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

Federal Trade Commission,
Plaintiff,

v.

Loss Mitigation Services, Inc.

and

Synergy Financial Management
Corporation, also d/b/a Direct Lender and
Direct Lender.com

and

Dean Shafer

and

Bernadette Perry (a.k.a. Bernadette Carr and
Bernadette Carr-Perry)

and

Marion Anthony (a.k.a. "Tony") Perry

Defendants.

Case No. SACV09-800 DOC(ANx)

**[PROPOSED] PRELIMINARY
INJUNCTION ORDER WITH
RECEIVER, ASSET FREEZE,
AND OTHER EQUITABLE
RELIEF AS TO DEFENDANTS
LOSS MITIGATION SERVICES,
INC. AND SYNERGY FINANCIAL
MANAGEMENT CORPORATION
D/B/A DIRECT LENDER AND
DIRECT LENDER.COM**

1 Plaintiff Federal Trade Commission (“FTC”) commenced this civil action on
2 July 13, 2009, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), to obtain
3 preliminary and permanent injunctive and other equitable relief for Defendants’
4 violations of Section 5 of the FTC Act, 15 U.S.C. § 45, in connection with the
5 marketing and sale of mortgage loan modification and foreclosure relief services.
6 On July 20, 2009, the Court entered an *Ex Parte* Temporary Restraining Order With
7 Asset Freeze and Other Equitable Relief and Order to Show Cause Why a
8 Preliminary Injunction Should Not Issue [Docket Itm. # 14]. The Order set a hearing
9 for August 3, 2009. On July 30, 2009, the FTC filed an *Ex Parte* Application for
10 Order to Show Cause Why Receiver Should not be Appointed and Other Injunctive
11 Relief Be Entered [Docket Itm. # 17]. By Order on July 31, 2009, the Court
12 continued the August 3, 2009 hearing to August 17, 2009 [Docket Itm. # 25]. On
13 August 3, 2009, the FTC filed an *Ex Parte* Application and *Ex Parte* Application for
14 Amended Temporary Restraining Order Appointing Temporary Receiver and
15 Entering Additional Injunctive Relief and Order to Show Cause Why Permanent
16 Receiver Should Not be Appointed and Other Injunctive Relief Be Entered [Docket
17 Itm. #27]. On August 10, 2009, Defendant Dean Shafer filed a Response to Order to
18 Show Cause Why a Preliminary Injunction Should Not Issue, on Behalf of
19 Defendant Dean Shafer [Docket Itm. #32]. On August 13, 2009, the FTC filed a
20 Reply Memorandum in Support of Entry of Preliminary Injunction With Asset
21 Freeze and Appointment of Receiver [Docket Itm. # 33]. On August 17, 2009, the
22 Court held a hearing on these matters.¹

23 This Court has considered the Complaint, exhibits, memoranda, declarations,
24 arguments of counsel, and other submissions of the parties, and now being advised in
25 the premises, hereby enters this Order:

26
27
28 ¹ At the hearing, the Court ordered that the TRO be extended as to all parties until 4:00
pm PST on August 19, 2009.

FINDINGS OF FACT

1
2 1. This Court has subject matter jurisdiction pursuant to 28 U.S.C.
3 §§ 1331, 1337(a) and 1345, and 15 U.S.C. §§ 45(a) and 53(b), and there is good
4 cause to believe that it will have jurisdiction over all the parties hereto.

5 2. Venue in the Central District of California is proper under 15 U.S.C.
6 § 53(b) and 28 U.S.C. § 1391(b) and (c).

7 3. There is good cause to believe that Defendants Loss Mitigation
8 Services, Inc., Synergy Financial Management Corporation (also d/b/a Direct Lender
9 and DirectLender.com), Dean Shafer, Bernadette Perry (a.k.a. Bernadette Carr and
10 Bernadette Carr-Perry) and Marion Anthony (a.k.a. “Tony”) Perry have engaged, and
11 are likely to continue to engage, in acts or practices that violate Section 5 of the FTC
12 Act, 15 U.S.C. § 45, and that the FTC therefore is likely to prevail on the merits in
13 this action.

14 4. There is a reasonable likelihood that Defendants will violate Section 5
15 of the FTC Act, 15 U.S.C. § 45, in the future unless Defendants are restrained and
16 enjoined by order of this Court.

17 5. There is good cause to believe that immediate and irreparable damage to
18 the Court’s ability to grant effective final relief in the form of permanent injunctive
19 relief, rescission of contracts, restitution, disgorgement and other equitable remedies
20 will occur from the destruction, transfer, dissipation or concealment by Defendants
21 of their assets and business documents or records unless Defendants are immediately
22 restrained and enjoined by order of this Court.

23 6. No security is required of any agency of the United States for issuance
24 of a preliminary injunction. Fed. R. Civ. P. 65(c).

25 7. Considering Plaintiff’s likelihood of ultimate success on the merits and
26 weighing the equities, a preliminary injunction order with asset freeze and other
27 equitable relief is in the public interest.
28

ORDER

DEFINITIONS

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

1. “Plaintiff” or “FTC” means the Federal Trade Commission.

2. “Defendants” means, together and separately: (A) Loss Mitigation Services, Inc.; (B) Synergy Financial Management Corporation, also d/b/a Direct Lender and Direct Lender.com; (C) Dean Shafer; (D) Bernadette Perry (a.k.a. Bernadette Carr and Bernadette Carr-Perry) and (E) Marion Anthony (a.k.a. “Tony”) Perry.

3. “Individual Defendants” means (A) Dean Shafer; (B) Bernadette Perry (a.k.a. Bernadette Carr and Bernadette Carr-Perry) and (C) Marion Anthony (a.k.a. “Tony”) Perry.

4. “Corporate Defendants” means: (A) Loss Mitigation Services, Inc. and (B) Synergy Financial Management Corporation, also d/b/a Direct Lender and Direct Lender.com.

5. “Mortgage loan modification or foreclosure relief service” means any service, product, or program that is represented, expressly or by implication, to assist a homeowner in any manner to (A) obtain or arrange a modification of any term of a home loan, deed of trust, or mortgage; (B) obtain or arrange a refinancing, recapitalization, or reinstatement of a home loan, deed of trust, or mortgage; (C) obtain or arrange a pre-foreclosure sale, short sale, or deed-in-lieu of foreclosure; (D) stop, prevent, or postpone any home mortgage or deed of trust foreclosure sale; (E) obtain any forbearance from any beneficiary or mortgagee; (F) obtain a loan or advance of funds that is connected to the consumer’s home ownership; (G) avoid or ameliorate the impairment of the homeowner’s credit standing, credit rating or credit profile; (H) examine, audit or evaluate any term of a home loan, deed of trust or mortgage; or (I) save the consumer’s residence from foreclosure.

1 6. “Assisting others” means knowingly providing any of the following
2 goods or services to another person or entity: (A) performing customer service
3 functions, including, but not limited to, receiving or responding to consumer
4 inquiries or complaints; (B) formulating or providing, or arranging for the
5 formulation or provision of, any telephone sales script or any other marketing
6 material; (C) providing names of, or assisting in the generation of, potential
7 customers; (D) performing marketing services of any kind; or (E) providing
8 mortgage loan modification or foreclosure relief services.

9 7. “Material fact” means any fact that is likely to affect a person’s choice
10 of, or conduct regarding, goods or services.

11 8. “Assets” means any legal or equitable interest in, right to, or claim to,
12 any real or personal property, including, without limitation, chattels, goods,
13 instruments, equipment, fixtures, general intangibles, leaseholds, mail or other
14 deliveries, inventory, checks, notes, accounts, credits, contracts, receivables, shares
15 of stock, and all cash, wherever located.

16 9. “Person” means a natural person, organization, or other legal entity,
17 including a corporation, partnership, proprietorship, association, cooperative, or any
18 other group or combination acting as an entity.

19 10. The term “document” is equal in scope and synonymous in meaning to
20 the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings,
21 drawings, graphs, charts, photographs, audio and video recordings, computer
22 records, and any other data compilations from which information can be obtained. A
23 draft or non-identical copy is a separate document within the meaning of the term.

24 11. “Receiver” refers to the receiver identified in Paragraph XX.

25 12. “Receivership Defendants” refers to all Loss Mitigation Services, Inc.
26 and Synergy Financial Management Corporation, also d/b/a Direct Lender and Direct
27 Lender.com, as well as any successors, assigns, affiliates, and subsidiaries that
28 conduct any business related to Corporate Defendants’ mortgage loan modification

1 or foreclosure relief service and that the Receiver has reason to believe are owned or
2 controlled in whole or in part by any of the Defendants.

3 **PROHIBITED REPRESENTATIONS**

4 **I. IT IS THEREFORE ORDERED** that Corporate Defendants and their
5 successors, assigns, officers, agents, servants, employees, and attorneys, and those
6 persons or entities in active concert or participation with any of them who receive
7 actual notice of this Order by personal service, facsimile transmission, email, or
8 otherwise, whether acting directly or through any corporation, subsidiary, division,
9 or other device, in connection with the advertising, marketing, promotion, offering
10 for sale or sale of any mortgage loan modification or foreclosure relief service, are
11 hereby preliminarily enjoined from falsely representing, or from assisting others who
12 are falsely representing, expressly or by implication, any of the following:

13 A. that any Defendant or any other person will

- 14 1. obtain, arrange or negotiate a modification of any term of a
15 consumer's home loan, deed of trust, or mortgage, including any
16 recapitalization or reinstatement agreement;
- 17 2. obtain or arrange a pre-foreclosure sale, short sale, or deed-in-lieu
18 of foreclosure;
- 19 3. stop, prevent, or postpone any home mortgage foreclosure sale;
- 20 4. save any consumer's residence from foreclosure;
- 21 5. obtain or arrange lower or affordable monthly mortgage payments
22 for any consumer;
- 23 6. obtain or arrange lower interest rates on any home loan, deed of
24 trust, or mortgage for any consumer;
- 25 7. otherwise provide any mortgage loan modification or foreclosure
26 relief service;
- 27
- 28

1 8. give a full or partial refund of any fees paid if the Defendant or
2 any other person fails to provide a mortgage loan modification or
3 foreclosure relief service;

4 B. the terms that any beneficiary, mortgagor, or other home-loan holder
5 will or is likely to offer or accept, with respect to any item listed in subparagraphs
6 I.A.1-8 above, or to cure any delinquency or default on, or to reinstate, any
7 mortgage, deed of trust, or other home loan;

8 C. the amount of time it will take or is likely to take to obtain any item
9 listed in subparagraphs I.A.1-8 above;

10 D. the refund policy of any Defendant or any other person, including but
11 not limited to the likelihood of a consumer obtaining a full or partial refund, or the
12 circumstances in which a full or partial refund will be granted to the consumer;

13 E. that any Defendant or any other person is the consumer's lender, or is
14 affiliated with, working with, or authorized by, the consumer's lender, or

15 F. any other fact material to a consumer's decision whether to purchase
16 mortgage loan modification or foreclosure relief services.

17 **II. IT IS FURTHER ORDERED** that Corporate Defendants and their
18 successors, assigns, officers, agents, servants, employees, and attorneys, and those
19 persons or entities in active concert or participation with any of them who receive
20 actual notice of this Order by personal service, facsimile transmission, email, or
21 otherwise, whether acting directly or through any corporation, subsidiary, division,
22 or other device, in connection with the advertising, marketing, promotion, offering,
23 or obtaining of any extension of credit, whether the credit is provided by a Defendant
24 or by a third party, are hereby preliminarily enjoined from falsely representing, or
25 from assisting others who are falsely representing, expressly or by implication, any
26 fact material to a consumer's decision whether to purchase the services of the
27 Defendants or otherwise to provide money to the Defendants related to any extension
28 of credit.

1 **III. IT IS FURTHER ORDERED** that Corporate Defendants and their
2 successors, assigns, officers, agents, servants, employees, and attorneys, and those
3 persons or entities in active concert or participation with any of them who receive
4 actual notice of this Order by personal service, facsimile transmission, email, or
5 otherwise, whether acting directly or through any corporation, subsidiary, division,
6 or other device, in connection with the advertising, marketing, promotion, offering
7 for sale or sale of any mortgage loan modification or foreclosure relief service, are
8 hereby preliminarily enjoined from representing in any manner, expressly or by
9 implication, or from assisting others who are representing in any manner, expressly
10 or by implication, that they will provide any mortgage loan modification or
11 foreclosure relief service, unless they disclose clearly and prominently, and in close
12 proximity to such representation, that they are not the consumer's lender or servicer,
13 a department of the consumer's lender, or affiliated with, working with, or
14 authorized by, the consumers' lender or servicer.

15 **RESTRICTION ON COLLECTION OF ADVANCE FEES**

16 **IV. IT IS FURTHER ORDERED** that Corporate Defendants and their
17 successors, assigns, officers, agents, servants, employees, and attorneys, and those
18 persons or entities in active concert or participation with any of them who receive
19 actual notice of this Order by personal service, facsimile transmission, email, or
20 otherwise, whether acting directly or through any corporation, subsidiary, division,
21 or other device, in connection with the advertising, marketing, promotion, offering
22 for sale or sale of any mortgage loan modification or foreclosure relief service, are
23 hereby preliminarily enjoined from requesting or accepting payment of any fee or
24 consideration in advance of performing each and every mortgage loan modification
25 or foreclosure relief service and each and every service related to an extension of
26 credit that Defendants and their successors, assigns, officers, agents, servants,
27 employees, and attorneys, and those persons or entities in active concert or
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1 participation with any of them contracted to perform or represented would be
2 performed.

3 **PROHIBITION ON COLLECTION OF PAYMENTS**

4 **V. IT IS FURTHER ORDERED** that Corporate Defendants and their
5 successors, assigns, officers, agents, servants, employees, and attorneys, and those
6 persons or entities in active concert or participation with any of them who receive
7 actual notice of this Order by personal service, facsimile transmission, email, or
8 otherwise, whether acting directly or through any corporation, subsidiary, division,
9 or other device, are hereby preliminarily enjoined from attempting to collect payment
10 from any consumer for any mortgage loan modification or foreclosure relief service
11 and any services related to an extension of credit marketed or sold by or for any
12 Defendant.

13 **ASSET FREEZE**

14 **VI. IT IS FURTHER ORDERED** that:

15 A. Corporate Defendants are hereby preliminarily enjoined from:

16 1. transferring, encumbering, selling, concealing, pledging,
17 hypothecating, assigning, spending, withdrawing, disbursing, conveying, gifting,
18 dissipating, or otherwise disposing of any funds, property, coins, lists of consumer
19 names, shares of stock, or other assets, wherever located, that are (a) owned or
20 controlled by any of the Defendants, in whole or in part; (b) in the actual or
21 constructive possession of any of the Defendants; (c) held by an agent of any of the
22 Defendants, as a retainer for the agent's provision of services to a Defendant; or (d)
23 owned, controlled by, or in the actual or constructive possession of, or otherwise
24 held for the benefit of, any corporation, partnership, or other entity directly or
25 indirectly owned or controlled by any of the Defendants;

26 2. opening or causing to be opened any safe deposit boxes titled in
27 the name of any of the Defendants, or subject to access by any of the Defendants;
28

1 3. incurring charges or cash advances on any credit or debit card
2 issued in the name, singly or jointly, of any of the Defendants, or any corporation,
3 partnership, or other entity directly or indirectly owned or controlled by any of the
4 Defendants; and

5 4. failing to disclose to the FTC, immediately upon service of this
6 Order, information that fully identifies each asset of the Corporate Defendants, and
7 each entity holding such asset, including, without limitation, the entity's name,
8 address, and telephone number, the number of the account, and the name under
9 which the account is held.

10 B. The funds, property and assets affected by this Section VII shall
11 include those assets existing as of the effective date of this Order, including without
12 limitation, those acquired by loan or gift.

13 C. The freeze imposed in this Section VI also shall be construed to apply to
14 assets of Corporate Defendants acquired following service of this Order.

15 D. Nothing herein shall preclude Corporate Defendants from filing future
16 motions with the Court for release of funds for the payment of reasonable and
17 necessary attorney's fees. Nothing herein shall preclude the FTC from filing
18 objections to any such future motion for release of funds.

19 **FINANCIAL AND BUSINESS ACCOUNTING**

20 **VII. IT IS FURTHER ORDERED** that within forty-eight (48) hours after service
21 of this Order, the Corporate Defendants shall provide the FTC:

22 A. complete and deliver to the FTC the Financial Statement captioned
23 "Financial Statement of Corporate Defendant," a copy of which is attached hereto as
24 Attachment B. Individual Defendants shall be jointly and severally liable for this
25 obligation;

26 B. provide the FTC access to records and documents pertaining to assets of
27 any of the Defendants that are held by financial institutions outside the territory of
28

1 the United States by signing a Consent to Release of Financial Records, a copy of
2 which is attached hereto as Attachment C.

3 C. provide the FTC with the name of:

- 4 1. each of their former employees or independent contractors, whose
5 employment with Defendants ceased during the period October 1,
6 2007 to the date of service of this order, and the specific dates
7 during which such person was employed, and all known
8 addresses, phone numbers and email addresses for each
9 individual;
- 10 2. each person who holds, or within the last two years held, a real
11 estate license, whom Defendants have employed, retained, or
12 contracted with to provide mortgage loan modification or
13 foreclosure relief services, and all known addresses, phone
14 numbers and email addresses for such person, and the specific
15 dates during which such person provided such services;
- 16 3. each attorney whom Defendants have employed, retained, or
17 contracted with to provide mortgage loan modification or
18 foreclosure relief services, and all known addresses, phone
19 numbers and email addresses for each attorney, paralegal or other
20 legal professional and the specific dates during which such person
21 provided such services; and
- 22 4. each employee or independent contractor of Defendants who
23 provides mortgage loan modification or foreclosure relief services
24 and the title of each such person.

25 D. Corporate Defendants shall provide the FTC with a list of all business or
26 corporate entities acquired by any Corporate Defendant since October 1, 2007, and
27 all business or corporate entities that may be acquired or under negotiation to be
28 acquired by Corporate Defendants, that provide or have provided mortgage loan

1 modification or foreclosure relief services and produce a copy of any contracts or
2 agreements memorializing the terms of such acquisition or pending acquisition. For
3 each such business or corporate entity, state all known addresses, phone numbers,
4 and email addresses.

5 E. Corporate Defendants shall provide the address and telephone number
6 for each business premise used by Defendants in connection with the provision of
7 mortgage loan modification or foreclosure relief services, including but not limited
8 to any call center operations.

9 G. Corporate Defendants shall state their: (1) total gross sales revenues for
10 2007 (fourth quarter only), 2008, and 2009 to date derived from the provision of
11 mortgage loan modification or foreclosure relief services; (2) their total gross
12 operating expenses for 2007 (fourth quarter only), 2008 and 2009 to date; (3) their
13 gross operating expenditures on a monthly basis per category for 2007 (fourth
14 quarter only), 2008, and 2009 to date, including but not limited to payroll,
15 advertising, marketing, utilities, and property leases; and (4) their gross capital
16 expenditures for 2007 (fourth quarter only), 2008 and 2009 to date.

17 F. Corporate Defendants shall provide a list of all officers and directors of
18 the company and all other individuals or entities with authority to direct the
19 operations of any Corporate Defendant or withdraw money from the account of any
20 Corporate Defendant.

21 *Provided* that Corporate Defendants do not have to provide any such information
22 identified by this Section VII if (1) Corporate Defendants have complied with the
23 similar provision set forth in Section VI of the TRO; and (2) the information
24 provided has not changed.

25 **IDENTIFYING INFORMATION RELATING TO ACCOUNTANTS**
26 **AND FINANCIAL PLANNERS**

27 **VIII. IT IS FURTHER ORDERED** that each Corporate Defendant shall provide
28 counsel for the Plaintiff: the name, address and telephone number for each

1 accountant, financial planner, investment advisor, stock broker, or other individual,
2 corporation or partnership who has provided financial, business or tax advice or
3 services to Corporate Defendants since January 1, 2008.

4 **ASSET HOLDERS**

5 **IX. IT IS FURTHER ORDERED** that:

6 A. any financial or brokerage institution, any business entity, or any other
7 person having possession, custody, or control of any records of Corporate
8 Defendants, or of any account, safe deposit box, or other asset titled in the name of
9 Corporate Defendants, either individually or jointly or held for the benefit of any of
10 the Corporate Defendants, or which has maintained any such account, safe deposit
11 box, or other asset at any time since October 1, 2007 (collectively "Asset Holders"),
12 shall:

13 1. hold and retain within such Asset Holder's control, and prohibit
14 the withdrawal, removal, assignment, transfer, pledge, hypothecation, encumbrance,
15 disbursement, dissipation, conversion, sale, liquidation, or other disposal of any
16 funds, documents, property, or other assets, held by or under such entity's or
17 person's control (1) on behalf of, or for the benefit of, any Corporate Defendant; (2)
18 in any account maintained in the name of, or subject to withdrawal by, any Corporate
19 Defendant; or (3) that are subject to access or use by, or under the signatory power
20 of, any Corporate Defendant;

21 2. deny access to any safe deposit boxes that are either (1) titled in
22 the name, individually or jointly, of any Corporate Defendant; or (2) subject to
23 access by any Corporate Defendant.

24 3. provide to the FTC, within three (3) business days of notice of
25 this Order, a sworn statement setting forth:

26 a. the identification of each account or asset;
27 b. the balance of each account or a description of the nature
28 and value of each asset as of the close of business on the day notification of this

1 Order is received, and, if the account or asset has been closed or moved, the balance
2 or value removed, the date on which it was removed, and the person or entity to
3 whom it was transferred; and

4 c. the identification of any safe deposit box titled in the name
5 of or subject to access by any of the Defendants;

6 4. upon request by counsel for the FTC, promptly provide the FTC
7 with copies of all records or other documentation pertaining to such account or asset,
8 including but not limited to originals or copies of account applications, account
9 statements, signature cards, checks, drafts, deposit tickets, transfers to and from the
10 accounts, all other debit and credit instruments or slips, currency transaction reports,
11 1099 forms, and safe deposit box logs.

12 *Provided* that Asset Holders do not have to provide the information set forth in
13 Subsections IX.A.3 and IX.A.4 if (1) they have complied with the similar provisions
14 set forth in Section VII.A and VII.B of the TRO; and (2) the information provided
15 has not changed.

16 B. the accounts subject to this provision include existing assets and assets
17 deposited after the effective date of this Order, except as otherwise provided in
18 Subsections VI.B and VI.C above. This Section shall not prohibit transfers in
19 accordance with any provision of this Order, or any further order of the Court.

20 C. the FTC is granted leave, pursuant to Fed. R. Civ. P. 45, to subpoena
21 documents immediately from any such Asset Holder, including account custodians
22 or other entities, concerning the nature, location, status, and extent of Defendants'
23 assets, and compliance with this Order, and such Asset Holder, including account
24 custodian or other entity, shall respond to such subpoena within five (5) business
25 days after service. For purposes of this subsection, the FTC may serve any such
26 subpoena by facsimile or overnight courier.

1 **REPATRIATION OF ASSETS**

2 **X. IT IS FURTHER ORDERED** that within five (5) business days following
3 service of this Order, each Corporate Defendant shall:

4 A. repatriate to the United States all funds, documents, or assets in foreign
5 countries held either: (1) by them; (2) for their benefit; or (3) under their direct or
6 indirect control, jointly or singly;

7 B. the same business day as any repatriation under sub-section A above,

8 1. notify the FTC of the name and location of the financial
9 institution or other entity that is the recipient of such funds, documents, or assets;
10 and

11 2. serve this Order on any such financial institution or other entity;

12 C. provide the FTC with a full accounting of all funds, documents, and
13 assets outside of the territory of the United States held either: (1) by them; (2) for
14 their benefit; or (3) under their direct or indirect control, jointly or singly; and

15 D. hold and retain all repatriated funds, documents, and assets and prevent
16 any transfer, disposition, or dissipation whatsoever of any such assets or funds.

17 *Provided* that Corporate Defendants do not have to perform the acts required by this
18 Section X if (1) Defendants have complied with the similar provision set forth in
19 Section VIII of the TRO; and (2) the assets and information provided have not
20 changed.

21 **NONINTERFERENCE WITH REPATRIATION**

22 **XI. IT IS FURTHER ORDERED** that Corporate Defendants are hereby
23 preliminarily enjoined from taking any action, directly or indirectly, which may
24 result in the encumbrance or dissipation of foreign assets, or in the hindrance of the
25 repatriation required by Section X of this Order, including, but not limited to:

26 A. sending any statement, letter, fax, email or wire transmission, or
27 telephoning or engaging in any other act, directly or indirectly, that results in a
28 determination by a foreign trustee or other entity that a “duress” event has occurred

1 under the terms of a foreign trust agreement until such time that all assets have been
2 fully repatriated pursuant to Section X of this Order;

3 B. notifying any trustee, protector or other agent of any foreign trust or
4 other related entities of either the existence of this Order, or of the fact that
5 repatriation is required pursuant to a court order, until such time that all assets have
6 been fully repatriated pursuant to Section X of this Order.

7 **PRESERVATION OF RECORDS AND TANGIBLE THINGS**

8 **XII. IT IS FURTHER ORDERED** that Corporate Defendants and their
9 successors, assigns, officers, agents, servants, employees, and attorneys, and those
10 persons or entities in active concert or participation with any of them who receive
11 actual notice of this Order by personal service, facsimile transmission, email, or
12 otherwise, whether acting directly or through any corporation, subsidiary, division,
13 or other device, are hereby enjoined from:

14 A. destroying, erasing, mutilating, concealing, altering, transferring, or
15 otherwise disposing of, in any manner, directly or indirectly, any documents or
16 records that relate to the business practices, or business or personal finances, of
17 Defendants, or other entity directly or indirectly under the control of Defendants;

18 B. failing to create and maintain books, records, and accounts which, in
19 reasonable detail, accurately, fairly, and completely reflect the incomes, assets,
20 disbursements, transactions and use of monies by any Defendant or other entity
21 directly or indirectly under the control of any Defendants.

22 **CONSUMER REPORTS**

23 **XIII. IT IS FURTHER ORDERED** that pursuant to Section 604(1) of the Fair
24 Credit Reporting Act, 15 U.S.C. § 1681b(1), any consumer reporting agency may
25 furnish a consumer report concerning any Defendant to the FTC.

26 **MONITORING**

27 **XIV. IT IS FURTHER ORDERED** that employees, agents or representatives of
28 the FTC may contact Corporate Defendants or Corporate Defendants' employees,

1 agents or representatives directly and anonymously for the purpose of monitoring
2 compliance with Section I of this Order, and may tape record any oral
3 communications that occur in the course of such contacts.

4 **PROHIBITION ON RELEASE OF CUSTOMER INFORMATION OR**
5 **CUSTOMER LISTS**

6 **XV. IT IS FURTHER ORDERED** that Corporate Defendants and their successors,
7 assigns, officers, agents, servants, employees, and attorneys, and those persons or
8 entities in active concert or participation with any of them who receive actual notice
9 of this Order by personal service, facsimile transmission, email, or otherwise, are
10 hereby preliminarily enjoined from selling, renting, leasing, transferring, or
11 otherwise disclosing the name, address, telephone number, credit card number, bank
12 account number, e-mail address, or other identifying information of any person who
13 paid money to any of the Corporate Defendants for a mortgage loan modification or
14 foreclosure relief service or who were contacted or are on a list to be contacted by
15 any of the Corporate Defendants; *provided* that Corporate Defendants may disclose
16 such identifying information to a law enforcement agency or as required by any law,
17 regulation, or court order.

18 **NOTICE TO EMPLOYEES, AGENTS AND REPRESENTATIVES**

19 **XVI. IT IS FURTHER ORDERED** that within three (3) calendar days following
20 this Order, Corporate Defendants shall provide a copy of this Order to each of their
21 employees, agents, directors, officers, subsidiaries, affiliates, attorneys, independent
22 contractors, representatives, franchisees, all persons in active concert or participation
23 with Corporate Defendants, and any person who has solicited customers for
24 Defendants' mortgage loan modification or foreclosure relief service or provides any
25 aspect of that service. Within five (5) calendar days following this Order, Corporate
26 Defendants shall provide counsel for the Commission with an affidavit identifying
27 the names, titles, addresses, and telephone numbers of the persons and entities that
28 Defendants have served with a copy of this Order in compliance with this provision.

LIMITED EXPEDITED DISCOVERY

XVII. IT IS FURTHER ORDERED that, notwithstanding the provisions of Federal Rules of Civil Procedure 26(d) and (f), 30(a)(2), 33(a) and (b)(2), and Local Rule 26-1, and pursuant to Federal Rules of Civil Procedure 30(a), 33, 34 and 45, the FTC is granted leave, at any time after service of this Order, to:

A. take the deposition, on three (3) days' notice, of any person, whether or not a party, for the purpose of discovering the nature, location, status, and extent of assets of the Corporate Defendants, or of their affiliates or subsidiaries; the nature and location of documents reflecting the business transactions of the Corporate Defendants, or their affiliates or subsidiaries; the applicability of any evidentiary privileges to this action; and monitoring compliance with this Order. The limitations and conditions set forth in Fed. R. Civ. P. 30(a)(2)(B) and 31(a)(2)(B) regarding subsequent depositions of an individual shall not apply to depositions taken pursuant to this Section. Any such depositions taken pursuant to this Section shall not be counted toward the ten-deposition limit set forth in Fed. R. Civ. P. 30(a)(2)(A) and 31(a)(2)(A). Service of discovery upon a party, taken pursuant to this Section shall be sufficient if made by facsimile or by overnight delivery;

B. demand the production of documents, on five (5) days' notice, from any person, whether or not a party, relating to the nature, status, or extent of the Corporate Defendants' assets, or of their affiliates or subsidiaries; the location of documents reflecting the business transactions of the Corporate Defendants, or of their affiliates or subsidiaries; the applicability of any evidentiary privileges to this action; and monitoring compliance with this Order, provided that twenty four (24) hours' notice shall be deemed sufficient for the production of any such documents that are maintained or stored only as electronic data; and

C. serve on any Corporate Defendant up to five (5) interrogatories relating to the location, storage or retention of documents reflecting the business transactions of the Corporate Defendants, or of their affiliates or subsidiaries; and monitoring

1 compliance with this Order. The limitations and conditions set forth in Fed. R. Civ.
2 P. 33(a)(1) regarding the number of interrogatories shall not apply to interrogatories
3 taken pursuant to this Section. Any such interrogatory taken pursuant to this Section
4 shall not be counted toward the twenty-five interrogatory limit set forth in Fed. R.
5 Civ. P. 33(a)(1). Service of discovery upon a party, taken pursuant to this Section
6 shall be sufficient if made by facsimile or by overnight delivery.

7 **IMMEDIATE ACCESS TO DEFENDANTS' RECORDS**

8 **XVIII. IT IS FURTHER ORDERED** that:

9 A. Corporate Defendants and their successors, assigns, officers, agents,
10 servants, employees, and attorneys, and those persons or entities in active concert or
11 participation with any of them who receive actual notice of this Order by personal
12 service, facsimile transmission, email, or otherwise, whether acting directly or
13 through any corporation, subsidiary, division, or other device, and the Receiver,
14 appointed by the Court in Section XIX, shall allow Plaintiff's representatives, agents,
15 and assistants immediate access to the business premises, mail drops, storage
16 facilities, and all other business locations owned, controlled, or used by Corporate
17 Defendants and their successors, assigns, officers, agents, servants, employees, and
18 attorneys, and those persons or entities in active concert or participation with any of
19 them who receive actual notice of this Order by personal service, facsimile
20 transmission, email, or otherwise, whether acting directly or through any
21 corporation, subsidiary, division, or other device, including but not limited to
22 business premises at the following street addresses:

- 23 • 1700 Carnegie Avenue, Suite 250, Santa Ana, CA 92705
- 24 • 2501 Pullman Street, Suite 200 and 250, Santa Ana, CA 92705
- 25 • 7525 Irvine Center Drive, Suite 200, Irvine, CA 92618

26 The purpose of the access shall be to effect service and to inspect and copy materials
27 relevant to this action. Plaintiff shall have the right to remove documents from
28 Corporate Defendants' premises in order that they may inspected, inventoried, and

1 copied. Plaintiff shall return any such removed documents within three (3) business
2 days, or such time-period that is agreed upon by Plaintiff and Corporate Defendants.
3 Corporate Defendants, to the extent that they are in possession of documents relevant
4 to this action, shall provide Plaintiff with the means necessary to access these
5 documents, including without limitation keys and combinations to locks, computer
6 access codes, and storage area access information.

7 B. The Receiver shall subsequently allow Plaintiff's representatives and
8 Corporate Defendants and their representatives reasonable access to the business
9 premises of the Receivership Defendants. The purpose of this access shall be to
10 inspect and copy any and all books, records, accounts, and other property owned by
11 or in the possession of the Receivership Defendants. The Receiver shall have the
12 discretion to determine the time and manner of this access.

13 C. If, at the time of service of this Order, any records or property relating
14 to Corporate Defendants or to any of Corporate Defendant's assets are located in the
15 personal residence of any of the Individual Defendants or in any other non-business
16 location under any of the Individual Defendants' personal control, then such
17 Defendant(s) shall, within forty-eight (48) hours of service of the Order, produce to
18 Plaintiff, at a location designated by Plaintiff, the following:

19 1. All contracts, accounting data, written or electronic
20 correspondence, advertisements, computer tapes, discs, or other computerized or
21 electronic records, books, written or printed records, handwritten notes, telephone
22 logs, telephone scripts, telephone bills, receipt books, ledgers, bank records
23 (including personal and business monthly statements, canceled checks, record of
24 wire transfers, and check registers), appointment books, copies of federal, state, and
25 local business or personal income or property tax returns, 1099 forms, title records,
26 and other documents or records of any kind related to Corporate Defendants'
27 business and assets; and
28

1 2. All computers and data in whatever form, used by Defendants, in
2 whole or in part, relating to Corporate Defendants’ business and assets.

3 **APPOINTMENT OF RECEIVER**

4 **XIX. IT IS FURTHER ORDERED** that:

5 A. Robb Evans & Associates LLC is appointed the Receiver with the full
6 power of an equity receiver for Corporate Defendants, as well as any successors,
7 assigns, affiliates, and subsidiaries that conduct any business related to Corporate
8 Defendants’ mortgage loan modification or foreclosure relief service, and which the
9 Receiver has reason to believe are owned or controlled in whole or in part by any of
10 the Defendants. The Receiver shall be the agent of this Court and solely the agent of
11 this Court in acting as Receiver under this Order. The Receiver shall be accountable
12 directly to this Court and shall comply with all Local Rule of this Court governing
13 Receivers.

14 **RECEIVERSHIP DUTIES**

15 **XX. IT IS FURTHER ORDERED** that the Receiver is directed and authorized to
16 perform and accomplish the following:

17 A. Assume full control of the Receivership Defendants by removing Dean
18 Shafer and any other officer, independent contractor, employee, or agent of the
19 Receivership Defendants from control and management of the affairs of the
20 Receivership Defendants;

21 B. Collect, marshal, and take custody, control and possession of all the
22 funds, property, premises, accounts, mail and other assets of, or in the possession or
23 under the control of Receivership Defendants, wherever situated, the income and
24 profits, and all sums of money now or hereafter due or owing to the Receivership
25 Defendants with full power to: collect, receive, and take possession of all goods,
26 chattles, rights, credits, monies, effects, lands, leases, books and records, work
27 papers, records of accounts, including computer-maintained information, contracts,
28 financial records, monies on hand in banks and other financial institutions, and other

1 papers and documents of the Receivership Defendants and other individuals and
2 corporations whose interests are now held by or under the direction, possession,
3 custody or control of the Receivership Defendants;

4 C. Perform all acts necessary to conserve, hold, manage, and preserve the
5 value of those assets in order to prevent any irreparable loss, damage, injury to
6 business venture purchasers, and all acts incidental thereto, including the suspension
7 of operations;

8 D. Perform all acts necessary to ensure that the Receivership Defendants
9 are in compliance with the provisions of this Order;

10 E. Make best efforts to notify the Receivership Defendants' customers
11 about this Order, such efforts can include posting this Order on the Receivership
12 Defendants' website;

13 F. Enter into agreements in connection with administration of the
14 receivership, including but not limited to the retention and employment of
15 investigators, attorneys, or accountants of the Receiver's choice, including, without
16 limitation, members and employees of the Receiver's firm, to assist, advise, and
17 represent the Receiver; and the movement and storage of any equipment, furniture,
18 records, files, or other physical property of the Receivership Defendants; and

19 G. Institute, prosecute, compromise, adjust, intervene in or become party to
20 such actions or proceedings in state, federal or foreign courts that the Receiver deems
21 necessary and advisable to preserve the value of the properties of the Receivership
22 Defendants or that the Receiver deems necessary and advisable to carry out the
23 Receiver's mandate under this Order, and likewise to defend, compromise, or adjust
24 or otherwise dispose of any or all actions or proceedings instituted against the
25 Receiver or the Receivership Defendants that the Receiver deems necessary and
26 advisable to preserve the properties of the Receivership Defendants or that the
27 Receiver deems necessary and advisable to carry out the Receiver's mandate under
28 this Order.

1 **RECEIVER’S BOND**

2 **XXI. IT IS FURTHER ORDERED** that the Receiver shall file with the Clerk of
3 this Court a bond in the sum of \$1,000.00, with sureties to be approved by the Court,
4 conditioned that the Receiver will well and truly perform the duties of the office and
5 abide by and perform all acts the Court directs.

6 **COOPERATION WITH THE RECEIVER**

7 **XXII. IT IS FURTHER ORDERED** that Defendants and their successors, assigns,
8 members, officers, agents, servants, employees, and attorneys, and those persons or
9 entities in active concert or participation with them who receive actual notice of this
10 Order by personal service, facsimile transmission, email, or otherwise, whether
11 acting directly or through any corporation, subsidiary, division, or other device:

12 A. shall fully cooperate with and assist the Receiver. Such cooperation and
13 assistance shall include, but not be limited to, providing any information to the
14 Receiver that the Receiver deems necessary to exercising the authority and
15 discharging the responsibilities of the Receiver under this Order; providing any
16 password required to access any computer or electronic files in any medium; or
17 advising all persons who owe money to the Receivership Defendants that all debts
18 should be paid directly to the Receiver.

19 B. are preliminarily enjoined from directly or indirectly:

20 1. transacting any of the business of the Receivership Defendants, or
21 transacting business under the name either Corporate Defendants or any substantially
22 similar name;

23 2. destroying, concealing, defacing, transferring, or otherwise
24 altering or disposing of any documents of the Receivership Defendants, including,
25 but not limited to, books, records, accounts, or any other papers of any kind or
26 nature;

27 3. transferring, receiving, altering, selling, encumbering, pledging,
28 assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in

1 the possession or custody of, or in which an interest is held or claimed by, the
2 Receivership Defendants, or the Receiver;

3 4. excusing debts owed to the Receivership Defendants;

4 5. failing to notify the Receiver of any asset, including accounts,
5 computer equipment, customer lists, or any other asset, of any Receivership
6 Defendant held in any name other than the name of any Receivership Defendant, or
7 by any person or entity other than the Receivership Defendants, or failing to provide
8 any assistance or information requested by the Receiver in connection with obtaining
9 possession, custody, or control of such assets; or

10 6. doing any act or refraining from any act whatsoever to interfere
11 with the Receiver's taking custody, control, possession, or managing of the assets or
12 documents subject to this receivership; or to harass or interfere with the Receiver in
13 any way; or to interfere in any manner with the exclusive jurisdiction of this Court
14 over the assets or documents of the Receivership Defendants; or to refuse to
15 cooperate with the Receiver or the Receiver's duly authorized agents in the exercise
16 of their duties or authority under any Order of this Court.

17 **DELIVERY OF RECEIVERSHIP PROPERTY**

18 **XXIII. IT IS FURTHER ORDERED** that

19 A. immediately upon service of this Order upon them, or within a period
20 permitted by the Receiver, Defendants and all other persons in possession, custody,
21 and control of assets or documents of the Receivership Defendants shall transfer or
22 deliver possession, custody, and control of the following to the Receiver:

23 1. all assets of the Receivership Defendants;

24 2. all documents of the Receivership Defendants, including, but not
25 limited to, books and records of accounts, all financial and accounting records,
26 balance sheets, income statements, bank records (including monthly statements,
27 canceled checks, records of wire transfers, and check registers), client or customer
28 lists and leads, title documents, and other papers; and

1 3. all assets belonging to members of the public now held by the
2 Receivership Defendants.

3 B. In the event any person or entity fails to deliver or transfer any asset or
4 otherwise fails to comply with any provision of this Section XXIV.A, the Receiver
5 may file, on an *ex parte* basis, an Affidavit of Non-Compliance regarding the failure.
6 Upon filing of the affidavit, the Court may authorize, without additional process or
7 demand, Writs of Possession or Sequestration or other equitable writs requested by
8 the Receiver. The writs shall authorize and direct the United States Marshal or any
9 sheriff or deputy sheriff of any county to seize the asset, document, or other thing
10 and to deliver it to the Receiver.

11 RECEIVER'S REPORTS

12 **XXIV. IT IS FURTHER ORDERED** that the Receiver shall file an Interim Report
13 on or before September 8, 2009 at 4:30 p.m. Such interim report shall summarize
14 information obtained by the Receiver to date regarding the Corporate Defendants'
15 assets and liabilities, and shall include such additional information and
16 recommendations as the Receiver shall deem appropriate. *Provided*, however, if any
17 of the required information would hinder the Receiver's ability to pursue
18 receivership assets, the portions of the Receiver's report containing such information
19 may be filed under seal and not served on the parties.

20 BANKRUPTCY PETITIONS

21 **XXV. IT IS FURTHER ORDERED** that in light of the asset freeze and
22 appointment of the Receiver,

23 A. Defendants are prohibited from filing, or causing to be filed, on behalf
24 of any Receivership Defendant, a petition for relief under the United States
25 Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, without prior permission from this Court,
26 and
27
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1 B. Individual Defendants must give 21 days' notice to Plaintiff prior to
2 filing, or causing to be filed, on behalf of the Individual Defendants, a petition for
3 relief under the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*

4 **TRANSFER OF FUNDS TO THE RECEIVER**

5 **XXVI. IT IS FURTHER ORDERED**, upon service of a copy of this Order, all
6 banks, broker-dealers, savings and loans, escrow agents, title companies, commodity
7 trading companies, or other financial institutions shall cooperate with all reasonable
8 requests of the Receiver relating to implementation of this Order, including
9 producing records related to the assets of the Receivership Defendants.

10 **STAY OF ACTIONS**

11 **XXVII. IT IS FURTHER ORDERED** that:

12 A. except by leave of this Court, during pendency of the receivership,
13 Defendants and all other persons and entities (except for Plaintiff) are stayed from
14 taking any action to establish or enforce any claim, right, or interest for, against, on
15 behalf of, in, or in the name of (1) the Receivership Defendants, (2) any of assets of
16 Receivership Defendants, or (3) the Receiver or the Receiver's duly authorized
17 agents acting in their capacities as such, including, but not limited to, the following
18 actions:

19 1. commencing, prosecuting, continuing, entering, or enforcing any
20 suit or proceeding, except that the actions may be filed to toll any applicable statute
21 of limitations;

22 2. accelerating the due date of any obligation or claimed obligation;
23 filing or enforcing any lien; taking or attempting to take possession, custody, or
24 control of any asset; attempting to foreclose, forfeit, alter, or terminate any interest
25 in any asset, whether such acts are part of a judicial proceeding, are acts of selfhelp,
26 or otherwise;

1 3. executing, issuing, serving, or causing the execution, issuance or
2 service of, any legal process, including, but not limited to, attachments,
3 garnishments, subpoenas, writs of replevin, writs of execution, or any other form
4 of process whether specified in this Order or not; or

5 4. doing any act or thing whatsoever to interfere with the Receiver
6 taking custody, control, possession, or management of the assets or documents
7 subject to this receivership, or to harass or interfere with the Receiver in any way, or
8 to interfere in any manner with the exclusive jurisdiction of this Court over the assets
9 or documents of the Receivership Defendants.

10 *Provided* that this Section XXVII does not stay:

11 1. the commencement or continuation of a criminal action or
12 proceeding;

13 2. the commencement or continuation of an action or proceeding by
14 a governmental unit to enforce such governmental unit's police or
15 regulatory power;

16 3. the enforcement of a judgment, other than a money judgment,
17 obtained in an action or proceeding by a governmental unit to enforce such
18 governmental unit's police or regulatory power;

19 4. the commencement of any action by the Secretary of the United
20 States Department of Housing and Urban Development to foreclose a mortgage or
21 deed of trust in any case in which the mortgage or deed of trust held by the Secretary
22 is insured or was formerly insured under the National Housing Act and covers
23 property, or combinations of property, consisting of five or more living units; or

24 5. the issuance to the Receivership Defendants of a notice of tax
25 deficiency.

26 B. except as otherwise provided in this Order, all persons and entities in
27 need of documentation from the Receiver shall in all instances first attempt to secure
28 such information by submitting a formal written request to the Receiver, and, if the

1 request has not been responded to within thirty (30) days of receipt by the Receiver,
2 any person or entity may thereafter seek an order of this Court with regard to the
3 relief requested.

4 **COMPENSATION OF RECEIVER**

5 **XXVIII. IT IS FURTHER ORDERED** that the Receiver and all personnel hired
6 by the Receiver as herein authorized, including counsel to the Receiver and
7 accountants, are entitled to reasonable compensation for the performance of duties
8 pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by
9 them, from the assets now held by or in the possession or control of or which may be
10 received by the Receivership Defendants. The Receiver shall file with the Court and
11 serve on the parties periodic requests for the payment of such reasonable
12 compensation, with the first such request filed no more than sixty (60) days after the
13 date of this Order. The Receiver shall not increase the hourly rates used as the bases
14 for such fee applications without prior approval of the Court.

15 **RECEIVER'S ACCESS TO BUSINESS PREMISES AND RECORDS**

16 **XXIX. IT IS FURTHER ORDERED** that:

17 A. The Receiver, and its respective representatives, agents, contractors, or
18 assistants, are permitted, and the Defendants and their successors, assigns, officers,
19 agents, servants, employees, and attorneys, and those persons or entities in active
20 concert or participation with any of them who receive actual notice of this Order by
21 personal service, facsimile transmission, email, or otherwise, whether acting directly
22 or through any corporation, subsidiary, division, or other device, shall allow,
23 immediate access to any business premises and storage facilities of the Receivership
24 Defendants or any other location of assets, documents, or other materials of the
25 Receivership Defendants. Such locations include, but are not limited to, the offices
26 and facilities at the following addresses:

- 1 • 1700 Carnegie Avenue, Suite 250, Santa Ana, CA 92705
- 2 • 2501 Pullman Street, Suite 200 and 250, Santa Ana, CA 92705
- 3 • 7525 Irvine Center Drive, Suite 200, Irvine, CA 92618

4 B. the Receiver is authorized to employ the assistance of law enforcement
5 officers, including but not limited to the United States Marshals Service, to effect
6 service, to implement peacefully the provisions of this Order, and keep the peace.
7 The Receiver may exclude Defendants and their agents and employees from the
8 business premises and facilities.

9 C. Defendants and their agents and employees of their successors, assigns,
10 officers, agents, servants, employees, and attorneys, and those persons or entities in
11 active concert or participation with any of them who receive actual notice of this
12 Order by personal service, facsimile transmission, email, or otherwise, whether
13 acting directly or through any corporation, subsidiary, division, or other device, shall
14 provide the Receiver with any necessary means of access to documents, including,
15 without limitation, the locations of Receivership Defendants' business premises,
16 keys and combinations to business premises locks, computer access codes of all
17 Receivership Defendants' computers, and storage area access information.

18 D. the Receiver is authorized to copy any documents related to Defendants'
19 business practices, including by forensic imaging of electronically stored
20 information. The Receiver is authorized to remove any documents related to
21 Defendants' business practices from the premises in order that they may be
22 inspected, inventoried, and copied. The materials removed shall be returned within
23 five (5) business days of completing inventory and copying.

24 E. Counsel for Plaintiff, and their respective representatives, agents,
25 contractors, or assistants, are authorized to review any documents or information that
26 the Receiver has determined do not contain attorney-client communications
27 pertaining to professional legal services unrelated to Receivership Defendants'
28 mortgage loan modification business; such review may take place at any location,

1 including at any business premises and storage facilities of the Receivership
2 Defendants. The Receiver may segregate or redact any portions of files or documents
3 that reflect privileged information, to the extent that they reflect the substance of any
4 attorney-client communication pertaining to professional legal services unrelated to
5 Receivership Defendants' mortgage loan modification business. Nothing in this
6 provision shall prohibit the Receiver from providing Plaintiff, at any time, with
7 copies of any documents or information related to mortgage loan modification
8 services.

9 **CORRESPONDENCE WITH PLAINTIFF**

10 **XXX. IT IS FURTHER ORDERED** that for the purposes of this Order, all service
11 on and correspondence to the FTC shall be sent via Federal Express or email and be
12 addressed to: Mark Glassman, Federal Trade Commission, 600 Pennsylvania
13 Avenue, NW, Room NJ-3158, Washington, DC 20580; Telephone: (202) 326-2826;
14 Facsimile: (202) 326-3768; email: mglassman@ftc.gov.

15 **SERVICE OF THIS ORDER**

16 **XXXI. IT IS FURTHER ORDERED** that copies of this Order may be served by
17 facsimile transmission, email (upon written consent), personal or overnight delivery,
18 or U.S. Express Mail, by agents and employees of the FTC or any state or federal
19 law enforcement agency or by private process server, on Defendants or any other
20 person or entity that may be subject to any provision of this Order.

21 **RIGHT TO INVESTIGATE AND ADD ADDITIONAL PARTIES**
22 **AND CLAIMS**

23 **XXXII. IT IS FURTHER ORDERED** that nothing in this Order shall be construed
24 as limiting or restricting the FTC's right or ability to investigate, take discovery
25 from, add to this action or bring further actions against any persons or entities not
26 specifically named herein as a defendant or who may be in active concert or
27 participation with any of the defendants.
28

RETENTION OF JURISDICTION

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

IT IS SO ORDERED, this 18 day of August, 2009.

David O. Carter
UNITED STATES DISTRICT JUDGE

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