

ROBB EVANS & ASSOCIATES LLC

Receiver of

**Homeland Financial Services, National Support Services, LLC, United Debt Recovery, LLC,
Freedom First Financial, LLC, Prosper Financial Solutions,
USA Debt Co, LLC, aka USADEBT.CO.COM and
Monitor of Nationwide Support Services, Inc.**

11450 Sheldon Street

Sun Valley, California 91352-1121

Telephone No.: (818) 768-8100

Facsimile No.: (818) 768-8802

**Federal Trade Commission v. Dennis Connelly, et al.
CASE No. SACV 06-701 DOC (RNBx)**

**Stipulation and Order Terminating the Monitor over Defendants
Freedom First and USA Debt and
Clarifying the Unfreezing Assets of Same**

Filed April 2, 2007

1 JENNIFER LARABEE, Cal. Bar No. 163989
 2 JOHN D. JACOBS, Cal. Bar No. 134154
 3 BARBARA Y. K. CHUN, Cal. Bar No. 186907
 4 Federal Trade Commission
 5 10877 Wilshire Boulevard, Suite 700
 6 Los Angeles, CA 90024
 7 Tel: (310) 824-4343
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FILED-SOUTHERN DIVISION
 CLERK, U.S. DISTRICT COURT
 APR - 2 2007
 CENTRAL DISTRICT OF CALIFORNIA
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Attorneys for Plaintiff Federal Trade Commission

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9 UNITED STATES DISTRICT COURT
 10 CENTRAL DISTRICT OF CALIFORNIA
 11 SOUTHERN DIVISION

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12 Federal Trade Commission,
 13 Plaintiff,
 14 v.
 15 Dennis Connelly, et al.,
 16 Defendants.

Case No. SACV 06-701 DOC (RNB)

17 STIPULATION AND ~~proposed~~
 18 ORDER TERMINATING THE
 19 MONITOR OVER DEFENDANTS
 20 FREEDOM FIRST AND USA DEBT
 21 AND CLARIFYING THE
 22 UNFREEZING ASSETS OF SAME

23 Counsel for plaintiff Federal Trade Commission ("Commission") and
 24 counsel for Defendants FREEDOM FIRST FINANCIAL, LLC ("Freedom
 25 First") and USA DEBT CO, LLC, a/k/a USADEBTCO.COM doing business as
 26 "Carefirst Financial" ("USA Debt"), hereby enter into the following stipulation:

27 WHEREAS, entry of this Court's Temporary Restraining Order on August
 28 11, 2006 against Defendants FREEDOM FIRST and USA DEBT resulted in all
 of their assets, including an account at Bank of America in the name of USA
 DEBT, being frozen;

WHEREAS, entry of this Court's Temporary Restraining Order on August
 11, 2006 against Defendants FREEDOM FIRST and USA DEBT resulted in the
 appointment of Robb Evans & Associates as Receiver over Defendants

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 BY *[Signature]*

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1 **FREEDOM FIRST and USA DEBT** with authority over all assets of Defendants
2 **FREEDOM FIRST and USA DEBT**;

3 **WHEREAS**, pursuant to their authority under this Court's Temporary
4 Restraining Order on August 11, 2006, the Receiver transferred the assets of
5 Defendants **FREEDOM FIRST and USA DEBT**, consisting of \$43,350.27, from
6 a bank account at Bank of America to a bank account controlled by the Receiver;

7 **WHEREAS** pursuant to entry of a Stipulated Preliminary Injunction on
8 October 11, 2006, the parties agreed to the appointment of Robb Evans and
9 Associates, LLC ("Monitor") to monitor the activities of **FREEDOM FIRST and**
10 **USA DEBT**;

11 **WHEREAS**, as approved by the Court, the Monitor/Receiver has received
12 compensation for its services resulting in a reduction of the balance of the funds
13 remaining in possession of the Monitor;

14 **WHEREAS**, the Commission and Defendants **FREEDOM FIRST and**
15 **USA DEBT** have now reached terms of a Settlement Agreement which resolves
16 all of the allegations set forth in the Complaint;

17 **THEREFORE THE UNDERSIGNED HEREBY STIPULATE THAT:**

18 A. The entry of the Court's order approving this Stipulation shall wind
19 up the proceedings of Robb Evans as the Monitor of **FREEDOM FIRST**
20 and **USA DEBT** and shall constitute an order for the following relief:

- 21 1. approving and confirming the Monitor's actions and activities during
22 the course of the Monitor proceedings of **FREEDOM FIRST and**
23 **USA DEBT**;
- 24 2. directing the Monitor to immediately transfer the sum of thirty-five
25 thousand dollars [\$35,000.00] to the Commission from the funds held
26 by the Monitor which are held on behalf of **FREEDOM FIRST and**
27 **USA DEBT**;
- 28 3. authorizing and approving the wind-up of the Monitor proceedings

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without the Monitor making, filing or obtaining approval of any further Monitor reports and/or accountings;

- 4. authorizing, approving and requiring immediate payment by **FREEDOM FIRST** and **USA DEBT** the sum of one thousand three hundred thirty-three dollars and forty-five cents [\$1,333.45] which represents all outstanding amounts owed to the Monitor and staff for the expenses and costs of the Monitor over **FREEDOM FIRST** and **USA DEBT** for the period of December 1, 2006 through and including the effective date of the Monitor's discharge; and
- 5. discharging the Monitor, its members, officers, agents, employees and representatives, relieving the Monitor, its members, officers, agents, employees and representatives of all duties, liabilities and responsibilities pertaining to the Monitor's duties under the Preliminary Injunction/Monitor Order, provided that the discharge of the Monitor shall not be effective unless and until all fees and expenses of the Monitor, its staff and its professionals have been paid in full by **FREEDOM FIRST** and **USA DEBT** as required herein;
- B. Upon payment of the fees owed to the Monitor and the monies owed to the Commission, the Monitor is directed to transfer, by wire or by certified check, any remaining funds belong to Defendants **FREEDOM FIRST** and **USA DEBT** to counsel for Defendants **FREEDOM FIRST** and **USA DEBT**; and

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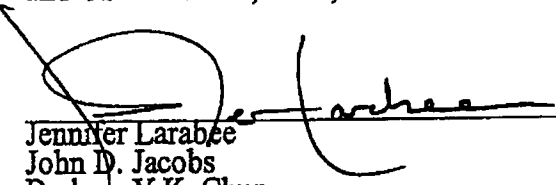
C. The asset freeze over the monitored entities, **FREEDOM FIRST** and **USA DEBT**, shall be considered terminated upon entry of the **SETTLEMENT AGREEMENT AND [Proposed] STIPULATED FINAL ORDER AS TO DEFENDANTS FREEDOM FIRST FINANCIAL, LLC, and USA DEBT CO, LLC, a/k/a USADEBT.CO.COM;**

SO STIPULATED:

March __, 2007

Michael L. Mallow
Attorney for Defendants **Freedom First Financial, LLC**
and **USA Debt Co, LLC, a/k/a UsaDebtCo.com**

March 29, 2007



Jennifer Larabee
John D. Jacobs
Barbara Y.K. Chun
Attorneys for Plaintiff **Federal Trade Commission**

SO ORDERED:

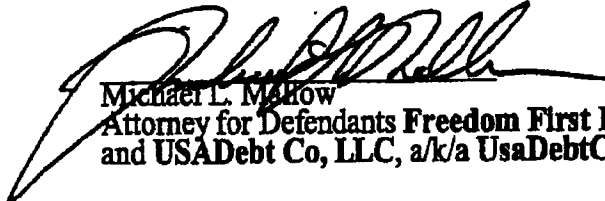
_____, 2007

The Honorable **David O. Carter**
United States District Judge

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C. The asset freeze over the monitored entities, **FREEDOM FIRST** and **USA DEBT**, shall be considered terminated upon entry of the **SETTLEMENT AGREEMENT AND [Proposed] STIPULATED FINAL ORDER AS TO DEFENDANTS FREEDOM FIRST FINANCIAL, LLC, and USA DEBT CO, LLC, a/k/a USADEBTCO.COM;**

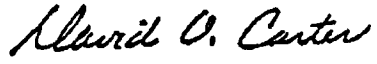
SO STIPULATED:

March 27, 2007 
Michael L. Marlow
Attorney for Defendants Freedom First Financial, LLC
and USA Debt Co, LLC, a/k/a UsaDebtCo.com

March __, 2007

Jennifer Larabee
John D. Jacobs
Barbara Y.K. Chun
Attorneys for Plaintiff Federal Trade Commission

SO ORDERED:

April 2, 2007 

The Honorable David O. Carter
United States District Judge

CERTIFICATE OF SERVICE

I, Jennifer Larabee, certify as follows:

I am over the age of 18 and am employed by the Federal Trade Commission. My business address is 10877 Wilshire Boulevard, Suite 700, Los Angeles, California 90024. On March 29, 2007, I caused the attached document entitled "STIPULATION AND [PROPOSED] ORDER TERMINATING MONITOR OVER DEFENDANTS FREEDOM FIRST AND USA DEBT AND CLARIFYING THE UNFREEZING ASSETS OF SAME." be served by email to:

Gary O. Caris, Esq.
Leslie Hawes, Esq.
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Los Angeles, CA 90071

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Attorney for Defendant Richard Wade Torkelson
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jacobs.andrea@gmail.com
Fax: 949-496-6753

I declare under penalty of perjury that the foregoing is true and correct.

Dated: March 29, 2007


JENNIFER LARABEE