

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OKLAHOMA

FILED

JUN 06 2001

Phil Lombardi, Clerk
U.S. DISTRICT COURT

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

SKYBIZ.COM, INC.,
WORLD SERVICE CORPORATION,
NANCI CORPORATION INTERNATIONAL,
WORLDWIDE SERVICE CORPORATION,
JAMES S. BROWN,
STEPHEN D. MCCULLOUGH,
ELIAS F. MASSO,
NANCI H. MASSO,
KIER E. MASSO, and
RONALD E. BLANTON,

Defendants.

No: 01-CV-396-K(E) ✓

Unsealed
6-8-01

SEALED

UNDER SEAL

**TEMPORARY RESTRAINING ORDER
FREEZING ASSETS, APPOINTING A TEMPORARY
RECEIVER AND PROVIDING ADDITIONAL EQUITABLE RELIEF**

Plaintiff, the Federal Trade Commission ("Commission"), having filed its complaint for a permanent injunction and other equitable relief in this matter pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC ACT"), 15 U.S.C. § 53(b), and having moved *ex parte* for a temporary restraining order and for an order to show cause why a preliminary injunction should not be granted pursuant to Rule 65(b) of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 65, and the Court having considered the complaint, declarations, exhibits, and memorandum of law filed in support thereof, finds that:

107

filed in support thereof, finds that:

1. This Court has jurisdiction over the subject matter of this case, and there is good cause to believe it will have jurisdiction of all parties hereto;

2. There is good cause to believe that the defendants, SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation and their officers and directors, James S. Brown, Stephen D. McCullough, Elias F. Masso, Nanci H. Masso, Kier E. Masso, and Ronald E. Blanton, have engaged and are likely to engage in acts and practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and that the plaintiff is therefore likely to prevail on the merits of this action;

3. There is good cause to believe that immediate and irreparable damage to the Court's ability to grant effective final relief for consumers in the form of monetary restitution will occur from the sale, transfer, or other disposition or concealment by defendants of their assets or corporate records, or those assets and corporate records under their control, unless defendants are immediately restrained and enjoined by Order of this Court. There is thus good cause for relieving plaintiff of the duty to provide defendants with prior notice of the plaintiff's motion;

4. There is good cause for the Court to appoint a temporary receiver;

5. Weighing the equities and considering plaintiff's likelihood of ultimate success, a temporary restraining order with asset freeze, appointment of a temporary receiver, and other equitable relief is in the public interest; and

6. Fed. R. Civ. P. 65(c) does not require security of the United States or an officer or agency thereof.

Definitions

For the purpose of this temporary restraining order, the following definitions shall apply:

- A. ***“Defendants”*** means SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation and their officers and directors, James S. Brown, Stephen D. McCullough, Elias F. Masso, Nanci H. Masso, Kier E. Masso, and Ronald E. Blanton, and each of their successors, assigns, officers, agents, servants, employees, subsidiaries or affiliates, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, or other device, unless specified otherwise.
- B. ***“Assets”*** means any legal or equitable interest in, right to, or claim to, any real and personal property, including but not limited to “goods,” “instruments,” “equipment,” “fixtures,” “general intangibles,” “inventory,” “checks,” “notes” (as these terms are defined in the Uniform Commercial Code), and all chattel, leaseholds, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, and cash, wherever located.
- C. ***“Marketing Program”*** includes, but is not limited to, any multi-level marketing program, sales program, business investment opportunity, pyramid marketing scheme, Ponzi scheme, or chain marketing scheme marketed by the defendants.
- D. ***“Marketing Program Participant”*** means anyone who makes a payment to defendants and who is granted the right to market a product or the right to recruit other people into the Marketing Program.

E. “*Masso Bankruptcy Case*” means the bankruptcy case styled as *In Re Elias F. Masso*, U.S. Bankruptcy Court, Northern District of Oklahoma, Case No. 00-01332 (Chapter 7).

F. “*Masso Bankruptcy Estate*” means the bankruptcy estate that was created when an order for relief was entered pursuant to 11 U.S.C. § 303 (h) in the *Masso Bankruptcy Case*.

CONDUCT PROHIBITIONS

I. INJUNCTION AGAINST MISREPRESENTATIONS

IT IS THEREFORE ORDERED that in connection with the promotion of any Marketing Program, defendants are hereby temporarily restrained and enjoined from making or assisting in the making of, expressly or by implication, orally or in writing, any statement or representation of material fact that is false or misleading, including, but not limited to, representations that:

- A. Persons who participate in such programs will receive phenomenal amounts of income;
- B. Persons who participate in such programs will or can receive compensation related to recruitment; and
- C. Consumers who participate in such programs will or can receive compensation related to the purchase or sale of goods or services, unless such compensation meets the requirements set forth in Section III of this Order.

II. INJUNCTION AGAINST MATERIAL OMISSIONS

IT IS FURTHER ORDERED that in connection with the promotion of any Marketing Program, defendants are hereby temporarily restrained and enjoined from failing to disclose, clearly and conspicuously, before any consumer becomes a Marketing Program Participant, all

information material to a consumer's decision to participate in the Marketing Program, including but not limited to the number and percentage of current Marketing Program Participants who have made a profit through their participation in the Marketing Program, and the average amount of money made by each current Marketing Program Participant.

III. INJUNCTION AGAINST MAKING PAYMENTS RELATED TO RECRUITMENT

IT IS FURTHER ORDERED that defendants are hereby temporarily restrained and enjoined from operating any Marketing Program that:

- A. Pays any compensation related to recruitment;
- B. Pays any compensation related to the purchase or sale of goods or services unless a portion of such compensation is derived from sales to persons who are not members of such Marketing Program; or
- C. Otherwise constitutes a pyramid marketing scheme, Ponzi scheme, or chain marketing scheme.

IV. INJUNCTION AGAINST PROVIDING OTHERS WITH THE MEANS AND INSTRUMENTALITIES TO VIOLATE SECTION 5 OF THE FTC ACT

IT IS FURTHER ORDERED that in connection with the promotion of any Marketing Program, defendants are hereby temporarily restrained and enjoined from providing to others the means and instrumentalities with which to make, expressly or by implication, orally or in writing, any false or misleading statement or representation of material fact, including, but not limited to representations that anyone who participates in any Marketing Program can receive phenomenal

amounts of income.

TEMPORARY RECEIVERSHIP PROVISIONS

V. APPOINTMENT OF TEMPORARY RECEIVER

IT IS FURTHER ORDERED that ROBB EVANS and ROBB EVANS & ASSOCIATES are appointed as temporary receiver (the "Temporary Receiver"), with the full power of an equity receiver, for defendants SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation and their affiliates and subsidiaries and of all the funds, properties, premises, accounts and other assets directly or indirectly owned, beneficially or otherwise, by SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation with directions and authority to accomplish the following:

- A. Collect, marshal, and take custody, control and possession of all the funds, property, premises, accounts, mail and other assets of, or in the possession or under the control of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, wherever situated, the income and profits therefrom, and all sums of money now or hereafter due or owing to SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation with full power to: collect, receive and take possession of all goods, chattels, rights, credits, monies, effects, lands, leases, books and records, work papers, records of accounts, including computer-maintained information, contracts, financial records, monies on hand in banks and other financial institutions, and other papers and documents of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide

- Service Corporation and other individuals or corporations whose interests are now held by or under the direction, possession, custody or control of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;
- B. Perform all acts necessary to conserve, hold, manage, and preserve the value of those assets in order to prevent any irreparable loss, damage and injury to business venture purchasers, and all acts incidental thereto, including the suspension of operations;
- C. Perform all acts necessary to ensure that SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation are in compliance with the provisions of this Order, including ceasing all advertising, marketing, offering or providing or assisting others in doing the same which contains any false or misleading statements of material fact or which fail to disclose all information material to a consumer's decision to participate in the Marketing Program;
- D. Make best efforts to notify SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's Marketing Program Participants about this Order, such efforts can include posting this Order on SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's World Wide Web page, and providing information to Marketing Program Participants through SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's meetings, conference calls, and seminars;
- E. Enter into agreements in connection with administration of the receivership, including, but not limited to: (1) the retention and employment of investigators, attorneys or

accountants of the Temporary Receiver's choice, including, without limitation, members and employees of the Temporary Receiver's firm, to assist, advise, and represent the receiver; and (2) the movement and storage of any equipment, furniture, records, files or other physical property of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;

- F. Institute, prosecute, compromise, adjust, intervene in or become party to such actions or proceedings in state, federal or foreign courts that the Temporary Receiver deems necessary and advisable to preserve the value of the properties of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation or that the Temporary Receiver deems necessary and advisable to carry out the Temporary Receiver's mandate under this Order, and likewise to defend, compromise, adjust or otherwise dispose of any or all actions or proceedings instituted against the Temporary Receiver or SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation that the Temporary Receiver deems necessary and advisable to preserve the properties of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation or that the Temporary Receiver deems necessary and advisable to carry out the Temporary Receiver's mandate under this Order;
- G. Prepare and submit a Report to this Court and to the parties, not less than three (3) days prior to the scheduled Preliminary Injunction Hearing, describing SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's business activities, including, but not limited to, the number of consumers

participating in SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's Marketing Program (including a breakdown by category of participation: distributors, managers, supervisors, director, executive director, and international marketing director), the amount of money received by SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation from the Marketing Program Participants, the amount of money distributed to Marketing Program Participants by SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, the number and percentage of Marketing Program Participants who have made money through their participation in the Marketing Program and the average amount of money made by such Marketing Program Participants, and the role of defendants James S. Brown, Stephen D. McCullough, Elias F. Masso, Nanci H. Masso, Kier E. Masso, Ronald E. Blanton and any other officers or directors of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;

H. Conduct expedited discovery in order to prepare the Receiver's Report, referenced above, prior to the Preliminary Injunction Hearing. Such expedited discovery can, at the Receiver's sole discretion, include oral depositions on three business days' notice to the deponent and expedited interrogatories, requests for admission, or requests for production of documents requiring responses within 3 business days after service of the discovery requests.

The Temporary Receiver and all personnel hired by the Temporary Receiver as herein authorized, including counsel to the Temporary Receiver and accountants, are entitled to reasonable

compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the assets now held by or in the possession or control of, or which may be received by, SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation in the event a preliminary injunction issues. The Temporary Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, with the first such request due prior to sixty days after the date of this Order. The Temporary Receiver shall not increase the Temporary Receiver's fee rate billed to the receivership estate without prior approval of the Court.

The Temporary Receiver shall file with the Clerk of this Court a bond in the sum of \$50,000.00 with sureties to be approved by the Court, conditioned that the Temporary Receiver will well and truly perform the duties of the office and abide by and perform all acts the Court directs.

VI. ACCESS TO BUSINESS RECORDS

IT IS FURTHER ORDERED that defendants shall allow the Temporary Receiver appointed herein and his/her representatives, agents, and assistants immediate access to SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's business premises and any other location where SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's property or business records are located. Such locations specifically include, but are not limited to

SkyBiz.com, Inc.
6128 E. 38th St Ste 400
Tulsa, OK 74135

World Service Corporation
6128 E. 38th St Ste 400
Tulsa, OK 74135

Nanci Corporation International
11330 East 58th Street
7633 E. 63rd Pl
Tulsa, OK

The Temporary Receiver is authorized to employ the assistance of law enforcement officers as he or she deems necessary to effect service and to implement peacefully the provisions of this Order. The purpose of access shall be to take custody, control and possession of all of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's business premises, property, assets, records and documents.

If any business records or property relating to SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation are located in the personal residence of a defendant and request to enter such residence is denied, then such defendant shall, within forty eight (48) hours of service of this Order:

- A. Produce to the Temporary Receiver, at a location designated by the Temporary Receiver, all contracts, accounting data, written or electronic correspondence, advertisements, computer tapes, discs, or other computerized or electronic records, books, written or printed records, handwritten notes, telephone logs, telephone scripts, telephone bills, receipt books, ledgers, membership records and lists, refund records, receipts, ledgers, bank records (including personal and business monthly statements, canceled checks, records of wire transfers, and check registers), appointment books, copies of federal, state or local business or personal income or property tax returns, 1099 forms, title records and other documents or records of any kind that relate to defendants' business practices; and
- B. Produce to the Temporary Receiver, at a location designated by the Temporary Receiver,

all computers and data in whatever form used by defendants, relating, in whole or in part, to defendants' business practices.

VII. TURN OVER POSSESSION AND CUSTODY TO RECEIVER

IT IS FURTHER ORDERED that, immediately upon service of this Order upon them, defendants, and any other person or entity served with a copy of this Order, shall forthwith, or within such time as permitted by the Temporary Receiver in writing, deliver over to the Temporary Receiver:

- A. Possession and custody of all assets including, but not limited to, funds and property owned beneficially or otherwise, wherever situated, of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;
- B. Possession and custody of all books and records of accounts, all financial and accounting records, balance sheets, income statements, bank records (including monthly statements, canceled checks, records of wire transfers, and check registers), client lists, title documents, and other papers of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;
- C. Possession and custody of all funds and other assets belonging to members of the public now held by SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;
- D. All keys, computer passwords, entry codes, combinations to locks required to open or gain access to any of the property or effects, and all monies in any bank deposited to the credit of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International,

and WorldWide Service Corporation, wherever situated; and

- E. Information identifying the accounts, employees, properties, or other assets or obligations of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation.

VIII. PLAINTIFF'S ACCESS TO BUSINESS RECORDS

IT IS FURTHER ORDERED that defendants and the Temporary Receiver shall allow plaintiff's representatives, agents, and assistants immediate access to the defendants' business premises to inspect and copy documents. The Temporary Receiver shall have discretion to regulate the time, place, and manner of such access consistent with this purpose. The Commission may remove materials from defendants' business premises so they may be inspected, inventoried, and copied. The Commission shall return materials so removed within three (3) business days of completing said inventory and copying. To the extent defendants or third parties turn over to the Temporary Receiver records relating to defendants' business, but not kept at defendants' business premises, defendants and the Temporary Receiver shall also allow plaintiff's representatives, agents and assistants access to those additional records. The Temporary Receiver shall have discretion to regulate the time, place, and manner of such access consistent with this purpose. The Commission may remove those additional materials so they may be inspected, inventoried, and copied. The Commission shall return materials so removed within three (3) business days of completing said inventory and copying.

IX. STAY OF OTHER ACTIONS

IT IS FURTHER ORDERED that except by leave of this Court, during the pendency of

the receivership ordered herein, defendants and all customers, principals, investors, creditors, stockholders, lessors, and other persons seeking to establish or enforce any claim, right or interest against or on behalf of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, or any of its subsidiaries or affiliates, and all others acting for or on behalf of such persons, including attorneys, trustees, agents, sheriffs, constables, marshals, and other officers and their deputies, and their respective attorneys, servants, agents and employees be and are hereby stayed from:

- A. Commencing, prosecuting, continuing or enforcing any suit or proceeding against SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, or any of its subsidiaries or affiliates, except that such actions may be filed to toll any applicable statute of limitations;
- B. Commencing, prosecuting, continuing or entering any suit or proceeding in the name or on behalf of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation;
- C. Accelerating the due date of any obligation or claimed obligation, enforcing any lien upon, or taking or attempting to take possession of, or retaining possession of property of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, or any property claimed by SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, or attempting to foreclose, forfeit, alter or terminate any of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation's interests in property, including, without limitation, the

establishment, granting, or perfection of any security interest, whether such acts are part of a judicial proceeding or otherwise;

- D. Using self-help or executing or issuing, or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of impounding or taking possession of or interfering with, or creating or enforcing a lien upon any property, wheresoever located, owned by or in the possession of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, or any of their subsidiaries or affiliates, or the Temporary Receiver appointed pursuant to this Order or any agent appointed by said Temporary Receiver; and
- E. Doing any act or thing whatsoever to interfere with the Temporary Receiver taking control, possession or management of the property subject to this receivership, or to in any way interfere with the Temporary Receiver, or to harass or interfere with the duties of the Temporary Receiver; or to interfere in any manner with the exclusive jurisdiction of this Court over the property and assets of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation, including the filing by the individual defendants of a petition for relief under the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as to SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation.

Provided, however, nothing in this Paragraph shall prohibit any federal or state law enforcement or regulatory authority from commencing or prosecuting an action against SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, and WorldWide Service Corporation.

ASSET & RECORD RETENTION

X. ASSET FREEZE

IT IS FURTHER ORDERED that defendants are hereby temporarily restrained and enjoined from:

- A. Transferring, converting, encumbering, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, perfecting a security interest in, or otherwise disposing of any funds, property, accounts, contracts, shares of stock, lists of consumer names, or other assets, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, wherever located, including outside the United States, other than to make transfers to the Temporary Receiver appointed herein, that are (1) owned or controlled, directly or indirectly, by any defendant, in whole or in part; (2) in the actual or constructive possession of any defendant; or (3) owned, controlled by, or in the actual or constructive possession of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by, or under common control with any defendant, including but not limited to, any assets held by, for, or under the name of any defendant at any bank or savings and loan institution, or with any broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, or other financial institution or depository of any kind;
- B. Opening or causing to be opened any safe deposit boxes, not including any safe deposit box the contents of which are property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, titled in the name of any defendant, or subject to access by any defendant;

and

- C. Incurring charges or cash advances on any credit card issued in the name, singly or jointly, of any defendant.

XI. REPATRIATION OF ASSETS AND DOCUMENTS LOCATED IN FOREIGN COUNTRIES

IT IS FURTHER ORDERED that defendants, whether acting through any trust, corporation, subsidiary, division, or other device, shall:

- A. Within three (3) business days following the service of this Order, take such steps as are necessary to transfer to the territory of the United States of America all documents and assets, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, that are located outside of such territory and are held by or for defendants or are under defendants' direct or indirect control, jointly, severally, or individually; and
- B. Within three (3) business days following service of this Order, provide the plaintiff and Temporary Receiver with a full accounting of all documents and assets, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, that are located outside of the territory of the United States of America and are held by or for defendants or are under defendants' direct or indirect control, jointly, severally, or individually; and
- C. Hold and retain all transferred documents and assets, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, and prevent any transfer, disposition, or dissipation whatsoever of any such assets or funds, except for transfers to the Temporary Receiver; and
- D. Provide plaintiff access to defendants' records and documents held by financial institutions

outside the territorial United States.

XII. INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that defendants SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation and their officers and directors, James S. Brown, Stephen D. McCullough, Elias F. Masso, Nanci H. Masso, Kier E. Masso, and Ronald E. Blanton, and each of them, and their officers, owners, directors, agents, servants, employees, salespersons, attorneys, corporations, subsidiaries, affiliates, successors, assigns, trusts and other entities or persons directly or indirectly under their control, and all persons or entities in active concert or participation with them, who receive actual notice of this Order by personal service, facsimile or otherwise, are hereby temporarily restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign assets, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, or in the hindrance of the repatriation required by Paragraph XI of this Order, including but not limited to:

- A. Sending any statement, letter, fax, e-mail or wire transmission, telephoning or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a “duress” event has occurred under the terms of a foreign trust agreement until such time that all assets have been fully repatriated pursuant to Paragraph XI of this Order; or
- B. Notifying any trustee, protector or other agent of SkyBiz.com, Inc., World Service Corporation, Nanci Corporation International, WorldWide Service Corporation and their officers and directors, James S. Brown, Stephen D. McCullough, Nanci H. Masso, Kier E.

Masso, and Ronald E. Blanton, or other related entities of the existence of this Order, or of the fact that repatriation is required pursuant to a Court Order, until such time that all assets have been fully repatriated pursuant to Paragraph XI of this Order.

XIII. CONSUMER CREDIT REPORTS

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

XIV. PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that defendants are hereby temporarily restrained and enjoined from destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any contracts, accounting data, correspondence, advertisements, computer tapes, discs, or other computerized records, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, copies of federal, state or local business or personal income or property tax returns, and other documents or records of any kind that relate to the business practices or business or personal finances of the defendants, individually and jointly.

XV. RETENTION OF ASSETS AND RECORDS

IT IS FURTHER ORDERED that, pending determination of the plaintiff's request for a preliminary injunction, any financial or brokerage institution, business entity, or person served with a copy of this Order that holds, controls or maintains custody of any account or asset of the

defendants, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, or has held, controlled or maintained custody of any such account or asset at any time since the date of entry of this Order shall

- A. Hold and retain within its control and prohibit the withdrawal, removal, assignment, transfer, pledge, encumbrance, disbursement, dissipation, conversion, sale, or other disposal of any such asset except by further order of the Court;
- B. Deny defendants access to any safe deposit box, not including any safe deposit box the contents of which are property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, that is:
 1. titled in the name of any such defendant, either individually or jointly; or
 2. otherwise subject to access by any such defendant;
- C. Provide the Commission's counsel and the Temporary Receiver appointed herein, within five (5) business days of receiving a copy of this Order, a sworn statement setting forth:
 1. the identification number of each such account or asset titled in the name, individually or jointly, of any of the defendants, or held on behalf of, or for the benefit of, any of the defendants;
 2. the balance of each such account, or a description of the nature and value of such asset as of the close of business on the day on which this Order is served, and, if the account or other asset has been closed or removed, the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom such account or other asset was remitted; and
 3. the identification of any safe deposit box, not including any safe deposit box the

contents of which are property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541, that is either titled in the name, individually or jointly, of any defendant, or is otherwise subject to access by any defendant;

- D. Upon the request by the Commission or the Temporary Receiver, promptly provide the Commission with copies of all records or other documentation pertaining to such account or asset, including but not limited to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs. Any such financial institution, account custodian, or other aforementioned entity may arrange for the Commission to obtain copies of any such records which the Commission seeks; and
- E. Cooperate with all reasonable requests of the Temporary Receiver relating to implementation of this Order, including transferring funds at his direction, not including property of the Masso Bankruptcy Estate pursuant to 11 U.S.C. § 541.

NOTIFICATION PROVISIONS

XVI. DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that defendants shall immediately provide a copy of this Order to each affiliate, subsidiary, division, sales entity, successor, assign, officer, director, employee, agent, attorney, and representative of any defendant, and shall, within seven (7) days from the date of entry of this Order, provide the Commission with a sworn statement that defendants have complied with this provision of the Order, which statement shall include the names and addresses of each such person or entity who received a copy of the Order.

XVII. SERVICE OF ORDER

IT IS FURTHER ORDERED that copies of this Order may be served by any means, including facsimile transmission, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets of the defendants, or that may be subject to any provision of this Order. Pursuant to Fed. R. Civ. P. 4(c)(2), this Order and the initial papers filed in this matter may be served on defendants by any law enforcement officer, by any agent of plaintiff or of the Temporary Receiver, or by any agent of any process service retained by plaintiff or the Temporary Receiver.

XVIII. EXPEDITED ASSET DISCOVERY

IT IS FURTHER ORDERED that in anticipation of the preliminary injunction hearing in this matter, the Commission is granted leave to conduct expedited discovery regarding defendants' assets. The Commission may depose any witness regarding defendants' assets at any time after the date of this Order upon three (3) business days' notice. The defendants shall respond to any asset related interrogatories, requests for admissions, or requests for production of documents within four (4) business days after service of the discovery request. Any discovery taken or propounded by the Commission pursuant to this Paragraph is in addition to, and not subject to, and any limits on the quantity of permissible discovery provided for in the Federal Rules of Civil Procedure or the rules of this Court. Any limitations and conditions set forth in the Federal Rules of Civil Procedure or the rules of this Court regarding subsequent depositions of an individual shall not apply to depositions taken pursuant to this Paragraph.

XIX. PRELIMINARY INJUNCTION HEARING

IT IS FURTHER ORDERED, pursuant to Fed. R.Civ. P. 65(b), that defendants shall

appear before this Court on the 13th day of June, 2001 at 1:30 o'clock p.m., at the United States Courthouse, 333 West 4th Street, Courtroom One, Tulsa, Oklahoma 74103, to show cause, if there is any, why this Court should not enter a preliminary injunction, pending final ruling on the Complaint against defendants, enjoining them from further violations of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a), continuing the freeze of their assets, and imposing such additional relief as may be appropriate.

XX. RETENTION OF JURISDICTION

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

IT IS SO ORDERED.

ENTERED, this 6 day of June, 2001.


TERRY C. KERN, Chief Judge