents, members, directors, employees, salespersons,
23 independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or
24 other persons or entities in active concert or participation with them to disregard
25 this Order or believe that they are not bound by its provisions.

26 **XXIV. LIMITED EXPEDITED DISCOVERY**

27 **IT IS FURTHER ORDERED** that, notwithstanding the provisions of the
28 Fed. R. Civ. P. 26(d) and (f) and 30(a)(2)(c), and pursuant to Fed. R. Civ. P. 30(a),

1 34, and 45, Plaintiff and the Receiver are granted leave, from any time after service
2 of this Order until a Rule 16 (b) scheduling order is issued, to conduct limited
3 expedited discovery for the purpose of discovering: (1) the nature, location, status,
4 and extent of Stipulating Defendants' Assets; (2) the location of Stipulating
5 Defendants' documents; or (3) compliance with this Order. The limited expedited
6 discovery set forth in this Section shall proceed as follows:

7 A. Plaintiff and the Receiver may take the deposition of parties and non-
8 parties. Forty-eight (48) hours' notice shall be sufficient notice for such
9 depositions. The limitations and conditions set forth in Fed. R. Civ. P. 30(a)(2)(B)
10 and 31(a)(2)(B) regarding subsequent depositions of an individual shall not apply
11 to depositions taken pursuant to this Section. Any such deposition taken pursuant
12 to this Section shall not be counted towards the deposition limit set forth in Rules
13 30(a)(2)(A) and 31(a)(2)(A) and depositions may be taken by telephone or other
14 remote electronic means;

15 B. Plaintiff and the Receiver may serve upon parties requests for
16 production of Documents or inspection that require production or inspection within
17 five (5) days of service, *provided, however*, that three (3) days of notice shall be
18 deemed sufficient for the production of any such Documents that are maintained or
19 stored in an electronic format.

20 C. Plaintiff and the Receiver may serve upon parties interrogatories that
21 require response within five (5) days after service of such interrogatories;

22 D. Plaintiff and the Receiver may serve subpoenas upon non-parties that
23 direct production or inspection within five (5) days of service.

24 E. Service of discovery upon a party to this action, taken pursuant to this
25 Section, shall be sufficient if made by facsimile, email, or by overnight delivery.

26 F. Any expedited discovery taken pursuant to this Section is in addition
27 to, and is not subject to, the limits on discovery set forth in the Federal Rules of
28 Civil Procedure and the Local Rules of this Court. The expedited discovery

1 permitted by this Section does not require a meeting or conference of the parties,
2 pursuant to Fed. R. Civ. P. 26(d) & (f).

3 **XXV. SERVICE OF THIS ORDER**

4 **IT IS FURTHER ORDERED** that copies of this Order may be served by
5 any means, including facsimile transmission, electronic mail or other electronic
6 messaging, personal or overnight delivery, U.S. Mail or FedEx, by agents and
7 employees of Plaintiff, by any law enforcement agency, or by private process
8 server, upon any Defendant or any Person (including any financial institution) that
9 may have possession, custody, or control of any Asset or Document of any
10 Defendant, or that may be subject to any provision of this Order pursuant to Fed.
11 R. Civ. P. 65(d)(2). For purposes of this Section, service upon any branch,
12 subsidiary, affiliate or office of any entity shall effect service upon the entire
13 entity.

14 **XXVI. CORRESPONDENCE AND SERVICE ON PLAINTIFF**

15 **IT IS FURTHER ORDERED** that, for the purpose of this Order, because
16 mail addressed to the FTC is subject to delay due to heightened security screening,
17 all correspondence and service of pleadings on Plaintiff shall be sent by (1) email
18 at mgraiales@ftc.gov and lrothfarb@ftc.gov; and (2) facsimile transmission to
19 (202) 326-3768, or by hand delivery or overnight shipment via third-party carrier
20 to the offices of:

21 K. Michelle Grajales
22 Federal Trade Commission
23 600 Pennsylvania Ave., NW, CC-10232
24 Washington, DC 20580

25 **XXVII. DURATION OF THE ORDER**

26 **IT IS FURTHER ORDERED** that this Order shall expire upon entry of a
27 final judgment in this case.
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XXVIII. RETENTION OF JURISDICTION

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

The Stipulation obviates the need for hearing on Plaintiff's Motion to Show Cause Why a Preliminary Injunction Should Not Issue. The Court therefore **VACATES** the hearing scheduled for October 18, 2017.

SO ORDERED:



Dated: October 17, 2017@ 1:00 p.m.

HON. S. JAMES OTERO
UNITED STATES DISTRICT JUDGE