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UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

BY *bl* AT BALTIMORE
CLERK U.S. DISTRICT COURT
DISTRICT OF MARYLAND
DEPUTY

<p>FEDERAL TRADE COMMISSION, Plaintiff, v. AMERICAN INDUSTRIAL ENTERPRISES, LLC, <i>et al.</i>, Defendants.</p>	<p>Case No. GLR 16 CV 0281</p> <p>FILED UNDER SEAL</p>
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~~PROPOSED~~

**EX PARTE TEMPORARY RESTRAINING ORDER WITH ASSET FREEZE,
APPOINTMENT OF A TEMPORARY RECEIVER, IMMEDIATE ACCESS, OTHER
RELIEF, AND ORDER TO SHOW CAUSE WHY A PRELIMINARY INJUNCTION
SHOULD NOT ISSUE**

Plaintiff, Federal Trade Commission ("FTC" or "Commission"), pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6101-6108 ("Telemarketing Act"), and the Unordered Merchandise Statute, 39 U.S.C. § 3009, has filed a Complaint for preliminary and permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants' acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310, and the Unordered Merchandise Statute, 39 U.S.C. § 3009.

FINDINGS

This Court, having considered the Complaint, the *ex parte* motion for a temporary restraining order, and the declarations, exhibits, and memoranda filed in support of the FTC's *ex parte* motion, 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 over the parties.
2. Venue in this district is proper.
3. There is good cause to believe that Defendants have engaged in, and are likely to continue engaging in, acts and practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the TSR, 16 C.F.R. Part 310, and the Unordered Merchandise Statute, 39 U.S.C. § 3009, and that the Commission is therefore likely to prevail on the merits of this action.
4. 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, assignment or other disposition or concealment by Defendants of their assets or records unless Defendants are immediately restrained and enjoined by Order of this Court. Therefore, there is good cause for relieving the Commission of the duty to provide Defendants with prior notice of the Commission's motion and for entry of the ancillary relief in this Order, including an asset freeze.
5. There is good cause for issuing this Order pursuant to Rule 65(b) of the Federal Rules of Civil Procedure.

6. Weighing the equities and considering the Commission's likelihood of ultimate success, a temporary restraining order with asset freeze and appointment of a temporary receiver, and an order to show cause why a preliminary injunction should not issue, is in the public interest.

7. This Court has authority to issue this Order pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), Rule 65 of the Federal Rules of Civil Procedure, and the All Writs Act, 28 U.S.C. § 1651.

8. The FTC is an independent agency of the United States of America, and Federal Rule of Civil Procedure 65(c) does not require security of any agency of the United States for the issuance of a temporary restraining order.

DEFINITIONS

For purposes of this Temporary Restraining Order ("Order"), the following definitions shall apply:

1. "Asset" or "Assets" means any legal or equitable interest in, right to, or claim to, any real or personal property, including but not limited to goods, instruments, equipment, fixtures, general intangibles, inventory, checks, notes (as those terms are defined in the Uniform Commercial Code), lines of credit, chattels, leaseholds, contracts, mail or other deliveries, shares of stock, lists of customer names, accounts, prepaid debit cards, credits, premises, receivables, funds, and all cash, wherever located.

2. "Assisting others" includes, but is not limited to:

a. performing customer service functions, including but not limited to receiving or responding to consumer complaints;

b. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including but not limited to any telephone sales script, direct mail solicitation, or the design, text, or use of images of any Internet website, email, or other electronic communication;

c. formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including but not limited to web or Internet protocol addresses or domain name registration for any Internet websites, affiliated marketing services, or media placement services;

d. providing names of, or assisting in the generation of, potential customers;

e. performing marketing, billing, or payment services of any kind; and

f. acting as an owner, officer, director, manager, or principal of, or consultant to, any entity.

3. **“Commercial mail receiving agency”** or **“CMRA”** means any commercial mail receiving and/or forwarding agencies, commercial freight holding and/or forwarding agencies, customs brokers, or other parties holding, receiving or forwarding mail and/or freight on behalf of any Defendant.

4. **“Corporate Defendants”** means, individually, collectively, or in any combination: American Industrial Enterprises, LLC; Easton Chemical Supply, Inc.; Lighting X-Change Company, LLC; LMS Lighting & Maintenance Solutions, LLC; and Werner International Enterprises, Inc., as well as their successors, assigns, officers, directors, agents, employees, salespersons, attorneys, and those person or entities in active concert or participation with them who receive actual notice of this

Order by personal service, facsimile, email, publication or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device.

5. **"Defendants"** means all of the Individual and Corporate Defendants, individually, collectively, or in any combination.

6. **"Document"** means any materials listed in Federal Rule of Civil Procedure 34(a) and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, into reasonable usable form through detection devices. A draft or non-identical copy is a separate document within the meaning of the term.

7. **"Financial Institution"** means any bank, savings and loan institution, credit union, or any financial depository of any kind, including but not limited to any brokerage house, trustee, broker-dealer, escrow agent, title company, commodity trading company, or precious metal dealer.

8. **"Individual Defendants"** means, individually, collectively, or in any combination, Benjamin Cox, Vincent Stapleton, and John Tharrington, and any names by which they are known.

9. **"Material"** means likely to affect a person's choice of, or conduct regarding, goods or services.

10. **"Person"** means a natural person or an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

11. **"Plaintiff"** means the Federal Trade Commission.

12. **"Receivership Defendants"** means the Corporate Defendants and any other entity engaged in any activity related to the telemarketing of (including selling or offering to sell), sending

of, or billing for unordered merchandise that is owned or controlled, in whole or in part, by any Defendant.

13. “**Telemarketing**” means a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate call, whether inbound or outbound.

14. “**Unordered merchandise**” means merchandise mailed or otherwise sent without the prior expressed request or consent of the recipient.

15. The terms “**and**” and “**or**” shall be construed conjunctively or disjunctively as necessary to make the applicable phrase or sentence inclusive rather than exclusive.

I.

PROHIBITED REPRESENTATIONS

IT IS THEREFORE ORDERED that in connection with the telemarketing, advertising, marketing, promotion, offering for sale, sale, or shipment of any nondurable office or cleaning supplies, Defendants and their successors, assigns, officers, agents, employees, and attorneys, and those persons or entities 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 trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from falsely representing, or assisting others in falsely representing, expressly or by implication, any of the following:

- A. that any Defendant has previously done business with any consumer;
- B. that any Defendant is offering a free sample or free catalog;
- C. that any Defendant is merely calling to confirm a shipping or mailing address;

D. that any consumer owes any Defendant any payment, whether in full or at a “discount,” for unordered merchandise; or

E. any other fact material to a consumer’s decision whether to purchase or pay for any nondurable office or cleaning supplies.

II.

RESTRICTIONS ON TELEMARKETING

IT IS FURTHER ORDERED that Defendants and their successors, assigns, officers, agents, employees, and attorneys, and those persons or entities 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 trust, corporation, subsidiary, division or other device, in connection with the telemarketing, advertising, marketing, promotion, offering for sale, sale, or shipment of any good or service, are hereby temporarily restrained and enjoined from violating, or assisting others in violating, any provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310, including but not limited to:

A. Section 310.3(a)(4) of the TSR, 16 C.F.R. § 310.3(a)(4), by making false and misleading statements as outlined in Section I above to induce payment in connection with telemarketing; and

B. Section 310.4(d)(2) of the TSR, 16 C.F.R. § 310.4(d)(2) by failing to disclose truthfully, promptly, and in a clear and conspicuous manner to the person receiving the call that the purpose of the call is to sell goods.

III.

RESTRICTIONS ON SENDING AND BILLING FOR UNORDERED MERCHANDISE

IT IS FURTHER ORDERED that, immediately upon entry of this Order, Defendants and their successors, assigns, officers, agents, employees, and attorneys, and those persons or entities 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 trust, corporation, subsidiary, division or other device, in connection with the sending, mailing, or shipping of nondurable office or cleaning supplies, or bills or dunning communications for such goods, are hereby temporarily restrained and enjoined from:

A. Shipping any goods, including but not limited to light bulbs and cleaning supplies, to consumers without the prior expressed request or consent of the recipients, or without identifying the products as free samples; and

B. Sending, mailing, or shipping invoices, bills, or other demands for payment to consumers, or otherwise communicating with consumers and requesting payment, for products or services that have been provided to such consumers without the prior expressed request or consent of the consumers.

IV.

SUSPENSION ON COLLECTION OF ACCOUNTS

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division or other device, are hereby temporarily restrained and

enjoined from attempting to collect payment for nondurable office and cleaning supplies, directly or through any collection agent, on any account.

V.

ASSET FREEZE

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from:

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

1. owned, controlled, or held, in whole or in part, by any Defendant;
2. held, in whole or in part, for the direct or indirect benefit of, any Defendant;
3. in the actual or constructive possession of any Defendant;
4. owned or controlled by, in the actual or constructive possession of, or

otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed, or controlled by any Defendant. This includes but is not limited to any assets held by, for, or subject to access by, any Defendant at any bank or savings and loan institution, or with any broker-dealer, escrow agent, title

company, insurance company, commodity trading company, precious metal dealer, payment processor, credit card processor, acquiring bank, merchant bank, independent sales organization, third-party processor, payment gateway, or other financial institution or depository of any kind, either within or outside the territorial United States;

5. held by an agent of any Defendant, as a retainer for the agent's provision of services to Defendants;

6. held in any account for which any Defendant is, or was on the date that this Order was signed, an authorized signer;

7. is in the possession, custody or control of any Individual Defendant that is owned by any Corporate Defendant or in which any Corporate Defendant has any legal or equitable interest or claim; or

8. property of any kind, including cash, that is in the possession, custody, or control of any Individual Defendant which was transferred or received from any Corporate Defendant within thirty (30) days prior to the entry of this Order.

B. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Defendant, either individually or jointly, or subject to access by any Defendant;

C. Cashing any checks or depositing or processing any payments from customers or clients of Defendants;

D. Incurring charges or cash advances on any credit card issued in the name, singly or jointly, of any Defendant;

E. Causing withdrawals from, or any reduction in the value of, any prepaid debit card;

- F. Obtaining a personal or secured loan encumbering the assets of any Defendant; or
- G. Incurring liens or encumbrances on real property, personal property, or other assets in the name, singly or jointly, of any Defendant or of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant.

The funds, property and assets affected by this Section shall include assets existing as of the effective date of this Order, and shall include assets acquired after the effective date of this Order if such after-acquired assets are derived from any activity prohibited by this Order, including the activities of any Receivership Defendant. This Section does not prohibit transfers to the Receiver, as specifically required in the Section captioned Transfer of Assets to Receiver, below, nor does it prohibit the repatriation of foreign assets, as specifically required in the Section captioned Repatriation of Foreign Assets and Documents, below.

VI.

DUTIES OF THIRD PARTIES HOLDING DEFENDANTS' ASSETS

IT IS FURTHER ORDERED that any financial institution, business entity, or person maintaining or having custody or control of any account or other asset of any Defendant, or any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by, or under common control with any Defendant, which is served with a copy of this Order, or otherwise has actual or constructive knowledge of this Order, shall:

- A. Hold and retain within its control and prohibit the withdrawal, removal, assignment, transfer, pledge, hypothecation, encumbrance, disbursement, dissipation, conversion, sale, liquidation, or other disposal of any of the assets, funds, documents, or other property held:

1. on behalf of, or for the benefit of, or collected for, any Defendant or any party subject to the Section captioned Asset Freeze, above;

2. in any account maintained in the name of, or for the benefit of, or subject to withdrawal by, any Defendant or other party subject to the Section captioned Asset Freeze, above;

3. subject to access or use by, or under the signatory power of, any Defendant or other party subject to the Section captioned Asset Freeze, above; or

4. as an advance payment or deposit for the provision of shipping or fulfillment services for any Defendant.

B. Deny access to anyone other than Plaintiff, the Receiver, or their representatives to any safe deposit box, commercial mail box, or storage facility that is either:

1. titled in the name of any Defendant, either individually or jointly, or other party subject to the Section captioned Asset Freeze, above; or

2. subject to access by any Defendant or other party subject to the Section captioned Asset Freeze, above.

C. Provide Plaintiff, within seven (7) days of the date of service of this Order, a sworn statement setting forth:

1. the identification number of each account or a description of each asset titled in the name, individually or jointly, of any Defendant, or held on behalf of, or for the benefit of, or collected for or from any Defendant or other party subject to the Section captioned Asset Freeze, above, including all trust accounts managed on behalf of any Defendant or subject to any Defendant's control;

2. the balance of each such account, or a description of the nature and value of such asset;

3. the identification and location of any safe deposit box, commercial mail box, or storage facility that is either titled in the name of any Defendant, singly or jointly, or is otherwise subject to access or control by any Defendant or other party subject to the Section captioned Asset Freeze, above, whether in whole or in part; and

4. whether the account, safe deposit box, commercial mail box, storage facility or other asset has been closed or removed and, if so, the balance on the date of its closing.

D. Allow representatives of Plaintiff immediate access to inspect and copy, or upon the Plaintiff's request, within five (5) days of said request, provide Plaintiff's representatives with copies of all records or other documentation pertaining to each such account or asset, including but not limited to originals or copies of account applications, account statements, corporate resolutions, signature cards, checks, drafts, deposit tickets, loan documentation, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs.

This Section shall apply to existing accounts and assets, assets deposited or accounts opened after the effective date of this Order, and any accounts or assets maintained, held or controlled within three (3) years prior to the effective date of this Order. This Section shall not prohibit transfers in accordance with any provision of this Order, any further order of the Court, or by written agreement of the parties.

VII.

DUTIES OF THIRD PARTIES TO WITHHOLD DEFENDANTS' MAIL

IT IS FURTHER ORDERED that:

A. The Postmaster at any Post Office where any Defendant maintains a Post Office Box (P.O. Box) or any commercial mail receiving agency where any Defendant maintains an account and/or mail receiving box, including but not limited to: P.O. Box 12219, Baltimore, MD 21281; P.O. Box 25915, Baltimore, MD 21224; P.O. Box 26047, Baltimore, MD 21224; P.O. Box 42440, Towson, MD 21284; and P.O. Box 25911, Baltimore, MD 21224; or any branches thereof, upon being served with a copy of this Order, shall for the duration of this Order retain and forward to the Receiver all mail received that is addressed to any Defendant and/or addressed to any other name under which any Defendant does business. The Receiver shall make the contents of the mail available, upon request, for review and copying by Defendants or their counsel while the case remains pending; and

B. Defendants, within five (5) days of entry of this Order, shall provide to counsel for Plaintiff and the Receiver a complete list of all P.O. Boxes, CMRA accounts, and/or mail receiving locations used by any Defendant from January 1, 2013 through the date of entry of this Order. Defendants shall notify counsel for Plaintiff and the Receiver of any P.O. Box, CMRA account, and/or mail receiving location rented or otherwise obtained by any Defendant after the date of entry of this Order, within five (5) days of renting or obtaining it. Such notice shall include the name of the Post Office, CMRA, and/or mail receiving location; a copy of PS Form 1093, PS Form 1583, the CMRA agreement or application, or other agreement with a mail receiving location; the account number, the P.O. Box number, the CMRA account number or mail receiving box, and/or identifying

information concerning any other mail receiving location; the address of the Post Office, CMRA, or other mail receiving location; and all business names used by said Defendant receiving mail at that P.O. Box, CMRA mail receiving box, and/or other mail receiving location. *Provided, however*, that the Receiver has no obligations under this provision.

VIII.

MAINTAIN RECORDS AND REPORT NEW BUSINESS ACTIVITY

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from:

A. Failing to create and maintain books, records, accounts, bank statements, current accountants' reports, general ledgers, general journals, cash receipt ledgers, cash disbursement ledgers and source documents, documents indicating title to real or personal property, and any other data which, in reasonable detail, accurately, fairly and completely reflect the incomes, disbursements, transactions, dispositions, and uses of Defendants' assets;

B. Destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any documents, including electronically stored materials, that relate in any way to the business practices or business or personal finances of any Defendant; to the business practices or finances of entities directly or indirectly under the control of any Defendant; or to the business practices or finances of entities directly or indirectly under common control with any other Defendant; and

C. Creating, operating, or exercising any control over any new business entity, whether newly formed or previously inactive, including any partnership, limited partnership, joint venture, sole proprietorship, or corporation, without first providing Plaintiff with a written statement disclosing: (1) the name of the business entity; (2) the address, telephone number, email address, and website address of the business entity; (3) the names of the business entity's officers, directors, principals, managers, and employees; and (4) a detailed description of the business entity's intended activities.

IX.

PROHIBITION ON DISCLOSING CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from:

A. Selling, renting, leasing, transferring, or otherwise disclosing the name, address, birth date, telephone number, email address, credit card number, debit card number, bank account number, Social Security number, Social Insurance number, or other financial or identifying personal information of any person from whom or about whom any Defendants obtained such information in connection with activities alleged in Plaintiff's Complaint; and

B. Benefitting from or using the name, address, birth date, telephone number, email address, credit card number, debit card number, bank account number, e-mail address, Social Security number, Social Insurance number, or other financial or identifying personal information of

any person from whom or about whom any Defendant obtained such information in connection with activities alleged in Plaintiff's Complaint.

Provided, however, that Defendants may disclose such financial or identifying personal information to a law enforcement agency or as required by any law, regulation, or court order.

X.

FINANCIAL STATEMENTS AND ACCOUNTING

IT IS FURTHER ORDERED that each Defendant shall:

A. Prepare and serve on counsel for Plaintiff and the Receiver, within seven (7) days after service of this Order, completed financial statements fully disclosing the Defendants' finances and those of all corporations, partnerships, trusts or other entities that each Defendant owns, controls, or is associated with in any capacity, jointly or individually, on the forms attached to this Order as **Attachment A** for individuals and **Attachment B** for businesses, accurate as of the date of service of this Order upon Defendants and signed under penalty of perjury. Companies for which Defendant Benjamin Cox shall provide business financial statements shall include, but not be limited to, Bergand Group, BLC Construction Enterprises T/A Cox Roofing, Clinical Lab Solutions, Cox Property Management, TBC Companies, THBKW, and THBW Inc.;

B. Prepare and serve on counsel for the Plaintiff and the Receiver, within seven (7) days after service of this Order, copies of all signed and completed federal, state, and municipal income and property tax returns, with attachments and schedules, as called for by the instructions to Attachments A and B;

C. Provide access to all records and documents held by financial institutions whether located outside the territorial United States or otherwise by signing the Consent to Release of

Financial Records, attached to this Order as **Attachment C**, immediately upon service of this Order upon them, or within such time as permitted by the Receiver or counsel for Plaintiff in writing;

D. Provide copies of such other financial statements as the Receiver or Plaintiff may request in order to monitor Defendants' compliance with the provisions of this Order; and

E. Provide Plaintiff and the Receiver with a full accounting of all funds, documents, and assets outside of the territory of the United States held either by or for the benefit of any Defendant, or under any Defendant's direct or indirect control, jointly or singly.

Provided, however, that the Receiver has no obligations under this provision.

XI.

APPOINTMENT OF TEMPORARY RECEIVER

IT IS FURTHER ORDERED that Marion A. Hecht is appointed as a temporary receiver ("Receiver") for the Receivership Defendants with the full power of an equity receiver. The Receiver shall be the agent of this Court, and solely the agent of this Court, in acting as Receiver under this Order. The Receiver shall be accountable directly to this Court, with directions and authority to accomplish the following:

A. Assume full control of the Receivership Defendants by removing, as the Receiver deems necessary or advisable, any director, officer, independent contractor, employee, or agent of any of the Receivership Defendants, including any Defendant, from control of, management of, or participation in the affairs of the Receivership Defendants. The Receiver shall, however, not interfere with or be privy to the defense of this action;

B. Take exclusive custody, control, and possession of all funds, property, premises, accounts, mail, and other assets and documents of, or in the possession, custody, or under the control

of, the Receivership Defendants, wherever situated and including but not limited to the business premises of the Receivership Defendants, take the income and profits therefrom, and all sums of money now or hereafter due or owing to the Receivership Defendants, with full power to collect, receive, and take possession of all goods, chattels, rights, credits, monies, effects, lands, leases, books and records, work papers, and records of accounts, including electronically stored information, contracts, financial records, monies on hand in banks and other financial institutions, and other papers and documents of the Receivership Defendants. *Provided, however,* that the Receiver shall not attempt to collect any amount from a consumer if the Receiver believes the consumer was a victim of the deceptive acts or practices or other violations of law alleged in the Complaint in this matter, without prior Court approval;

C. Take all steps necessary to secure each and every location from which the Receivership Defendants operate their businesses, including but not limited to the business premises of the Receivership Defendants. Such steps may include but are not limited to any of the following, as the Temporary Receiver deems necessary or advisable: (1) serving this Order; (2) completing a written inventory of all receivership assets; (3) obtaining pertinent information from all employees and other agents of the Receivership Defendants, including but not limited to the name, home address, Social Security number, job description, passwords or access codes, method of compensation, and all accrued and unpaid commissions and compensation of each such employee or agent; (4) photographing and videotaping any or all portions of the location; (5) securing the location by changing the locks and disconnecting telephones and any internet access or other means of access to the computers, internet, or other records maintained at that location; (6) requiring any persons present on the premises at the time this Order is served to leave the premises, to provide the Receiver

with proof of identification, or to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises documents or assets of the Receivership Defendants; and/or (7) employ the assistance of the United State Marshals Service or other law enforcement officers as the Receiver deems necessary to implement provisions of this Order; *provided, however*, that

1. the premises the Receiver is authorized to secure, in his or her discretion, include, but are not limited to, 3705 Bank Street, Baltimore City, Maryland; 6801 Eastern Avenue, Suites 206 and 212, Baltimore City, Maryland; 430 Folcroft Street, Baltimore City, Maryland; 7606 Eastern Avenue, Suites 206 and 212, Baltimore County, Maryland; and 7444 Holabird Avenue, Baltimore County, Maryland;

2. at any premises the Receiver is authorized to secure under this Order, the Receiver may exercise any powers in this Order with respect to any business at those premises to the extent necessary for the Receiver to determine whether the business is owned, operated, or controlled by any Defendant or is being used in connection with the unlawful activities alleged in the Complaint;

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

E. Enter into or break contracts and purchase insurance as advisable or necessary;

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

G. Prevent the inequitable distribution of assets and determine, adjust, and protect the interests of consumers who have transacted business with the Receivership Defendants;

H. Manage and administer the business of the Receivership Defendants until further order of this Court by performing all incidental acts that the Receiver deems to be advisable or necessary, which includes retaining, hiring, or dismissing any employees, independent contractors, or agents;

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

J. Determine and implement the manner in which the Receivership Defendants will comply with, and prevent violations of, this Order and all other applicable laws;

K. Except as to the instant case, institute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings in state, federal, or foreign courts or arbitration proceedings as the Receiver deems necessary and advisable to preserve or recover the assets of the Receivership Defendants, or that the Receiver deems necessary and advisable to carry out the

Receiver's mandate under this Order, including but not limited to actions challenging fraudulent or voidable transfers;

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

M. Continue to conduct the business, or cease operation of the business, of the Receivership Defendants in such manner, to such extent, and for such duration as the Receiver may in good faith deem to be necessary or appropriate to operate the business profitably and lawfully, if at all; provided that the continuation and conduct of the business shall be conditioned upon the Receiver's good faith determination that the businesses can be lawfully operated at a profit using the assets of the receivership estate;

N. Issue subpoenas to obtain documents and records pertaining to the receivership, and conduct discovery in this action on behalf of the receivership estate;

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

P. Maintain accurate records of all receipts and expenditures made as Receiver;

Q. Allow Plaintiff reasonable access to documents in the possession, custody or control of the Receivership Defendants, or on their behalf, including but not limited to books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, banking records, customer lists, invoices, telephone records, ledgers and payroll records, and any other document or record that relates to the business practices or finances of the Receivership Defendants, including electronically stored information.

XII.

IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, shall:

- A. Immediately identify to Plaintiff's counsel and the Temporary Receiver:
1. all of Defendants' business premises;
 2. any non-residence premises where any Defendant conducts business, sales operations, or customer service operations;
 3. any non-residence premises where documents or electronically stored information related to the business, sales operations, or customer service operations of any Defendant are hosted, stored, or otherwise maintained, including but not limited to the name and location of any electronic data hosts; and
 4. any non-residence premises where assets belonging to any Defendant are stored or maintained;

B. Allow Plaintiff and the Receiver, and their respective representatives, agents, attorneys, investigators, paralegals, contractors, or assistants immediate access to:

1. all of the Defendants' business premises, including but not limited to, those at 3705 Bank Street, Baltimore City, MD; 6801 Eastern Avenue, Suites 206 and 212, Baltimore City, MD; 430 Folcroft Street, Baltimore City, MD; 7444 Holabird Avenue, Baltimore County, MD; and 7606 Eastern Avenue, Baltimore County, MD, and any other business locations that are wholly or partially owned, rented, leased, or under the temporary or permanent control of any Defendant;

2. any other premises where the Defendants conduct business, sales operations, or customer service operations;

3. any premises where documents related to the Defendants' businesses are stored or maintained;

4. any premises where assets belonging to any Defendant are stored or maintained; and

C. Provide Plaintiff and the Receiver, and their respective representatives, agents, attorneys, investigators, paralegals, contractors, or assistants with any necessary means of access to, copying of, and forensic imaging of documents or electronically stored information, including without limitation the locations of the Receivership Defendants' business premises, keys and combinations to business premises locks, computer access codes of all computers used to conduct Receivership Defendants' business, access to (including but not limited to execution of any documents necessary for access to and forensic imaging of) any data stored, hosted, or otherwise maintained by an electronic data host, and storage area access information.

IT IS FURTHER ORDERED that Plaintiff and the Receiver are authorized to employ the assistance of law enforcement officers, including but not limited to the United States Marshals Service, to help effect service, to implement peacefully the provisions of this Order, and to keep the peace. The Receiver shall allow Plaintiff and its representatives, agents, contractors, or assistants into the premises and facilities described in this Section to inspect, inventory, image, and copy documents or electronically stored information relevant to any matter contained in this Order. Counsel for Plaintiff and the Receiver may exclude Defendants and their agents and employees from the business premises and facilities during the immediate access. No one shall interfere with Plaintiff's or the Receiver's inspection of the Defendants' premises or documents.

IT IS FURTHER ORDERED that Plaintiff and the Receiver, and their respective representatives, agents, attorneys, investigators, paralegals, contractors, or assistants, shall have the right to remove any documents related to Defendants' business practices from the premises in order that they may be inspected, inventoried, and copied. The materials so removed shall be returned within seven (7) days of their removal. If any property, records, documents, or computer files relating to the Receivership Defendants' finances or business practices are located in the residence of any Defendant or are otherwise in the custody or control of any Defendant, then such Defendant shall produce them to the Receiver within twenty-four (24) hours of service of this Order. In order to prevent the destruction of computer data, upon service of this Order upon Defendants, any such computers shall be powered down (turned off) in the normal course for the operating systems used on such computers and shall not be powered up or used again until produced for copying and inspection, along with any codes needed for access. Plaintiff's and the Receiver's representatives

may also photograph or videotape the inside and outside of all premises to which they are permitted access by this Order, and all documents and other items found on such premises.

IT IS FURTHER ORDERED that Plaintiff's access to the Defendants' documents pursuant to this provision shall not provide grounds for any Defendant to object to any subsequent request for documents served by Plaintiff.

IT IS FURTHER ORDERED that the Receiver shall have the discretion to determine the time, manner, and reasonable conditions of Plaintiff's access.

XIII.

COMPENSATION OF RECEIVER

IT IS FURTHER ORDERED that the Receiver is entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred, solely from the assets now held by, in the possession or control of, or which may be received by, the Receivership Defendants. The 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 (60) days after the date of this Order. The Receiver shall not increase the hourly rates used as the bases for such fee applications without prior approval of the Court.

XIV.

RECEIVER'S REPORTS

IT IS FURTHER ORDERED that the Receiver shall report to this Court, on or before the hearing specified in the Section captioned Order to Show Cause Regarding Preliminary Injunction, below, regarding: (1) the steps taken by the Receiver to implement the terms of this Order; (2) the value of all liquidated and unliquidated assets of the Receivership Defendants; (3) the sum of all

liabilities of the Receivership Defendants; (4) the Receiver's assessment of whether the Corporate Defendants' businesses can be operated profitably and legally; (5) any future steps the Receiver recommends; and (6) any other matters the Receiver believes important; *provided, however*, that if disclosure of any of the required information would hinder the Receiver's ability to pursue receivership assets, the portions of the Receiver's report containing such information may be filed under seal and not served on the parties.

XV.

DELIVERY OF BOOKS AND RECORDS

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 transfer or deliver over to the Receiver:

A. All financial and accounting records, balance sheets, income statements, bank records (including monthly statements, canceled checks, records of wire transfers, records of ACH transactions, and check registers), customer lists, title documents, contracts, accounting data, written or electronic correspondence, advertisements, computer tapes, disks or other computerized records, books, written or printed records, handwritten notes, telephone logs, telephone scripts, membership records and lists, refund records, receipts, ledgers, appointment books, copies of federal, state and local business, personal income, and property tax returns, and other documents or records of any kind that relate to the Receivership Defendants' business practices;

B. All computers and data in whatever form used by Defendants or any of Defendants' agents, employees, officers or other persons acting in active concert with them to conduct business of the Receivership Defendants;

C. Information identifying the accounts, employees, properties, or other assets or obligations of the Receivership Defendants; and

D. A list of all agents, employees, officers or other persons acting in active concert and participation with Defendants, who have been associated or done business with the Receivership Defendants, including the address and telephone number of any businesses, whether or not incorporated, and wherever situated, with whom the Receivership Defendants transacted business since January 1, 2013.

XVI.

COOPERATION WITH RECEIVER

IT IS FURTHER ORDERED that Defendants are hereby restrained and enjoined from directly or indirectly:

- A. Transacting any of the business of the Receivership Defendants;
- B. Destroying, secreting, defacing, transferring, or otherwise altering or disposing of any documents of the Receivership Defendants, including but not limited to books, records, accounts, writings, drawings, graphs, charts, photographs, audio and video recordings, computer records and other data compilations, electronically stored records, or any other papers of any kind or nature;
- C. Transferring, receiving, altering, selling, encumbering, pledging, assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in the possession or custody of, or in which an interest is held or claimed by, the Receivership Defendants or the Receiver;
- D. Excusing debts owed to the Receivership Defendants;
- E. Failing to notify the Receiver of any asset, including accounts, of a Receivership Defendant, held in any name other than the name of the Receivership Defendant, or by any person or

entity other than the Receivership Defendant, or failing to provide any assistance or information requested by the Receiver in connection with obtaining possession, custody, or control of such assets; and

F. Doing any act or refraining from any act whatsoever to interfere with the Receiver managing, or taking custody, control or possession of, the assets or documents subject to this receivership; or to harass or interfere with the Receiver in any way, or to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership Defendants; or to refuse to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court.

XVII.

TRANSFER OF ASSETS TO RECEIVER

IT IS FURTHER ORDERED that, upon service of a copy of this Order, Defendants and any other person or entity served with a copy of this Order shall deliver over to the Receiver and in the manner specified by the Receiver:

A. All funds, assets, property owned beneficially or otherwise, and all other assets, wherever situated, of the Receivership Defendants;

B. All funds and other assets belonging to members of the public now held by the Receivership Defendants;

C. All keys, computer passwords, entry codes, and combinations to locks required to open or gain access to any of the property or effects of a Receivership Defendant; and

D. All monies in any bank or financial institution deposited to the credit of the Receivership Defendants, wherever situated. All banks, broker-dealers, savings and loans, escrow

agents, title companies, commodity trading companies, merchant account processors, precious metals dealers and other financial institutions and depositaries of any kind, and all third-party billing agents and companies shall cooperate with all reasonable requests of Plaintiff and the Receiver relating to implementation of this Order, including requests to transfer funds to the Receiver and to produce records relating to the assets and sales of the Receivership Defendants.

XVIII.

NON-COMPLIANCE WITH TRANSFERS OR DELIVERY

IT IS FURTHER ORDERED that in the event any person fails to transfer or deliver any asset or otherwise fails to comply with any provision of this Order requiring the delivery of documents and other things, the Receiver may file *ex parte* an affidavit of non-compliance regarding the failure. Upon filing of the affidavit, the Court may issue, without additional process or demand, writs of possession or sequestration or other equitable writs requested by the Receiver. The writs may authorize and direct the United States Marshals Service, any sheriff or deputy sheriff of any county, or any other federal or state law enforcement officer, to seize the asset, document, or other thing and to deliver it to the Receiver.

XIX.

REPATRIATION OF FOREIGN ASSETS AND DOCUMENTS

IT IS FURTHER ORDERED that, within seven (7) days following service of this Order, Defendants shall:

A. Repatriate to the United States all funds, documents or assets in foreign countries held either (1) by any Defendant; (2) for the benefit of any Defendant; or (3) under the direct or indirect control, jointly or individually, of any Defendant and deliver them to the Receiver; and

B. The same business day as any repatriation, (1) notify counsel for the FTC and the Receiver of the name and location of the financial institution or other entity that is the recipient of such funds, documents, or assets; and (2) serve this Order on any such financial institution or other entity.

XX.

INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that Defendants are hereby temporarily restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign assets, or in the hindrance of the repatriation required by the preceding Section 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 the preceding Section of this Order;

B. Notifying any trustee, protector, or other agent of any foreign trust or other related entities of either 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 the preceding Section of this Order.

XXI.

STAY OF ACTIONS

IT IS FURTHER ORDERED that except by leave of this Court, during 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 the Receivership Defendants, or any of their 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, agents, and employees be and are hereby stayed from:

A. Commencing, prosecuting, continuing, entering, or enforcing any suit or proceeding against the Receivership Defendants, or any of their 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 the Receivership Defendants, or any of their subsidiaries or affiliates;

C. Accelerating the due date of any obligation or claimed obligation, filing or enforcing any lien upon, or taking or attempting to take possession of, or retaining possession of, a property of the Receivership Defendants, or any of their subsidiaries or affiliates or property claimed by any of them or attempting to foreclose, forfeit, alter, or terminate any of the Receivership Defendants' interests in property, including without limitation, the establishment, granting or perfecting of any security interest, whether such acts are part of a judicial proceeding or otherwise;

D. Using self-help, 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, wherever located, owned by or in the possession of the Receivership Defendants, or the Receiver or any agent appointed by the Receiver; and

E. Doing any act or thing whatsoever to interfere with the Receiver taking control, possession, or management of the property subject to the receivership, or to in any way interfere with the Receiver, or to interfere with the exclusive jurisdiction of this Court over the property and assets of the Receivership Defendants, or their subsidiaries or affiliates, including the filing by Defendants of a petition for relief under the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as to the Receivership Defendants.

Provided, however, that nothing in this Section shall prohibit any federal or state law enforcement or regulatory authority from commencing or prosecuting an action against the Receivership Defendants.

XXII.

DEFENDANTS' ACCESS TO THEIR BUSINESS PREMISES

IT IS FURTHER ORDERED that the Receiver shall allow Defendants and their representatives reasonable access to the premises of the Receivership Defendants. The purpose of this access shall be to inspect and copy any and all books, records, accounts, and other property owned by or in the possession of the Receivership Defendants. The Receiver shall have the discretion to determine the time, manner, and reasonable conditions of such access.

XXIII.

MONITORING

IT IS FURTHER ORDERED that agents or representatives of Plaintiff may contact Defendants or their agents or representatives directly or indirectly and anonymously for the purpose of monitoring compliance with Sections I-IV of this Order, and may tape record any oral communications that occur in the course of such contacts.

XXIV.

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 served with this Order shall promptly furnish consumer reports as requested concerning any Defendant to Plaintiff. Plaintiff may also directly access any Defendant's consumer report.

XXV.

DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that Defendants shall immediately provide a copy of this Order to each of their corporations, subsidiaries, affiliates, divisions, directors, officers, agents, partners, successors, assigns, employees, attorneys, representatives, sales entities, sales persons, telemarketers, independent contractors, and other persons in active concert or participation with them. Within ten (10) days from the date of entry of this Order, each Defendant shall provide Plaintiff with a sworn statement that such Defendant has complied with this provision of the Order, including in such statement the name, title, address, telephone number, date of service, and manner of service of each person or entity Defendants served with a copy of this Order in compliance with this provision.

Provided, however, that the Receiver has no obligations under this provision.

XXVI.

LIMITED EXPEDITED DISCOVERY

IT IS FURTHER ORDERED that the Receiver and Plaintiff are granted leave to conduct certain expedited discovery and that in lieu of the time periods, notice provisions, and other

requirements of the applicable Local Rules for this District and Rules 26, 30, 34, and 45 of the Federal Rules of Civil Procedure, the Receiver and Plaintiff are granted leave to:

A. Depose, on three (3) days' notice, any party or non-party for the purpose of discovering: (1) the nature, location, status, and extent of assets of Defendants or their affiliates or subsidiaries; (2) the nature and location of documents and business records of Defendants or their affiliates or subsidiaries; and (3) compliance with this Order. Any such depositions taken pursuant to this Section shall not be counted toward the ten deposition limits set forth in Rules 30(a)(2)(A)(i) and 31(a)(2)(A)(i) of the Federal Rules of Civil Procedure and shall not preclude Plaintiff from subsequently deposing the same persons during discovery on the merits in this case. Depositions may be taken by telephone, video conference, or other remote means. Any deposition taken pursuant to this Section that has not been reviewed and signed by the deponent may be used by any party for purposes of the preliminary injunction hearing;

B. Serve upon parties interrogatories or requests for production of documents or inspection that require a response, production, or inspection within four (4) days of service, and may serve subpoenas upon non-parties that direct production or inspection within seven (7) days of service for the purpose of discovering: (1) the nature, location, status, and extent of assets of Defendants or their affiliates or subsidiaries; (2) the nature and location of documents and business records of Defendants or their affiliates or subsidiaries; and (3) compliance with this Order; *provided, however*, that forty-eight (48) hours' notice shall be deemed sufficient for the production of any such documents that are maintained or stored as electronic data;

C. Serve deposition notices and other discovery requests upon the parties to this action personally or by facsimile, email, certified or registered mail, or private courier (including a process server) with a receipt from the courier showing delivery.

IT IS FURTHER ORDERED that a Defendant's failure to comply with discovery issued pursuant to this Section shall constitute sufficient cause for prohibiting that Defendant from introducing evidence at any hearing.

XXVII.

SERVICE OF ORDER

IT IS FURTHER ORDERED that copies of this Order may be served by any means, including facsimile transmission, electronic mail, personal or overnight delivery, or by U.S. Mail, by agents and employees of the Receiver or Plaintiff, by any law enforcement agency, or by private process server, upon any person that may have possession or control of any document of any Defendant, or that may be subject to any provision of this Order.

XXVIII.

DURATION OF TEMPORARY RESTRAINING ORDER

IT IS FURTHER ORDERED that, except as ordered by this Court, this Order shall expire within fourteen (14) days from the date of entry below, as computed by Rule 6 of the Federal Rules of Civil Procedure, unless within such time, the Order, for good cause shown, is extended for an additional period not to exceed fourteen (14) days or unless it is further extended pursuant to Federal Rule of Civil Procedure 65 or by stipulation of the parties.

XIX.

CORRESPONDENCE

IT IS FURTHER ORDERED that, for purposes of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Jonathan L. Kessler
Federal Trade Commission
1111 Superior Avenue, Suite 200
Cleveland, OH 44114
(216) 263-3436 (phone)
(216) 263-3426 (fax)
jkessler@ftc.gov

XX.

ORDER TO SHOW CAUSE REGARDING PRELIMINARY INJUNCTION

IT IS FURTHER ORDERED that each Defendant shall appear before this Court on the 16 day of February, 2016, at the United States Courthouse, 101 W. Lombard Street, Baltimore, MD 21201, Room 7A, at 2pm o'clock a.m. (p.m.), to show cause, if there is any, why this Court should not enter a preliminary injunction pending final ruling on the Complaint against said Defendants, enjoining them from further violations of Section 5 of the FTC Act, 15 U.S.C. § 45, the TSR, 16 C.F.R. Part 310, and the Unordered Merchandise Statute, 39 U.S.C. § 3009, continuing the freeze of their assets, and imposing such additional relief as may be appropriate.

IT IS FURTHER ORDERED that Defendants shall file with the Court and serve on the Plaintiff, no later than 4:00 p.m. (Eastern Time) on the fourth (4th) day prior to the show-cause hearing, any opposition to issuance of a preliminary injunction, including any declarations, exhibits, memoranda or other evidence on which they intend to rely.

IT IS FURTHER ORDERED that the FTC shall file with the Court and serve on Defendants any supplemental declaration, exhibits, other evidence, and memoranda not later than noon (Eastern Time) on the business day prior to the show-cause hearing.

IT IS FURTHER ORDERED that the question of whether this Court shall enter an order pursuant to Rule 65 of the Federal Rules of Civil Procedure, enjoining Defendants during the pendency of this action, shall be resolved on the pleadings, declarations, exhibits, and memoranda filed by, and oral argument of, the parties. Any arguments concerning the admissibility of the evidence presented shall go to the weight the Court shall give the evidence. Live testimony shall be heard only on further order of this Court, on motion with the Court, and served on counsel for the parties no later than 4:00 p.m. (Eastern Time) on the fourth (4th) business day prior to the show-cause hearing. Such motion shall set forth the name, address, and telephone number of each proposed witness, a detailed summary or affidavit revealing the substance of each proposed witness' expected testimony, and any explanation of why the taking of live testimony would be helpful to this Court. Any papers opposing a timely motion to present live testimony or to present live testimony in response to live testimony to be presented by another party shall be filed with this Court and served on the other parties no later than 4:00 p.m. (Eastern Time) of the second (2nd) day prior to the show-cause hearing.

IT IS FURTHER ORDERED that documents served pursuant to this Section shall be served on counsel for Plaintiff or on Defendants by hand, by facsimile transmission, receipt of which shall be verified by the party making service, or by overnight delivery service provided that delivery has been received within the time allotted in this Section.

XXI.

JURISDICTION

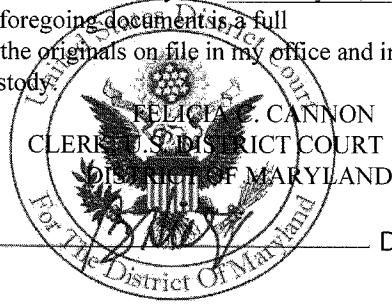
IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes.

SO ORDERED, this 2nd day of February, 2016, at 2:15 a.m./6.m.



UNITED STATES DISTRICT COURT JUDGE

I hereby attest and certify on February 02, 2016
that the foregoing document is a full
copy of the originals on file in my office and in my
legal custody.



By _____ Deputy

ATTACHMENT A

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

Definitions and Instructions:

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") in the first field only of any item that does not apply to you. If you cannot fully answer a question, explain why.
2. "Dependents" include your spouse, live-in companion, dependent children, or any other person, whom you or your spouse (or your children's other parent) claimed or could have claimed as a dependent for tax purposes at any time during the past five years.
3. "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.
4. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number(s) being continued.
5. Type or print legibly.
6. Initial each page in the space provided in the lower right corner.
7. Sign and date the completed financial statement on the last page.

Penalty for False Information:

Federal law provides that any person may be imprisoned for not more than five years, fined, or both, if such person:

(1) "in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or devise a material fact; makes any materially false, fictitious or fraudulent statement or representation; or makes or uses any false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);

(2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or

(3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration" (18 U.S.C. § 1623).

For a felony conviction under the provisions cited above, federal law provides that the fine may be not more than the greater of (i) \$250,000 for an individual or \$500,000 for a corporation, or (ii) if the felony results in pecuniary gain to any person or pecuniary loss to any person other than the defendant, the greater of twice the gross gain or twice the gross loss. 18 U.S.C. § 3571.

BACKGROUND INFORMATION			
Item 1: Information About You			
Full Name		Social Security No.	
Current Address of Primary Residence		Driver's License No.	State Issued
		Phone Numbers Home: ()	Date of Birth: / / (mm/dd/yyyy)
		Fax: ()	Place of Birth
<input type="checkbox"/> Rent <input type="checkbox"/> Own	From (Date): / / (mm/dd/yyyy)	E-Mail Address	
Internet Home Page			
Previous Addresses for past five years (if required, use additional pages at end of form)			
Address		From: / / (mm/dd/yyyy)	Until: / / (mm/dd/yyyy)
		<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Address		From: / /	Until: / /
		<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Address		From: / /	Until: / /
		<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:			
Item 2: Information About Your Spouse or Live-In Companion			
Spouse/Companion's Name		Social Security No.	Date of Birth / / (mm/dd/yyyy)
Address (if different from yours)		Phone Number ()	Place of Birth
		<input type="checkbox"/> Rent <input type="checkbox"/> Own	From (Date): / / (mm/dd/yyyy)
		Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:	
Employer's Name and Address		Job Title	
		Years in Present Job	Annual Gross Salary/Wages \$
Item 3: Information About Your Previous Spouse			
Name and Address		Social Security No.	
		Date of Birth / / (mm/dd/yyyy)	
Item 4: Contact Information (name and address of closest living relative other than your spouse)			
Name and Address		Phone Number ()	

Initials: _____

Item 5: Information About Dependents (whether or not they reside with you)		
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	

Item 6: Employment Information/Employment Income				
Provide the following information for this year-to-date and for each of the previous five full years, for each business entity of which you were a director, officer, member, partner, employee (including self-employment), agent, owner, shareholder, contractor, participant or consultant at any time during that period. "Income" includes, but is not limited to, any salary, commissions, distributions, draws, consulting fees, loans, loan payments, dividends, royalties, and benefits for which you did not pay (e.g., health insurance premiums, automobile lease or loan payments) received by you or anyone else on your behalf.				
Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) / /	To (Month/Year) / /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year) / /	To (Month/Year) / /		\$
	/ /	/ /		\$
	/ /	/ /		\$
	/ /	/ /		\$
Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) / /	To (Month/Year) / /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year) / /	To (Month/Year) / /		\$
	/ /	/ /		\$
	/ /	/ /		\$
	/ /	/ /		\$
Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) / /	To (Month/Year) / /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year) / /	To (Month/Year) / /		\$
	/ /	/ /		\$
	/ /	/ /		\$
	/ /	/ /		\$

Initials: _____

Item 7. Pending Lawsuits Filed By or Against You or Your Spouse					
List all pending lawsuits that have been filed by or against you or your spouse in any court or before an administrative agency in the United States or in any foreign country or territory. Note: At Item 12, list lawsuits that resulted in final judgments or settlements in your favor. At Item 21, list lawsuits that resulted in final judgments or settlements against you.					
Caption of Proceeding	Court or Agency and Location	Case No.	Nature of Proceeding	Relief Requested	Status or Disposition

Item 8. Safe Deposit Boxes			
List all safe deposit boxes, located within the United States or in any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or any of your dependents; or held by others for the benefit of you, your spouse, or any of your dependents.			
Name of Owner(s)	Name & Address of Depository Institution	Box No.	Contents

Initials: _____

FINANCIAL INFORMATION

REMINDER: When an item asks for information regarding your assets and liabilities, include ALL assets and liabilities located within the United States or in any foreign country or territory or institution, whether held individually or jointly, and whether held by you, your spouse or any of your dependents or held by others for the benefit of you, your spouse or any of your dependents. In addition, provide all documents requested in Item 24 with your completed Financial Statement.

ASSETS

Item 9: Cash, Bank, and Money Market Accounts
 List cash on hand (as opposed to cash in bank accounts or other financial accounts) and all bank accounts, money market accounts, or other financial accounts, including but not limited to checking accounts, savings accounts, and certificates of deposit. The term "cash on hand" includes but is not limited to cash in the form of currency, uncashed checks, and money orders.

a. Amount of Cash on Hand \$		Form of Cash on Hand	
b. Name on Account	Name & Address of Financial Institution	Account No.	Current Balance
			\$
			\$
			\$
			\$
			\$

Item 10: Publicly Traded Securities
 List all publicly traded securities, including but not limited to, stocks, stock options, corporate bonds, mutual funds, U.S. government securities (including but not limited to treasury bills and treasury notes), and state and municipal bonds. Also list any U.S. savings bonds.

Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	
Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	
Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	

Initials: _____

Item 11: Non-Public Business and Financial Interests
 List all non-public business and financial interests, including but not limited to any interest in a non-public corporation, subchapter-S corporation, limited liability corporation ("LLC"), general or limited partnership, joint venture, sole proprietorship, international business corporation or personal investment corporation, and oil or mineral lease.

Entity's Name & Address	Type of Business or Financial Interest (e.g., LLC, partnership)	Owner (e.g., self, spouse)	Ownership %	If Officer, Director, Member or Partner, Exact Title

Item 12: Amounts Owed to You, Your Spouse, or Your Dependents

Debtor's Name & Address	Date Obligation Incurred (Month/Year)	Original Amount Owed \$	Nature of Obligation (if the result of a final court judgment or settlement, provide court name and docket number)
	Current Amount Owed \$	Payment Schedule	
Debtor's Telephone	Debtor's Relationship to You		
Debtor's Name & Address	Date Obligation Incurred (Month/Year)	Original Amount Owed \$	Nature of Obligation (if the result of a final court judgment or settlement, provide court name and docket number)
	Current Amount Owed \$	Payment Schedule \$	
Debtor's Telephone	Debtor's Relationship to You		

Item 13: Life Insurance Policies
 List all life insurance policies (including endowment policies) with any cash surrender value.

Insurance Company's Name, Address, & Telephone No.	Beneficiary	Policy No.	Face Value \$
	Insured	Loans Against Policy \$	Surrender Value \$
Insurance Company's Name, Address, & Telephone No.	Beneficiary	Policy No.	Face Value \$
	Insured	Loans Against Policy \$	Surrender Value \$

Item 14: Deferred Income Arrangements
 List all deferred income arrangements, including but not limited to, deferred annuities, pensions plans, profit-sharing plans, 401(k) plans, IRAs, Keoghs, other retirement accounts, and college savings plans (e.g., 529 Plans).

Trustee or Administrator's Name, Address & Telephone No.	Name on Account		Account No.
	Date Established / / (mm/dd/yyyy)	Type of Plan	Surrender Value before Taxes and Penalties \$
Trustee or Administrator's Name, Address & Telephone No.	Name on Account		Account No.
	Date Established / /	Type of Plan	Surrender Value before Taxes and Penalties \$

Initials: _____

Type			Amount Expected	Date Expected (mm/dd/yyyy)	
			\$	/ /	
			\$	/ /	
			\$	/ /	

Item 16. Vehicles					
List all cars, trucks, motorcycles, boats, airplanes, and other vehicles.					
Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State & No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		

Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State & No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		

Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State & No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		

Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State & No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		

Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State & No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		

Item 17. Other Personal Property				
List all other personal property not listed in Items 9-16 by category, whether held for personal use, investment or any other reason, including but not limited to coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property.				
Property Category (e.g., artwork, jewelry)	Name of Owner	Property Location	Acquisition Cost	Current Value
			\$	\$
			\$	\$
			\$	\$

Initials: _____

Item 18: Real Property			
List all real property interests (including any land contract)			
Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
Lender's Name and Address	Loan or Account No.		Current Balance On First Mortgage or Contract \$
			Monthly Payment \$
Other Mortgage Loan(s) (describe)	Monthly Payment \$	<input type="checkbox"/> Rental Unit	
	Current Balance \$	Monthly Rent Received \$	
Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
Lender's Name and Address	Loan or Account No.		Current Balance On First Mortgage or Contract \$
			Monthly Payment \$
Other Mortgage Loan(s) (describe)	Monthly Payment \$	<input type="checkbox"/> Rental Unit	
	Current Balance \$	Monthly Rent Received \$	
LIABILITIES			
Item 19: Credit Cards			
List each credit card account held by you, your spouse, or your dependents, and any other credit cards that you, your spouse, or your dependents use, whether issued by a United States or foreign financial institution.			
Name of Credit Card (e.g., Visa, MasterCard, Department Store)	Account No.	Name(s) on Account	Current Balance
			\$
			\$
			\$
			\$
			\$
Item 20: Taxes Payable			
List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependents.			
Type of Tax	Amount Owed	Year Incurred	
	\$		
	\$		
	\$		

Initials: _____

Item 21. Other Amounts Owed by You, Your Spouse, or Your Dependents List all other amounts, not listed elsewhere in this financial statement, owed by you, your spouse, or your dependents.				
Lender/Creditor's Name, Address, and Telephone No.		Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)		
		Lender/Creditor's Relationship to You		
Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule	
Lender/Creditor's Name, Address, and Telephone No.		Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)		
		Lender/Creditor's Relationship to You		
Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule	
OTHER FINANCIAL INFORMATION				
Item 22. Trusts and Escrows List all funds and other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. Include any legal retainers being held on your behalf by legal counsel. Also list all funds or other assets that are being held in trust or escrow by you, your spouse, or your dependents, for any person or entity.				
Trustee or Escrow Agent's Name & Address	Date Established (mm/dd/yyyy)	Grantor	Beneficiaries	Present Market Value of Assets*
	/ /			\$
	/ /			\$
	/ /			\$
*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.				
Item 23. Transfers of Assets List each person or entity to whom you have transferred, in the aggregate, more than \$5,000 in funds or other assets during the previous five years by loan, gift, sale, or other transfer (exclude ordinary and necessary living and business expenses paid to unrelated third parties). For each such person or entity, state the total amount transferred during that period.				
Transferee's Name, Address, & Relationship	Property Transferred	Aggregate Value*	Transfer Date (mm/dd/yyyy)	Type of Transfer (e.g., Loan, Gift)
		\$	/ /	
		\$	/ /	
		\$	/ /	
*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.				

Initials: _____

Item 24. Document Requests	
Provide copies of the following documents with your completed Financial Statement:	
	Federal tax returns filed during the last three years by or on behalf of you, your spouse, or your dependents.
	All applications for bank loans or other extensions of credit (other than credit cards) that you, your spouse, or your dependents have submitted within the last two years, including by obtaining copies from lenders if necessary.
Item 9	For each bank account listed in Item 9, all account statements for the past 3 years.
Item 11	For each business entity listed in Item 11, provide (including by causing to be generated from accounting records) the most recent balance sheet, tax return, annual income statement, the most recent year-to-date income statement, and all general ledger files from account records.
Item 17	All appraisals that have been prepared for any property listed in Item 17, including appraisals done for insurance purposes. You may exclude any category of property where the total appraised value of all property in that category is less than \$2,000.
Item 18	All appraisals that have been prepared for real property listed in Item 18.
Item 21	Documentation for all debts listed in Item 21.
Item 22	All executed documents for any trust or escrow listed in Item 22. Also provide any appraisals, including insurance appraisals that have been done for any assets held by any such trust or in any such escrow.

SUMMARY FINANCIAL SCHEDULES

Item 25. Combined Balance Sheet for You, Your Spouse, and Your Dependents			
Assets		Liabilities	
Cash on Hand (Item 9)	\$	Loans Against Publicly Traded Securities (Item 10)	\$
Funds Held in Financial Institutions (Item 9)	\$	Vehicles - Liens (Item 16)	\$
U.S. Government Securities (Item 10)	\$	Real Property - Encumbrances (Item 18)	\$
Publicly Traded Securities (Item 10)	\$	Credit Cards (Item 19)	\$
Non-Public Business and Financial Interests (Item 11)	\$	Taxes Payable (Item 20)	\$
Amounts Owed to You (Item 12)	\$	Amounts Owed by You (Item 21)	\$
Life Insurance Policies (Item 13)	\$	Other Liabilities (Itemize)	
Deferred Income Arrangements (Item 14)	\$		\$
Vehicles (Item 16)	\$		\$
Other Personal Property (Item 17)	\$		\$
Real Property (Item 18)	\$		\$
Other Assets (Itemize)			\$
	\$		\$
	\$		\$
	\$		\$
Total Assets	\$	Total Liabilities	\$

Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents			
Provide the current monthly income and expenses for you, your spouse, and your dependents. Do not include credit card payments separately; rather, include credit card expenditures in the appropriate categories.			
Income (State source of each item)		Expenses	
Salary - After Taxes	\$	Mortgage or Rental Payments for Residence(s)	\$
Source:		Property Taxes for Residence(s)	\$
Fees, Commissions, and Royalties	\$	Rental Property Expenses, Including Mortgage Payments, Taxes, and Insurance	\$
Source:		Car or Other Vehicle Lease or Loan Payments	\$
Interest	\$	Food Expenses	\$
Source:		Clothing Expenses	\$
Dividends and Capital Gains	\$	Utilities	\$
Source:			
Gross Rental Income	\$		
Source:			
Profits from Sole Proprietorships	\$		
Source:			
Distributions from Partnerships, S-Corporations, and LLCs	\$		
Source:			

Initials: _____

Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents (cont.)			
Distributions from Trusts and Estates	\$	Medical Expenses, Including Insurance	\$
Source:			
Distributions from Deferred Income Arrangements	\$	Other Insurance Premiums	\$
Source:			
Social Security Payments	\$	Other Transportation Expenses	\$
Alimony/Child Support Received	\$	Other Expenses (Itemize)	
Gambling Income	\$		\$
Other Income (Itemize)			\$
	\$		\$
	\$		\$
	\$		\$
Total Income	\$	Total Expenses	\$

ATTACHMENTS

Item 27. Documents Attached to this Financial Statement	
List all documents that are being submitted with this financial statement. For any Item 24 documents that are not attached, explain why.	
Item No. Document Relates To	Description of Document

I am submitting this financial statement with the understanding that it may affect action by the Federal Trade Commission or a federal court. I have used my best efforts to obtain the information requested in this statement. The responses I have provided to the items above are true and contain all the requested facts and information of which I have notice or knowledge. I have provided all requested documents in my custody, possession, or control. I know of the penalties for false statements under 18 U.S.C. § 1001, 18 U.S.C. § 1621, and 18 U.S.C. § 1623 (five years imprisonment and/or fines). I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on:

(Date)

Signature

ATTACHMENT B

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

Instructions:

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. The font size within each field will adjust automatically as you type to accommodate longer responses.
3. In completing this financial statement, "the corporation" refers not only to this corporation but also to each of its predecessors that are not named defendants in this action.
4. When an Item asks for information about assets or liabilities "held by the corporation," include ALL such assets and liabilities, located within the United States or elsewhere, held by the corporation or held by others for the benefit of the corporation.
5. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number being continued.
6. Type or print legibly.
7. An officer of the corporation must sign and date the completed financial statement on the last page and initial each page in the space provided in the lower right corner.

Penalty for False Information:

Federal law provides that any person may be imprisoned for not more than five years, fined, or both, if such person:

- (1) "in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);
- (2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or
- (3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration." (18 U.S.C. § 1623)

For a felony conviction under the provisions cited above, federal law provides that the fine may be not more than the greater of (i) \$250,000 for an individual or \$500,000 for a corporation, or (ii) if the felony results in pecuniary gain to any person or pecuniary loss to any person other than the defendant, the greater of twice the gross gain or twice the gross loss. 18 U.S.C. § 3571.

BACKGROUND INFORMATION

Item 1. General Information

Corporation's Full Name _____

Primary Business Address _____ From (Date) _____

Telephone No. _____ Fax No. _____

E-Mail Address _____ Internet Home Page _____

All other current addresses & previous addresses for past five years, including post office boxes and mail drops:

Address _____ From/Until _____

Address _____ From/Until _____

Address _____ From/Until _____

All predecessor companies for past five years:

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Item 2. Legal Information

Federal Taxpayer ID No. _____ State & Date of Incorporation _____

State Tax ID No. _____ State _____ Profit or Not For Profit _____

Corporation's Present Status: Active _____ Inactive _____ Dissolved _____

If Dissolved: Date dissolved _____ By Whom _____

Reasons _____

Fiscal Year-End (Mo./Day) _____ Corporation's Business Activities _____

Item 3. Registered Agent

Name of Registered Agent _____

Address _____ Telephone No. _____

Item 4. Principal Stockholders

List all persons and entities that own at least 5% of the corporation's stock.

<u>Name & Address</u>	<u>% Owned</u>

Item 5. Board Members

List all members of the corporation's Board of Directors.

<u>Name & Address</u>	<u>% Owned</u>	<u>Term (From/Until)</u>

Item 6. Officers

List all of the corporation's officers, including *de facto* officers (individuals with significant management responsibility whose titles do not reflect the nature of their positions).

<u>Name & Address</u>	<u>% Owned</u>

Item 7. Businesses Related to the Corporation

List all corporations, partnerships, and other business entities in which this corporation has an ownership interest.

<u>Name & Address</u>	<u>Business Activities</u>	<u>% Owned</u>

State which of these businesses, if any, has ever transacted business with the corporation _____

Item 8. Businesses Related to Individuals

List all corporations, partnerships, and other business entities in which the corporation's principal stockholders, board members, or officers (i.e., the individuals listed in Items 4 - 6 above) have an ownership interest.

<u>Individual's Name</u>	<u>Business Name & Address</u>	<u>Business Activities</u>	<u>% Owned</u>

State which of these businesses, if any, have ever transacted business with the corporation _____

Item 9. Related Individuals

List all related individuals with whom the corporation has had any business transactions during the three previous fiscal years and current fiscal year-to-date. A "related individual" is a spouse, sibling, parent, or child of the principal stockholders, board members, and officers (i.e., the individuals listed in Items 4 - 6 above).

<u>Name and Address</u>	<u>Relationship</u>	<u>Business Activities</u>

Item 10. Outside Accountants

List all outside accountants retained by the corporation during the last three years.

<u>Name</u>	<u>Firm Name</u>	<u>Address</u>	<u>CPA/PA?</u>

Item 11. Corporation's Recordkeeping

List all individuals within the corporation with responsibility for keeping the corporation's financial books and records for the last three years.

<u>Name, Address, & Telephone Number</u>	<u>Position(s) Held</u>

Item 12. Attorneys

List all attorneys retained by the corporation during the last three years.

<u>Name</u>	<u>Firm Name</u>	<u>Address</u>

Item 13. Pending Lawsuits Filed by the Corporation

List all pending lawsuits that have been filed by the corporation in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in favor of the corporation in Item 25).

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 14. Current Lawsuits Filed Against the Corporation

List all pending lawsuits that have been filed against the corporation in court or before an administrative agency. (List lawsuits that resulted in final judgments, settlements, or orders in Items 26 - 27).

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 15. Bankruptcy Information

List all state insolvency and federal bankruptcy proceedings involving the corporation.

Commencement Date _____ Termination Date _____ Docket No. _____

If State Court: Court & County _____ If Federal Court: District _____

Disposition _____

Item 16. Safe Deposit Boxes

List all safe deposit boxes, located within the United States or elsewhere, held by the corporation, or held by others for the benefit of the corporation. *On a separate page, describe the contents of each box.*

<u>Owner's Name</u>	<u>Name & Address of Depository Institution</u>	<u>Box No.</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FINANCIAL INFORMATION

REMINDER: When an Item asks for information about assets or liabilities "held by the corporation," include **ALL** such assets and liabilities, located within the United States or elsewhere, held by the corporation or held by others for the benefit of the corporation.

Item 17. Tax Returns

List all federal and state corporate tax returns filed for the last three complete fiscal years. *Attach copies of all returns.*

<u>Federal/ State/Both</u>	<u>Tax Year</u>	<u>Tax Due Federal</u>	<u>Tax Paid Federal</u>	<u>Tax Due State</u>	<u>Tax Paid State</u>	<u>Preparer's Name</u>
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____

Item 18. Financial Statements

List all financial statements that were prepared for the corporation's last three complete fiscal years and for the current fiscal year-to-date. *Attach copies of all statements, providing audited statements if available.*

<u>Year</u>	<u>Balance Sheet</u>	<u>Profit & Loss Statement</u>	<u>Cash Flow Statement</u>	<u>Changes in Owner's Equity</u>	<u>Audited?</u>

Item 19. Financial Summary

For each of the last three complete fiscal years and for the current fiscal year-to-date for which the corporation has not provided a profit and loss statement in accordance with Item 18 above, provide the following summary financial information.

	<u>Current Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>3 Years Ago</u>
<u>Gross Revenue</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Expenses</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Net Profit After Taxes</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Payables</u>	\$ _____			
<u>Receivables</u>	\$ _____			

Item 20. Cash, Bank, and Money Market Accounts

List cash and all bank and money market accounts, including but not limited to, checking accounts, savings accounts, and certificates of deposit, held by the corporation. The term "cash" includes currency and uncashed checks.

Cash on Hand \$ _____ Cash Held for the Corporation's Benefit \$ _____

<u>Name & Address of Financial Institution</u>	<u>Signator(s) on Account</u>	<u>Account No.</u>	<u>Current Balance</u>
			\$ _____
			\$ _____
			\$ _____
			\$ _____

Item 21. Government Obligations and Publicly Traded Securities

List all U.S. Government obligations, including but not limited to, savings bonds, treasury bills, or treasury notes, held by the corporation. Also list all publicly traded securities, including but not limited to, stocks, stock options, registered and bearer bonds, state and municipal bonds, and mutual funds, held by the corporation.

Issuer _____ Type of Security/Obligation _____

No. of Units Owned _____ Current Fair Market Value \$ _____ Maturity Date _____

Issuer _____ Type of Security/Obligation _____

No. of Units Owned _____ Current Fair Market Value \$ _____ Maturity Date _____

Item 22. Real Estate

List all real estate, including leaseholds in excess of five years, held by the corporation.

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

Current Balance On First Mortgage \$ _____ Monthly Payment \$ _____

Other Loan(s) (describe) _____ Current Balance \$ _____

Monthly Payment \$ _____ Rental Unit? _____ Monthly Rent Received \$ _____

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

Current Balance On First Mortgage \$ _____ Monthly Payment \$ _____

Other Loan(s) (describe) _____ Current Balance \$ _____

Monthly Payment \$ _____ Rental Unit? _____ Monthly Rent Received \$ _____

Item 23. Other Assets

List all other property, by category, with an estimated value of \$2,500 or more, held by the corporation, including but not limited to, inventory, machinery, equipment, furniture, vehicles, customer lists, computer software, patents, and other intellectual property.

<u>Property Category</u>	<u>Property Location</u>	<u>Acquisition Cost</u>	<u>Current Value</u>
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____

Item 24. Trusts and Escrows

List all persons and other entities holding funds or other assets that are in escrow or in trust for the corporation.

<u>Trustee or Escrow Agent's Name & Address</u>	<u>Description and Location of Assets</u>	<u>Present Market Value of Assets</u>
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____

Item 25. Monetary Judgments and Settlements Owed To the Corporation

List all monetary judgments and settlements, recorded and unrecorded, owed to the corporation.

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Item 26. Monetary Judgments and Settlements Owed By the Corporation

List all monetary judgments and settlements, recorded and unrecorded, owed by the corporation.

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Item 27. Government Orders and Settlements

List all existing orders and settlements between the corporation and any federal or state government entities.

Name of Agency _____ Contact Person _____
 Address _____ Telephone No. _____
 Agreement Date _____ Nature of Agreement _____

Item 28. Credit Cards

List all of the corporation's credit cards and store charge accounts and the individuals authorized to use them.

<u>Name of Credit Card or Store</u>	<u>Names of Authorized Users and Positions Held</u>

Item 29. Compensation of Employees

List all compensation and other benefits received from the corporation by the five most highly compensated employees, independent contractors, and consultants (other than those individuals listed in Items 5 and 6 above), for the two previous fiscal years and current fiscal year-to-date. "Compensation" includes, but is not limited to, salaries, commissions, consulting fees, bonuses, dividends, distributions, royalties, pensions, and profit sharing plans. "Other benefits" include, but are not limited to, loans, loan payments, rent, car payments, and insurance premiums, whether paid directly to the individuals, or paid to others on their behalf.

<u>Name/Position</u>	<u>Current Fiscal Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>Compensation or Type of Benefits</u>
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	

Item 30. Compensation of Board Members and Officers

List all compensation and other benefits received from the corporation by each person listed in Items 5 and 6, for the current fiscal year-to-date and the two previous fiscal years. "Compensation" includes, but is not limited to, salaries, commissions, consulting fees, dividends, distributions, royalties, pensions, and profit sharing plans. "Other benefits" include, but are not limited to, loans, loan payments, rent, car payments, and insurance premiums, whether paid directly to the individuals, or paid to others on their behalf.

<u>Name/Position</u>	<u>Current Fiscal Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>Compensation or Type of Benefits</u>
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	

Item 31. Transfers of Assets Including Cash and Property

List all transfers of assets over \$2,500 made by the corporation, other than in the ordinary course of business, during the previous three years, by loan, gift, sale, or other transfer.

<u>Transferee's Name, Address, & Relationship</u>	<u>Property Transferred</u>	<u>Aggregate Value</u>	<u>Transfer Date</u>	<u>Type of Transfer (e.g., Loan, Gift)</u>
		\$		
		\$		
		\$		
		\$		
		\$		

Item 32. Documents Attached to the Financial Statement

List all documents that are being submitted with the financial statement.

<u>Item No.</u>	<u>Document</u> <u>Relates To</u>	<u>Description of Document</u>

I am submitting this financial statement with the understanding that it may affect action by the Federal Trade Commission or a federal court. I have used my best efforts to obtain the information requested in this statement. The responses I have provided to the items above are true and contain all the requested facts and information of which I have notice or knowledge. I have provided all requested documents in my custody, possession, or control. I know of the penalties for false statements under 18 U.S.C. § 1001, 18 U.S.C. § 1621, and 18 U.S.C. § 1623 (five years imprisonment and/or fines). I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on:

(Date)

Signature

Corporate Position

ATTACHMENT C

CONSENT TO RELEASE OF FINANCIAL RECORDS

I, _____ in the State of _____, in
_____(country), do hereby direct any bank, savings and loan
association, credit union, depository institution, finance company, commercial lending company,
credit card processor, credit card processing entity, automated clearinghouse, network
transaction processor, bank debit processing entity, brokerage house, escrow agent, money
market or mutual fund, title company, commodity trading company, trustee, or person that holds,
controls, or maintains custody of assets, wherever located, that are owned or controlled by me or
at which there is an account of any kind upon which I am authorized to draw, and its officers,
employees, and agents, to disclose all information and deliver copies of all documents of every
nature in its possession or control which relate to said accounts to any attorney of the Federal
Trade Commission, and to give evidence relevant thereto, in the matter of *Federal Trade
Commission v. American Industrial Enterprises, LLC, et al.*, now pending in the United States
District Court for the District of Maryland, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States of
America which restrict or prohibit the disclosure of bank or other financial information without
the consent of the holder of the account, and shall be construed as consent with respect thereto,
and the same shall apply to any of the accounts for which I may be a relevant principal.

Date: _____, 2016

Signature: _____

Print Name: _____