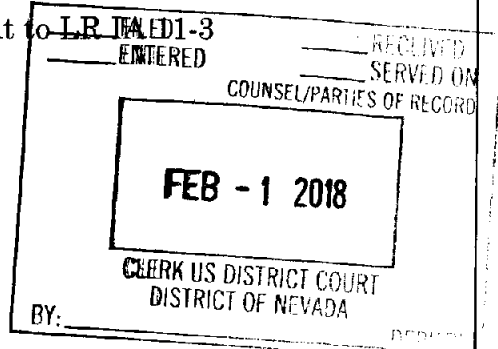


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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION,

Petitioner,

v.

DONOR RELATIONS, LLC, and

COURTESY CALL, INC.,

Respondents.

2:18-cv-00183-GMN-CWH

**FEDERAL TRADE COMMISSION'S
PETITION TO ENFORCE
CIVIL INVESTIGATIVE DEMANDS

SHOW CAUSE HEARING
REQUESTED**

The Federal Trade Commission petitions this Court under Section 20 of the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 57b-1, to issue an order to show cause and thereby commence proceedings to enforce civil investigative demands (CIDs) issued to Respondents, Donor Relations, LLC, and Courtesy Call, Inc.¹ The CIDs were issued in the course of a nonpublic investigation to determine

¹ This is a summary proceeding that is properly instituted by a petition and order to show cause (rather than a complaint and summons). *See, e.g., EEOC v. Karuk Tribe Hous. Auth.*, 260 F.3d 1071, 1078 (9th Cir. 2001); *FTC v. Carter*, 636 F.2d 781, 789 (D.C. Cir. 1980). In operation, these FTC proceedings resemble proceedings to enforce IRS summons. *See, e.g., United States v. Groo LLC*, No. 2:17-cv-01605-RFB-PAL. The Commission has used such procedures in CID enforcement

1 whether Respondents, who solicit contributions on behalf of purported charities, are
2 or have been engaging in unfair or deceptive acts or practices in violation of Section
3 5 of the FTC Act, 15 U.S.C. § 45. The FTC's investigation also seeks to determine
4 whether Respondents are or have been violating the Telemarketing Sales Rule
5 (TSR), 16 C.F.R. pt. 310, by, for example, placing calls to numbers on the FTC's Do
6 Not Call list or using certain types of "robocall" technology.

7 The CIDs seek documents and interrogatory responses regarding, *inter alia*,
8 Respondents' organization and management; the names of and information about
9 their clients; employee training and supervision; and other factors relating to
10 Respondents' compliance with the TSR. Although Respondents have not filed an
11 administrative petition to limit or quash the CIDS, they have not fulfilled their
12 obligations under the CIDs even after receiving two extensions of time. They have
13 used a strategy of delay which has included (1) failing to meet deadlines, including
14 their own proposed deadlines; (2) submitting document responses that are obviously
15 deficient and patently inaccurate; and (3) refusing to provide FTC staff with any
16 date by which they will complete production of the required materials. Indeed, to
17 date, the Commission has received only 165 documents, a number that is plainly
18 insufficient in comparison to the CID requests, along with interrogatory responses
19 that are plainly and admittedly incomplete.

20 Respondents' refusal to cooperate has interfered with the Commission's
21 ongoing investigation. Therefore, the Court should direct Respondents to appear
22 and show cause why they have failed to comply with the CIDS and thereafter grant
23 the Commission's petition and issue its own order directing Donor Relations and
24 Courtesy Call to comply within 10 days.

25
26
27 proceedings in this Court. See *FTC v. Paglia*, No. 2:14-cv-01480-GMN-CWH (filed
28 Sept. 12, 2014).

1 In support of its Petition, the Commission submits the attached Declaration
2 of Faye Chen Barnouw as Petition Exhibit 1 (Pet. Ex.) to verify the Commission's
3 allegations. In support thereof, the Commission also submits the following:

- 4 Pet. Ex. 2 Civil Investigative Demand to Donor Relations, LLC,
5 (August 28, 2017);
- 6 Pet. Ex. 3 Civil Investigative Demand to Courtesy Call, Inc. (August
7 28, 2017);
- 8 Pet. Ex. 4 FedEx Delivery Receipts Confirming Service of CIDs on
9 Donor Relations, LLC and Courtesy Call, Inc. (August 31,
10 2017);
- 11 Pet. Ex. 5 E-mail from Faye Chen Barnouw to Robert Bernhoft and
12 Daniel Treuden (September 18, 2017);
- 13 Pet. Ex. 6 E-mail from Faye Chen Barnouw to Robert Bernhoft and
14 Daniel Treuden (October 4, 2017);
- 15 Pet. Ex. 7 Letter from Thomas N. Dahdouh to Robert Bernhoft and
16 Daniel Treuden (October 4, 2017);
- 17 Pet. Ex. 8 E-mail from Kenneth Abbe to Daniel Treuden (October
18 20, 2017);
- 19 Pet. Ex. 9 Second Letter from Thomas N. Dahdouh to Robert
20 Bernhoft and Daniel Treuden (October 20, 2017);
- 21 Pet. Ex. 10 E-mail from Daniel Treuden to David Gonzalez, Kenneth
22 Abbe, and Faye Chen Barnouw (October 21, 2017);
- 23 Pet. Ex. 11 E-mail from Daniel Treuden to Kenneth Abbe and Faye
24 Chen Barnouw (November 1, 2017); and
- 25 Pet. Ex. 12 Letter from Daniel Treuden to Kenneth Abbe and Faye
26 Chen Barnouw (November 2, 2017).

27
28
Jurisdiction and Venue

1. This Court has jurisdiction to enforce the Commission's duly issued
CIDs under Sections 20(e) and (h) of the FTC Act, 15 U.S.C. §§ 57b-1(e), (h). This
Court also has jurisdiction under 28 U.S.C. §§ 1331, 1337(a), and 1345.

1 7. Respondent Donor Relations, LLC, is a Las Vegas-based for-profit
2 fundraiser. It is owned and operated by Richard Zeitlin. Donor Relations was
3 organized in 2016, at about the same time Courtesy Call was winding down. At
4 present, it provides fundraising services for approximately 12 of Courtesy Call's
5 former clients. *Id.*, ¶ 4.

6 **The Commission's Investigation and Civil Investigative Demand**

7 8. The purpose of the current investigation is to determine whether
8 Donor Relations and Courtesy Call have complied with Section 5 of the FTC Act and
9 the Telemarketing Sales Rule in soliciting donations on behalf of purported
10 charities. *Id.*, ¶¶ 5-7. The subjects covered by the CIDs include the following:

- 11 a. Respondents' knowledge of any misrepresentations made by
12 their telemarketers;
- 13 b. Respondents' use of the TSR's Do Not Call lists and reliance on
14 Soundboard technology, a form of pre-recorded call, to make
15 their calls;
- 16 c. Respondents' operation, management, and ownership;
- 17 d. The identities of, and information about, Respondents' clients;
18 and
- 19 e. The training and monitoring of Respondents' employees.

20 9. On August 28, 2017, the Commission issued CIDs, directing
21 Respondents to produce responsive documents and respond to interrogatories no
22 later than September 27, 2017. Pet. Ex. 2 at 3; Pet. Ex. 3 at 3. These CIDs were
23 issued under the authority of two separate investigational resolutions. The first, a
24 Resolution Directing Use of Compulsory Process in a Non-Public Investigation of
25 Deceptive Fundraising, authorized the use of process

26 [t]o determine whether unnamed persons, partnerships, corporations,
27 or others, in connection with soliciting charitable contributions,
28 donations, or gifts of money or any other thing of value, have engaged
 in or are engaging in (1) deceptive or unfair acts or practices in or

1 affecting commerce in violation of Section 5 of the Federal Trade
2 Commission Act, 15 U.S.C. § 45, and/or (2) deceptive or abusive
3 telemarketing acts or practices in violation of the Commission's
4 Telemarketing Sales Rule, 16 C.F.R. Part 310.

5 Pet. Ex. 2 at 23; *see also* Pet. Ex. 3 at 22. The second, a Resolution Directing Use of
6 Compulsory Process in a Nonpublic Investigation of Telemarketers, Sellers,
7 Suppliers, or Others, similarly authorized the Commission to use process to
8 investigate potentially unfair or deceptive acts or practices by entities engaged in
9 telemarketing in violation of Section 5 or deceptive or abusive telemarketing
10 practices in violation of the TSR. Pet. Ex. 2 at 24; Pet. Ex. 3 at 23.

11 10. In issuing the CIDs, the Commission followed all the procedures
12 required by the FTC Act and its Rules of Practice and Procedure, including
13 obtaining a Commissioner's signature (here, Acting Chairman Maureen K.
14 Ohlhausen), as required by Section 20 of the FTC Act. *See* 15 U.S.C. § 57b-1(i); 16
15 C.F.R. § 2.7(a); Pet. Ex. 2 at 3; Pet. Ex. 3 at 3.

16 11. The FTC served the CIDs on August 31, 2017. *See* Pet. Ex. 4; *see also*
17 15 U.S.C. § 57b-1(c)(8); 16 C.F.R. § 4.4(a)(3). Respondents then waited until
18 September 11, 2017, to contact FTC staff, at which time their counsel requested an
19 extension of time. Pet. Ex. 1, ¶ 13.

20 12. As described in detail in the supporting declaration, Respondents then
21 used a strategy of delay that has prevented the Commission from obtaining the
22 information it needs in a reasonable period of time. This strategy includes the
23 following:

24 a. Failing to abide by deadlines. Respondents failed to meet the
25 initial September 27, 2017 deadline for a complete production Pet. Ex. 1, ¶¶
26 17-18. And notwithstanding their own request for an extension to October 18,
27 2017, they did not fulfill all the requirements of the CIDs by that date, or by
28 their later proffered deadlines of October 20 and 21. *Id.* ¶¶ 14, 21-28.

Indeed, most recently, Respondents have refused to provide the Commission

1 with *any* date by which they will complete production and, indeed, have
2 ceased communicating with FTC staff. *Id.*, ¶¶ 29-32, 37-38, 40-41.

3 b. Incomplete and deficient productions. Respondents provided
4 responses to the CIDs on September 27, October 23-24, and November 6, but
5 those productions fell far short of satisfying the requirements of the CIDs. As
6 discussed in greater detail below, in answer to many interrogatories,
7 Respondents provided no more than “placeholder” responses claiming to need
8 more time or that an answer would be provided later. Respondents also
9 provided only incomplete or partial responses to multiple document requests.

10 i. September 27, 2017. In response to three separate
11 document requests (Document Requests, 1, 2, and 5) that called
12 for basic corporate documents (*e.g.*, Articles of Incorporation,
13 Bylaws, and Amendments), tax returns, and records retention
14 policies for each company, Respondents produced a combined
15 total of nine documents. Respondents also provided only four
16 pages of responses to Interrogatories 1-5 from each company.
17 *Id.*, ¶ 17.

18 ii. October 23, 2017. Respondents made a submission that
19 consisted primarily of vague promises to produce the requested
20 documents and interrogatory responses at an unspecified future
21 date. For example, in response to Interrogatories 8, 9.a, 9.c, 10,
22 13- 16, 17c, 17.d, 17.e, 18-21, and 23, and each of Document
23 Requests 7, 8, 11, 13-22, 23.b, 23.j, 24.b-e, 25, 26, 27, and 28,
24 Courtesy Call’s response was nothing more than: “Courtesy Call
25 needs additional time to gather this information.” In response
26 to Interrogatories 6.b, 6.f, 6.g, and 6.h, Courtesy Call stated:
27 “This information will be on various reports to be produced.”
28 *Id.*, ¶¶ 29-30.

1 iii. Similarly, Donor Relations responded to Interrogatories 8,
2 9.a, 9.c, 10, 13-18, 19.a, 19.c-e, 20-21, 23-25, and each of
3 Document Requests 7, 11, 13-22, , 23.b, 23.h-j, 24.b-e, 25-28by
4 stating:: “Donor Relations needs additional time to gather this
5 information.” Donor Relations responded to Interrogatories 6.b,
6 6.f, 6.g, and 6.h, consisted of a statement that: “This
7 information will be on various reports to be produced.” *Id.*, ¶¶
8 30-31.

9 iv. The foregoing interrogatories and document requests
10 cover topics that go to the heart of the present investigation.
11 They ask for basic information about Respondents’ principals;
12 the nature of the representations their telemarketers make to
13 potential donors; their knowledge of the truth or falsity of those
14 representations their training of employees, and their use of Do
15 Not Call lists. The CID issued to Donor Relations also seeks
16 information about its practices regarding the use of soundboard
17 technology. *Id.*, ¶ 10.

18 v. October 24, 2017. Respondents produced approximately
19 155 documents on October 24, but this production is also
20 deficient. At issue are several document requests that call for
21 specific types of documents for each client that Respondents
22 serve, including all telemarketing scripts (Document Request
23 23.a), all other documents used in connection with
24 communicating with prospective donors on behalf of clients
25 (Document Request 23.b), all background materials about the
26 client provided to telemarketers and other Company employees
27 to use when speaking with prospective donors (Document
28 Request 23.e), all contracts with the client Document Request

1 24.a.), and all documents provided by the client to the Company
2 or its subcontractors that relate to fundraising claims the
3 Company or its subcontractor has made on behalf of the client
4 (Document Request 24.d.). *Id.*, ¶ 33.

5 vi. Respondents identified approximately 25 charity clients,
6 but have not provided complete responses for each such client.
7 For example, Respondents have not produced contracts for
8 approximately 13 of their 25 listed clients, any telemarketing
9 scripts for approximately 11 of the 25 listed clients, and
10 documentation reflecting the telemarketing claims it makes for
11 approximately 23 of 25 listed clients. *Id.*, ¶ 34.

12 vii. These responses are also deficient because they fail to
13 identify all of Respondents' clients. During the relevant CID
14 period, Courtesy Call made filings with state charity regulators
15 showing that it had several charity clients in addition to the 25
16 identified to the FTC. None of these additional charities are
17 disclosed in Respondents' CID responses. *Id.*, ¶ 35.

18 viii. November 6, 2017. In response to Document Request 16,
19 Respondents produced a single document: a spreadsheet
20 consisting of a single column of telephone numbers that purports
21 to be Respondents' Do Not Call list. This list is deficient,
22 however, because it contains phone numbers with apparently
23 inaccurate area codes and fails to include other required
24 information regarding Respondents' Do Not Call compliance.
25 *Id.*, ¶ 39.

26 ix. In sum, the FTC received nine documents on September
27 27 (responsive to Document Requests 1 and 2), 155 documents
28 on October 24 (partially responsive to Document Requests 8,

1 23.a., 23.b., 23.e., 24.a. and 24.d.), and one document on
2 November 6 (purportedly responsive to Document Request 16),
3 for a total of 165 documents. Respondents have not produced
4 any documents in response to Document Requests 3-7, 9-15, 17-
5 22, 23.c., 23.d., 23.f., 23.j., 24.b., 24.c., 24.e., and 25-28. *Id.*, ¶ 43.

6 c. Failure to meet-and-confer. Although the FTC's Rules of
7 Practice require recipients of CIDs to meet and confer, *see* 16 C.F.R. § 2.7(k),
8 Respondents have repeatedly failed to do so by refusing to respond to
9 requests for estimates of the dates when document production will be
10 complete the production, and rebuffing attempts by FTC staff to engage in
11 such discussions. *Id.*, ¶¶ 19, 29-30, 31-32, 37, 40.

12 13. The FTC's Rules of Practice further provide that a recipient of a CID
13 may raise to the Commission those legal or other objections unable to be resolved
14 through conferring with staff by filing an administrative petition to limit or quash.
15 *See* 16 C.F.R. § 2.10. Neither company availed itself of such a remedy by filing a
16 petition. Pet. Ex. 1, ¶ 44.

17 14. Respondents' failure to comply with the August 28, 2017, CIDs has
18 materially impeded the Commission's ongoing investigation. *Id.*, ¶ 45.

19 **Prayer For Relief**

20 WHEREFORE, the Commission invokes the aid of this Court and prays for:

- 21 a. Immediate issuance of an order, substantially in the form attached,
22 directing Respondents Donor Relations and Courtesy Call to appear
23 and show cause why they should not comply in full with the
24 Commission's CIDs, and establishing a briefing schedule; and
25 b. A prompt determination of this matter and entry of an order of the
26 Court :

- 1 (i) Compelling Respondents to produce the documents and
2 information specified in the August 28, 2017, CIDs within 10
3 days of such order; and
4 (ii) Granting such other and further relief as this Court deems just
5 and proper.

6 Respectfully submitted,

7
8 DAVID C. SHONKA
Acting General Counsel

9
10 LESLIE RICE MELMAN
Assistant General Counsel for Litigation

11 /s/ Burke W. Kappler
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20 Dated: January 31, 2018
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11 **UNITED STATES DISTRICT COURT**
 12 **DISTRICT OF NEVADA**

13 FEDERAL TRADE COMMISSION,
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 15 Petitioner,
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 17 v.
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 19 DONOR RELATIONS, LLC, and
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 21 COURTESY CALL, INC.,
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 23 Respondents.

Case No.

24 **FEDERAL TRADE COMMISSION'S**
 25 **INDEX OF EXHIBITS**

26 Pursuant to Local Rule IA 10-3(d), the Federal Trade Commission submits this Index of Exhibits in connection with its Petition to Enforce Civil Investigative Demands in the above-captioned case.

- 27 Pet. Ex. 1 Declaration of Faye Chen Barnouw (January 30, 2018);
- 28 Pet. Ex. 2 Civil Investigative Demand to Donor Relations, LLC, (August 28, 2017);
- 29 Pet. Ex. 3 Civil Investigative Demand to Courtesy Call, Inc. (August 28, 2017);
- 30 Pet. Ex. 4 FedEx Delivery Receipts Confirming Service of CIDs on Donor Relations, LLC and Courtesy Call, Inc. (August 31, 2017);

Petition Exhibit 1

Declaration of Faye Chen Barnouw
(January 30, 2018)

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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

FEDERAL TRADE COMMISSION,

Case No.

Petitioner,

v.

**DECLARATION OF
FAYE CHEN BARNOUW**

DONOR RELATIONS, LLC, and

COURTESY CALL, INC.,

Respondents.

Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am an attorney employed by the U.S. Federal Trade Commission in the Western Region - Los Angeles office. I am assigned to the FTC's investigation into Courtesy Call, Inc., and Donor Relations, LLC (Respondents) (FTC File No. 1723134). The purpose of the investigation is to determine whether Respondents' practices with respect to telemarketing violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, which prohibits "unfair or deceptive acts or practices," and the Telemarketing Sales Rule (TSR) 16 C.F.R. Part 310.

2. I make this declaration in support of the FTC's Petition to Enforce Civil Investigative Demands, and to verify the facts that are set forth therein. I have read the petition and exhibits thereto (hereinafter referred to as Pet. Ex.), and verify that Pet. Ex. 2 through Pet. Ex. 12 are true and correct copies of the original documents. The facts set forth herein are based on my personal knowledge or information made known to me in the course of my official duties.

1 **Background**

2 3. Courtesy Call is a for-profit fundraising company that makes
3 telemarketing calls on behalf of its nonprofit charity clients, for the purpose of
4 soliciting charitable donations for its clients. Courtesy Call is owned and operated
5 by Richard Zeitlin. It is a Nevada corporation with its principal place of business in
6 Las Vegas, Nevada. Nevada Secretary of State records show that Courtesy Call
7 filed for dissolution in May 2017.

8 4. Donor Relations is a related for-profit fundraising company, also
9 owned and operated by Richard Zeitlin and based in Las Vegas, NV. Like Courtesy
10 Call, Donor Relations makes telemarketing calls for the purpose of soliciting
11 charitable donations for its clients. Donor Relations was formed in 2016 as
12 Courtesy Call was winding down and took over Courtesy Call's operations. Donor
13 Relations currently serves approximately 12 of Courtesy Call's former clients.

14 5. The FTC has learned that these companies may have engaged in
15 business practices in violation of several provisions of law enforced by the FTC. For
16 instance, the FTC learned that Respondents may have made calls to consumers
17 after the consumers asked to be placed on the charity's Do Not Call list. These
18 practices may represent violations of Section 5 of the FTC Act and the Do Not Call
19 provisions of the FTC's TSR.

20 6. The FTC has also obtained information that indicates that Donor
21 Relations may be using "soundboard technology" in making its telemarketing calls.
22 In this type of call, the telemarketer uses pre-recorded audio clips to conduct a
23 "conversation" with the call recipient. Recipients of calls conducted using
24 soundboard technology report that the conversation may start out sounding like a
25 live conversation, but then devolves to where it becomes obvious the "caller" is a
26 machine more akin to a "robocall." If Donor Relations is making calls using
27 soundboard technology it may be violating Section 5 of the FTC Act and the TSR.

1 7. Several of Respondents' clients have ceased operations after being
2 investigated by state charity regulators. If Respondents continued making
3 telemarketing calls on behalf of these charities with knowledge that those
4 representations were false, Respondents' dissemination of such representations may
5 violate Section 5 of the FTC Act and the FTC's Telemarketing Sales Rule.

6 **The FTC's Investigation and the CIDs at Issue**

7 8. On August 28, 2017, as part of the current investigation, the
8 Commission issued civil investigative demands ("CIDs") to Respondents under the
9 authority of omnibus FTC Resolution 132-3286. Resolution 132-3286 authorizes the
10 use of compulsory process, including CIDs,

11 to determine whether unnamed persons, partnerships, corporations, or
12 others, in connection with soliciting charitable contributions,
13 donations, or gifts of money or any other thing of value, have engaged
14 in or are engaging in (1) deceptive or unfair acts or practices in or
15 affecting commerce in violation of Section 5 of the Federal Trade
16 Commission Act, 15 U.S.C. § 45, and/or (2) deceptive or abusive
17 telemarketing acts or practices in violation of the Commission's
Telemarketing Sales Rule, 16 C.F.R. Part 310. The investigation is
also to determine whether Commission action to obtain redress for
injury to consumers or others would be in the public interest.¹

18 Pet. Ex. 2 at 23; Pet. Ex. 3 at 22.²

19 9. Courtesy Call was served with a CID that requires it to respond to 24
20 interrogatories and 28 document requests. Pet. Ex. 3. Donor Relations was
21 required to respond to the same 24 interrogatories and 28 document requests, plus
22 an additional two interrogatories relating to Donor Relations' possible use of
23

24 ¹ In addition to this resolution, the CIDs were also authorized pursuant to an
25 omnibus resolution issued by the Commission in order to investigate unfair,
26 deceptive, or abusive telemarketing practices generally. See Pet. Ex. 2 at 24; Pet.
27 Ex. 3 at 23.

28 ² Citations to exhibits are to paragraph numbers where available or to Bates
numbers added to the lower center portion of each exhibit page.

1 soundboard technology in its telemarketing calls. Pet. Ex. 2. Both CIDs were
2 signed by the FTCs' Acting Chairman Maureen K. Ohlhausen. The deadline for
3 their responses was September 27, 2017. Pet. Ex. 2 at 3; Pet. Ex. 3 at 3.

4 10. The CIDs seek information relating to, among other things:
5 Respondents' organization and management; Respondents' telemarketing calls and
6 Respondents' awareness of the truth or falsity of such representations; Respondents'
7 compliance with the TSR, including their practices regarding their Do Not Call lists;
8 and Respondents' training and monitoring of their employees. The CID to Donor
9 Relations also seeks information about its practices regarding the use of soundboard
10 technology. This information is intended to support—and is therefore directly
11 relevant to—the FTC's investigation into Respondents' business practices by
12 enabling the Commission to learn more about both Courtesy Call and Donor
13 Relations, their operations, their employees, and their clients, their telemarketing
14 practices, and whether the companies are aware of any falsities in their
15 representations.

16 11. The CID to Donor Relations was delivered to "Donor Relations, LLC"
17 in care of its agent for service of process, "American Incorporators Ltd." on August
18 31, 2017. It was signed for by "C. Chilton." Pet. Ex. 4 at 1.

19 12. The CID to Courtesy Call was delivered to "Courtesy Call, Inc." in care
20 of its agent for service of process, Leland E. Lutfy, Esq., on August 31, 2017. It was
21 signed for by "M. Kazbee." Pet. Ex. 4 at 3.

22 **Staff's Communications with Respondents' Counsel**

23 13. On September 11, 2017, Daniel Treuden of the Bernhoft Law Firm,
24 S.C., contacted my co-counsel, Kenneth Abbe, and me by email, informing us that
25 he and his partner Robert G. Bernhoft represented Respondents in connection with
26 responding to the FTC's CIDs, and confirming that Respondents received the CIDs
27 on August 31, 2017. Pet. Ex. 5 at 4. In this letter, he also stated that they would be
28

1 “requesting an extension of time to review the file, come up to speed, and provide an
2 adequate response, which might include a Petition to Quash.” Pet. Ex. 5 at 5. For
3 nearly a week, from September 11 to 18, 2017, we attempted unsuccessfully to
4 schedule a telephone call to discuss the CIDs. *Id.* at 1-4.

5 14. On September 18, 2017, Mr. Bernhoft emailed a request for an
6 extension of the deadline to respond to the FTC’s CIDs to October 18, 2017, and
7 stated that he was contemplating raising “various scope and related production
8 issues [to] resolve by agreement.” *Id.* at 1-2.

9 15. I responded to Mr. Bernhoft by email that same day, and told him that
10 the FTC was willing to grant an extension provided that his clients met certain
11 conditions: (1) to meet and confer regarding any concerns about scope; (2) to
12 produce a set of basic documents and information requested by the CIDs, as set
13 forth in Interrogatories 1-5³ and Document Requests 1, 2, and 5⁴; and (3) to enter
14 into an agreement to toll any applicable statute of limitations, laches, waiver,
15 estoppel, or other defense based on timeliness with respect to any of the FTC’s
16 potential claims against them. *Id.* at 1.

17 16. On September 22, 2017, Mr. Abbe and I had a telephone call with Mr.
18 Bernhoft, during which he stated that Respondents would produce the information
19 and documents requested in Interrogatories 1-5, and Document Requests 1, 2, and
20

21 ³ Interrogatories 1-5 of both CIDs seek: (1) information about the company’s
22 business locations, including names under which it has operated, the time period it
23 has operated at the location, and the nature of business activities; (2) the identity of
24 the company’s owners, officers, and directors, extent of their ownership, duties, and
25 responsibilities at the company, compensation they received from the company; (3)
26 the five top-paid employees; (4) a list of people who received an IRS Form 1099 from
27 the company; and (5) the company’s client list. Pet. Ex. 2 at 6-7; Pet. Ex. 3 at 6-7.

28 ⁴ Document Requests 1, 2, and 5 of both CIDs seek: (1) the company’s corporate
documents (e.g., Articles of Incorporation, Bylaws, and Amendments); (2) the
company’s federal and state tax returns; and (3) documents showing the
company’s organizational structure and the job descriptions for positions at the
director and manager level. Pet. Ex. 2 at 13-14; Pet. Ex. 3 at 13.

1 5, by September 27 and, further, that Respondents would produce the balance of the
2 information by October 18, 2017 (the date he had requested as an extension in his
3 September 18, 2017 email).

4 17. On September 27, 2017, Courtesy Call produced: (1) its federal S-
5 Corporation tax returns for the tax years 2014, 2015, and 2016; (2) its Articles of
6 Incorporation and Bylaws; (3) written responses to Interrogatories 1-5; and (4) the
7 declaration of the Courtesy Call's owner Richard Zeitlin, authenticating the
8 document production under FRE 803(6). Donor Relations produced: (1) its
9 Certificate of Formation and Statement of Organizer in Lieu of Organization
10 Meeting; (2) its IRS Employer ID number; (3) its LLC Operating Agreement (4)
11 written responses to Interrogatories 1-5; and (4) the declaration of the Donor
12 Relations' owner Richard Zeitlin, authenticating the document production under
13 FRE 803(6). In sum, both companies produced a total of nine documents and four
14 pages of interrogatory responses. However, because Respondents had not yet
15 entered into the tolling agreement—the third condition for a formal extension of the
16 deadline—the original deadline of September 27 for all specifications remained
17 unchanged.

18 18. On September 28, 2017, we notified Respondents' counsel that they
19 had missed the deadline for responding to the remainder of the CID specifications.
20 Pet. Ex. 6 at 2.

21 19. On October 3, 2017, Mr. Treuden finally responded to our multiple
22 attempts to elicit a response to our multiple requests for a tolling agreement (which
23 included emails on September 26, September 28, and October 2 and a voicemail on
24 October 2). He stated that the companies refused to enter into such an agreement.
25 He added "We understand that the two entities are technically late in filing their
26 CID responses, but we will do our best to provide responses as soon as we can." *Id.*
27 at 1.
28

1 20. On October 4, 2017, our Regional Director, Thomas N. Dahdouh, sent a
2 letter to Mr. Treuden and Mr. Bernhoft stating that the companies were in default
3 because the original deadline was September 27. Pet Ex. 7 at 1-2. Mr. Dahdouh
4 also stated that, based on Respondents' document production to date and their
5 expressed intention to comply with the CIDs "as soon as possible," he would refrain
6 from referring this matter for CID enforcement, provided that the targets fully
7 comply with the CIDs by October 18, 2017. *Id.* at 2. Mr. Dahdouh selected this
8 date on the basis of representations by Respondents' counsel. *Id.*

9 21. On October 18, 2017, however, Respondents did not produce any
10 information. Pet. Ex. 8 at 2-3.

11 22. On October 19, 2017, I emailed Mr. Treuden and Mr. Bernhoft, asking
12 for a call to discuss Respondents' failure to produce documents by the previous day's
13 deadline. *Id.* Mr. Treuden responded, "I have a number of additional documents
14 and interrogatory responses, but I am expecting a slew of additional contracts and
15 scripts by tomorrow. I was planning on giving you another production on Monday
16 [October 23, 2017]." *Id.* at 2.

17 23. Mr. Abbe and I had a telephone call with counsel later that day.
18 During that call, Mr. Treuden stated that Donor Relations had no information or
19 documents to produce relating to soundboard technology because Donor Relations
20 did not use soundboard technology. We responded that the FTC had information
21 that Donor Relations has used soundboard technology in its post-May 19, 2017 calls,
22 and that Mr. Treuden should confirm this with his client in order to respond to the
23 CID. Mr. Treuden responded that he would do so.

24 24. Also during that call, Mr. Treuden stated that he would produce
25 Respondents' contracts with their clients, scripts, and some interrogatory responses
26 the following day (October 20, 2017). To facilitate this production, we sent Mr.
27
28

1 Treuden and his staff a secure online file-sharing link through which Respondents
2 could electronically deliver their documents. Pet. Ex. 10 at 1-2.

3 25. On October 20, 2017, however, Mr. Treuden emailed us to say, "I am
4 unable to complete the production today." Pet. Ex. 8 at 2. Mr. Treuden then said
5 that he would try to produce the documents on Saturday, October 21 and the
6 interrogatory responses on either Sunday or Monday, October 22 or 23. *Id.*

7 26. We responded the same day to ask Mr. Treuden to estimate the date
8 when Respondents would be able to fully comply with the CIDs. *Id.* at 1. In light of
9 his statements, our Regional Director sent a second forbearance letter, which stated
10 that, based on Respondents' counsel's representations, we would continue to
11 forebear from referring the matter for CID enforcement as long as Respondents
12 fully responded to the CIDs by October 24, 2017. Pet. Ex. 9.

13 27. On October 21, 2017, Mr. Treuden emailed us again. He first reported
14 that the secure file transfer link wasn't working, but then rejected our request for
15 an estimate when the companies would complete production, stating "I wouldn't
16 know how to estimate the time necessary to respond to the CIDs in full." Pet. Ex.
17 10 at 1. Mr. Treuden reiterated that he viewed the CID as burdensome and time-
18 consuming. *Id.* He concluded by inviting the FTC to file this action: "We'll
19 continue to work diligently to put these documents together, and if you need to
20 enforce the CID in the meantime, we'll continue to segregate documents responsive
21 to the CID during the pendency of that proceeding." *Id.*

22 28. On October 23, 2017, Mr. Treuden emailed Courtesy Call's written
23 responses to Interrogatories 6-24, and Document Requests 3, 4, and 6-28, and Donor
24 Relations' written responses to Interrogatories 6-26, and Document Requests 3, 4,
25 and 6-28. On October 24, 2017, we received a DVD containing Donor Relations and
26 Courtesy Call's document production.

1 29. In reviewing this production we have determined that it is grossly
2 deficient because the companies failed to respond to the majority of the requests.
3 For example, Courtesy Call's response to each of Interrogatories 8, 9.a, 9.c, 10, 13,
4 14, 15, 16, 17.a, 17.c, 17.d, 17.e, 18, 19, 20, 21, and 23, and each of Document
5 Requests 7, 8, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23.b, 23.j, 24.b-e, 25, 26, 27,
6 and 28 was nothing more than: "Courtesy Call needs additional time to gather this
7 information." To date, Courtesy Call has not yet produced any information
8 responsive to these interrogatory responses nor stated when it expects to provide
9 this information.

10 30. Courtesy Call's response to Interrogatories 6.b, 6.f, 6.g, and 6.h was:
11 "This information will be on various reports to be produced." To date, Courtesy Call
12 has not yet produced the reports referred to in these interrogatory responses.

13 31. Likewise, Donor Relations' response to each of Interrogatories 8, 9.a,
14 9.c, 10, 13, 14, 15, 16, 17, 18, 19.a, 19.c, 19.d, 19.e, 20, 21, 23, 24, and 25, and each of
15 Document Requests 7, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23.b, 23.h-j, 24.b-e,
16 25, 26, 27, and 28 was nothing more than: "Donor Relations needs additional time
17 to gather this information." To date, Donor Relations has not yet produced any
18 information responsive to these interrogatory responses nor stated when it expects
19 to provide this information.

20 32. Further, just like Courtesy Call, Donor Relations' response to
21 Interrogatories 6.b, 6.f, 6.g, and 6.h, was a bare statement that: "This information
22 will be on various reports to be produced." To date, Donor Relations has not yet
23 produced the reports referred to in these interrogatory responses.

24 33. The document production on October 24 was likewise deficient.
25 Respondents produced approximately 155 documents, most of which were
26 apparently in response to Document Requests 23.a. (all telemarketing scripts), 23.b.
27 (all other documents used in connection with communicating with prospective
28

1 donors on behalf of clients), 23.e. (all background materials about the client
2 provided to telemarketers and other Company employees to use when speaking
3 with prospective donors), 24.a. (all contracts with the client), and 24.d. (all
4 documents provided by the client to the Company or its subcontractors that relate
5 to fundraising claims the Company or its subcontractor has made on behalf of the
6 client).

7 34. Respondents' CID responses identify approximately 25 charities as
8 Courtesy Call's clients,⁵ around 13 of which also became Donor Relations' clients.
9 With respect to the approximately 25 charities they have disclosed, Respondents
10 failed to produce any contracts for approximately 13 clients, any telemarketing
11 scripts for approximately 11 clients, and any documentation supporting the
12 telemarketing claims it makes for approximately 23 clients.

13 35. In addition, during the relevant time period, Respondent Courtesy Call
14 made filings with state charity regulators showing that they had several additional
15 charity clients, none of which are disclosed in Respondents' CID responses.

16 36. In light of these deficient responses, we attempted to set up another
17 meet-and-confer with Mr. Treuden to assess when the companies could actually
18 complete the production. We first requested a meeting on October 26, 2017, but he
19 did not respond to this e-mail. Pet. Ex. 11 at 2.

20 37. We attempted again on November 1, e-mailing Mr. Treuden and
21 requesting a call. *Id.* at 1-2. Mr. Treuden responded by e-mail, stating he would
22 not be able to meet with FTC staff that day. *Id.* at 1. He claimed he would produce
23 what he believed was Courtesy Call's "Do Not Call" list, as amended and used by
24 Donor Relations. In addition, Mr. Treuden again refused to make any estimate of a
25

26 ⁵ Courtesy Call's CID responses actually identify 34 charity clients, but some of
27 these appear to be "d/b/a"s or alternative names for the same entities, so it
28 appears that the number of unique charity clients disclosed is actually around 25.

1 completion date and again invited the staff to commence this proceeding: "I also
2 can't commit to a specific time to respond to the remaining questions. I understand
3 that you may decide to file an enforcement petition without a commitment to
4 produce by a particular date." *Id.*

5 38. We tried to reach Mr. Treuden a third time the following week and left
6 a voicemail message. He did not respond.

7 39. On November 6, 2017, FTC staff received from Mr. Treuden a flash
8 drive containing the purported "Do Not Call" list used by Respondents, along with a
9 cover letter dated November 2, 2017. The flash drive contains a .csv file (a type of
10 data file like a spreadsheet) that has only one column of data. This purported list of
11 telephone numbers that the companies were prohibited from calling is deficient and
12 includes what appears to be incorrect or inaccurate information in the form of
13 telephone numbers with nonexistent area codes. Moreover, the list does not include
14 other key information that Respondents should have, such as when Respondents
15 added each telephone number to their Do Not Call list, and the clients related to
16 each Do Not Call request.⁶

17 40. In the November 2, 2017 cover letter, Mr. Treuden again refused to
18 provide any estimation of a completion date, stating "I wish I could give you a
19

20 ⁶ Respondents' written responses to Interrogatory 12 (produced on October 23)
21 suggests that their telemarketers use a computerized process for entering Do Not
22 Call requests. It is thus likely that Respondents' true and complete Do Not Call List
23 includes this other important data.

24 Interrogatory 12 stated: "Describe the Company's procedures to prevent
25 initiating Outboard Telephone Calls to telephone numbers of persons who have
26 made a Do Not Call Request to the Company or to any client." *See, e.g.,* Pet. Ex. 2
27 at 10.

28 Respondents' written response to this Interrogatory was: "All donor requests
are placed on the Do Not Call List. If this request is made during a call, the
[Courtesy Call/Donor Relations] employee pushes a Do Not Call button and the
number is placed on the Do Not Call list."

1 definite time we can complete this work, but this isn't an estimate I can make at
2 this time." Pet. Ex. 12 at 1. Mr. Treuden has never described the circumstances or
3 limitations that prevent him from making such an estimation.

4 41. FTC staff has not received any further communications from Mr.
5 Treuden, Mr. Bernhoft, or anyone else appearing on behalf of Respondents. To
6 date, Respondents have made only the three productions discussed above.

7 42. In sum, the FTC received 9 documents on September 27 (responsive to
8 Document Requests 1 and 2), 155 documents on October 24 (partially responsive to
9 Document Requests 8, 23.a., 23.b., 23.e., 24.a. and 24.d.), and 1 document on
10 November 6 (purportedly responsive to Document Request 16), for a grand total of
11 165 documents.


12 43. Respondents have produced no documents in response to Document
13 Requests 3-7, 9-15, 17-22, 23.c., 23.d., 23.f., 23.j., 24.b., 24.c., 24.e., and 25-28. (The
14 CIDs issued to both Respondents contained the same document requests and thus
15 the summary in this paragraph accounts for both CIDs. See ¶ 9, *supra*.)

16 44. Respondents have not come forward with any specific objections to the
17 CIDs and have not filed a petition to limit or quash the CIDs.

18 45. Respondents' noncompliance with the CID has burdened, delayed, and
19 impeded the Commission's investigation.

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

21
22 Executed on January 30, 2018



Faye Chen Barnouw
Attorney
Federal Trade Commission

Petition Exhibit 2

Civil Investigative Demand to Donor Relations, LLC
(August 28, 2017)

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UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

Via Federal Express

Donor Relations, LLC
c/o American Incorporators Ltd.
Registered Agent
1013 Centre Rd., Ste. 403-A
Wilmington, DE 19805

FTC Matter No. 1723134

To Donor Relations:

The Federal Trade Commission (FTC) has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether Donor Relations, LLC has made false or unsubstantiated representations in connection with charitable fundraising, or provided the means and instrumentalities for such representations, in violation of Section 5 of the FTC Act, 15 U.S.C. § 45; whether Donor Relations, LLC has engaged in deceptive acts or practices in connection with telemarketing, in violation of Sections 310.3(b), 310.3(a)(4), or 310.3(d) of the Telemarketing Sales Rule, 16 C.F.R. Part 310 (TSR), and/or engaged in abusive telemarketing acts or practices in violation of Section 310.4 of the TSR; and whether Commission action to obtain monetary relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

1. **Contact FTC counsel, Faye Chen Barnouw or Kenneth Abbe, (310) 824-4343, fbarnouw@ftc.gov/kabbe@ftc.gov, as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We

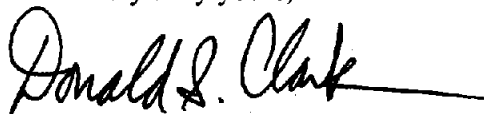
Page 2

may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel immediately to set up an initial meeting. We appreciate your cooperation.

Very truly yours,

A handwritten signature in black ink that reads "Donald S. Clark". The signature is written in a cursive style with a long horizontal line extending to the right.

Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

1. TO

Donor Relations, LLC
c/o American Incorporators Ltd., Registered Agent
1013 Centre Rd., Ste. 403-A
Wilmington, DE 19805

This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

LOCATION OF HEARING	YOUR APPEARANCE WILL BE BEFORE
	DATE AND TIME OF HEARING OR DEPOSITION

You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.

You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each Interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.

You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

SEP 27 2017

3. SUBJECT OF INVESTIGATION

See attached Schedule and attached resolution.

4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN

Thomas Dahdouh/Ann Stahl
Federal Trade Commission
10990 Wilshire Blvd., 4th Floor
Los Angeles, CA 90024

5. COMMISSION COUNSEL

Faye Chen Barnouw & Kenneth Abbe, 310-824-4343
Federal Trade Commission
10990 Wilshire Blvd., 4th Floor
Los Angeles, CA 90024

DATE ISSUED

8/28/17

COMMISSIONER'S SIGNATURE

INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (FTC)
CIVIL INVESTIGATIVE DEMAND (CID) SCHEDULE
FTC File No. 1723134**

Meet and Confer: You must contact **FTC counsel, Faye Chen Barnouw or Kenneth Abbe, (310) 824-4343, fbarnouw@ftc.gov/kabbe@ftc.gov**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after you receive this CID. At the meeting, you must discuss with FTC counsel any questions you have regarding this CID or any possible CID modifications that could reduce your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about your information or records management systems, your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, you must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if you believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission's Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving you prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at your principal place of business. Alternatively, you may send all responsive documents and tangible things to **Ann Stahl, Federal Trade Commission, 10990 Wilshire Blvd., 4th Floor, Los Angeles, CA 90024**. If you are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures may delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how you intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the "Form of Certificate of Compliance" set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with your response. Completing this certification may reduce the need to subpoena you to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the Company, as defined herein, has made false or deceptive representations in connection with charitable fundraising, or provided the means and instrumentalities for such representations, in violation of Section 5 of the FTC Act, 15 U.S.C. § 45; whether the Company has engaged in deceptive acts or practices in connection with telemarketing, in violation of Sections 310.3(b), 310.3(a)(4), or 310.3(d) of the Telemarketing Sales Rule, 16 C.F.R. Part 310 (TSR); and/or engaged in abusive telemarketing acts or practices in violation of Section 310.4 of the TSR; and whether Commission action to obtain monetary relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the applicable time period for the requests set forth below is from **January 1, 2016 until the date of full and complete compliance with this CID.**

A. INTERROGATORIES

Please provide the following information:

The Company

1. For each location at which the Company has done business, state:
 - a. the address of the Company's operations;
 - b. the name under which the Company has operated at this location;
 - c. the time periods during which the Company operated at the location; and
 - d. the general nature of the business activities the Company performed at the location.

2. For each officer, owner, and director of the Company (past and present):
 - a. state the nature and percentage of any ownership interest;
 - b. state the duties and responsibilities performed for the Company; and
 - c. state the amount received from the Company (including any bonuses or other performance-based amounts, retirement, or other benefits), on an annual basis.

3. Identify the five employees paid the most by the Company, and state the total amount paid to each, including any bonuses or performance-based amounts, on an annual basis.
4. Identify each person who received an IRS Form 1099 from the Company.

Clients

5. Identify each client on whose behalf the Company has engaged in fundraising or provided services associated with fundraising.
6. For each client identified in response to Interrogatory 5, describe the Company's business relationship with the client, including:
 - a. the services provided by the Company to the client;
 - b. the States in which the Company provided these services;
 - c. the time period during which the Company provided such services;
 - d. the number of Outbound Telemarketing Calls the Company made on behalf of the client;
 - e. the amount paid to the Company for performing the services, on an annual basis;
 - f. the number of donors who made a donation over the telephone with a credit, debit, or other electronic payment, on an annual basis;
 - g. the number of pledge mailings sent to prospective donors and the number returned by the prospective donors, on an annual basis;
 - h. the total number of prospective donors who donated, the total number of donations made, and the total funds donated, annually, both in the aggregate and broken down by State, on an annual basis;
 - i. the Company's procedures for collecting on delinquent pledges;
 - j. each bank account into which donations for that client have been deposited; and
 - k. the identity of any other person or entity involved in soliciting, or facilitating the solicitation or processing of, charitable donations, including, e.g., fundraising subcontractors, any Caller Identification Management Service, and any person or entity involved in collecting or depositing donor payments ("caging"), printing and/or mailing materials to prospective donors, list brokering or management, and acting as a fundraising consultant.
7. For each client identified in response to Interrogatory 5, describe how the solicitation materials for that client were developed, including:
 - a. what scripted, recorded, or written materials are used for each point of contact with prospective donors by the Company,
 - b. how such materials are developed and used,
 - c. what information was relied on in creating the materials, the source of any images or photographs appearing in the materials, and the identity of each person

- involved in drafting, creating, editing, reviewing, and distributing for use any such materials; and
- d. the process by which the Company sought approval from the client for solicitation materials.
8. For each client identified in response to Interrogatory 5, describe the steps taken by the Company to ensure that the fundraising claims the Company has made on behalf of the client were true and correct, including:
- a. steps taken by the Company to verify the accuracy and truthfulness of claims made by the Company to prospective donors about the client or its charitable programs; and
- b. steps taken by the Company to investigate the client or its charitable programs.
9. For each client identified in response to Interrogatory 5, describe the Company's use of lead lists, including:
- a. the source of the telephone numbers that the Company called on behalf of the client (including whether the Company utilized telephone number lists purchased from third-parties, telephone number dialing technology, dialers, or Voice Broadcasting Services);
- b. any specific criteria or demographic information used, including, if lead lists were purchased, rented or exchanged, the source and characteristics of each such lead list;
- c. whether and on what basis the Company has called the donor list or prospective donor list of one client for the purpose of soliciting a charitable donation on behalf of a different client;
- d. what information the Company tracks or otherwise retains about donors, how the Company maintains that data, and whether it shares that information with third parties;
- e. what the Company does with the client's donor information after it ends its relationship with the client;
- f. the identity of any list management company used to manage any donor lists;
- g. whether and under what circumstances the Company has provided or refused to provide donor lists to a client; and
- h. any compensation received by the Company for the sharing or use of any donor lists.
10. For each client identified in response to Interrogatory 5, describe the extent of the Company's knowledge of feedback about its clients' operations, including:
- a. stating the number of complaints the Company has received (whether from donors, prospective donors, or others), and describe the Company's practices with respect to handling complaints.

- b. identifying all negative or critical press/media reports (including in printed media, and on Internet blogs or websites) about the client that any officer, owner, or director of the Company became aware of, and if any, stating when the any officer, owner, or director became aware of this information, whether the Company took any steps to investigate the nature or conduct of the client, and the outcome of any such investigation;
- c. listing all subpoenas, civil investigative demands, or other requests for information about the client that the Company has received from any consumer protection governmental entity, and if any, stating when the Company received this request for information, whether the Company took any steps to investigate the nature or conduct of the client, and the outcome of any such investigation; and
- d. listing all regulatory or law enforcement action by any consumer protection government agency taken against the client that the Company has learned of, and if any, stating when the Company became aware of this information, whether the Company took any steps to investigate the nature or conduct of the client, and the outcome of any such investigation.

Employee Training and Monitoring

- 11. For all employees, independent contractors, subcontractors, or others working for or on behalf of the Company who communicate with prospective donors about any charitable donations, describe:
 - a. the Company's rules, if any, for communicating with prospective donors;
 - b. any training provided, including the nature and frequency of the training, in connection with communicating with prospective donors;
 - c. the compensation structure for those employees, independent contractors, subcontractors, or others working for or on behalf of the Company;
 - d. the commissions, bonuses, or incentives (including non-cash incentives), if any, available; the basis by which the Company awards such commissions, bonuses, or incentives; and the identity of each person involved in determining who receives the commissions, bonuses, or incentives;
 - e. whether and how the Company monitors communications with prospective donors, the frequency of such monitoring, and the circumstances under which the monitoring is done;
 - f. any disciplinary policies used by the Company to enforce compliance with the Company's rules for communicating with donors or prospective donors; and
 - g. how independent contractors or subcontractors are trained and monitored.

If the Company's policies or practices have changed over time, identify the previous policies or practices and current policies or practices, and the date(s) on which changes were made.

Telemarketing Sales Rule Compliance

12. Describe the Company's procedures to prevent initiating Outbound Telephone Calls to telephone numbers of persons who have made a Do Not Call Request to the Company or to any client.
13. Does the Company maintain an Entity-Specific Do Not Call List? If so, for each such list, describe:
 - a. the process by which Do Not Call Requests are added to the list;
 - b. the format of the list and how it is maintained;
 - c. where the list is maintained;
 - d. how often the list is updated;
 - e. who has access to the list;
 - f. whether and how the Company provides access to the list to persons or entities making Outbound Telephone Calls on behalf of the Company or any of its clients;
 - g. whether and how the Company provides access to the list to its clients or third parties;
 - h. how the Company uses the list to prevent Outbound Telephone Calls to telephone numbers on the list; and
 - i. the disposition of any client-specific list at the conclusion of the contractual relationship between the Company and the client.
14. Has the Company placed Outbound Telephone Calls that deliver a prerecorded message (including calls using Soundboard Technology)? If so, describe:
 - a. the content of the prerecorded messages, the purpose of the calls, and the number of calls made;
 - b. the procedures, if any, to prevent Outbound Telephone Calls that deliver a prerecorded message (including calls using Soundboard Technology), in violation of 16 C.F.R. § 310.4(b)(1)(v)(B)(ii);
 - c. the procedures, if any, to offer an automated interactive voice or keypress-activated opt-out mechanism that permits recipients to assert Do Not Call Requests that meets the requirements set forth in 16 C.F.R. § 310.4(b)(1)(v)(B)(ii)(A)(1) – (3) for any call that could be answered in person;
 - d. the procedures, if any, to provide a toll-free telephone number that the call recipient can use to assert a Do Not Call Request that meets the requirements set forth in 16 C.F.R. § 310.4(b)(1)(v)(B)(ii)(B)(1) – (3) for a call that could be answered by an answering machine or voicemail service; and
 - e. the procedures, if any, to offer opt-out mechanisms to recipients of such calls that do, in fact, add the number of recipients who use the opt-out mechanism to an Entity-Specific Do Not Call List.

15. For Outbound Telephone Calls that deliver a prerecorded message (including calls using Soundboard Technology) and that were made after May 19, 2017, describe the procedures, if any, used by the Company to determine whether the call recipient previously donated to the charity on whose behalf the call was made.
16. In its Outbound Telephone Calls, does the Company transmit a name and Calling Party Number or otherwise comply with legal requirements set forth in 16 C.F.R. § 310.4(a)(8)? If so, please:
 - a. describe how, including whether the Company uses any Caller Identification Management Services in connection with any Outbound Telephone Calls;
 - b. state the names and addresses of all third parties that the Company uses to provide Caller Identification Management Services;
 - c. describe the Company's policies and practices for selecting Caller ID information that appears on prospective donors' Caller ID screens and any software or service provider used to deliver varying Caller ID information to prospective donors;
 - d. identify each different telephone number used by the Company to initiate or receive calls from prospective donors, specifically including all numbers related to such calls that appear on prospective donors' Caller ID screens; and
 - e. describe all procedures taken to transmit Caller ID number and name information in compliance with 16 C.F.R. § 310.4(a)(8).
17. In connection with the Company's use of Soundboard Technology after May 19, 2017, for each client identified in response to Interrogatory 5, describe:
 - a. the types of data or records maintained by the Company in connection with the use of Soundboard Technology;
 - b. whether the Company maintains records showing which recorded messages are used on behalf of the client, the number of times any individual recorded message was played to the client's prospective donors, and all other categories of available data; and
 - c. the number of calls using Soundboard Technology made to the client's prospective donors, on an annual basis.
18. Describe how the Company complies with the Telemarketing Sales Rule, specifically including its policies and practices, and any safeguards to ensure those policies are followed, regarding:
 - a. repeated calls to the same telephone number;
 - b. abandoned calls;
 - c. obtaining express informed consent from prospective donors prior to submitting billing information for payment; and
 - d. records retention.

19. For each client identified in response to Interrogatory 5, for whom the Company made Outbound Telephone Calls, state:
 - a. the total number of Do Not Call Requests, on an annual basis, by campaign;
 - b. the total number of Outbound Telephone Calls to telephone numbers that were on the Company's or the client's Entity-Specific Do Not Call List, on an annual basis;
 - c. how the Company obtained the telephone numbers that were called, including whether the Company utilized telephone number lists purchased from third-parties, telephone number dialing technology, dialers, or Voice Broadcasting Services;
 - d. the identity of each third party, if any, the Company utilized to obtain telephone numbers that were called; and
 - e. whether and how Entity-Specific Do Not Call requests were communicated by the Company to the client or by the client to the Company.

20. For each client identified in response to Interrogatory 5, for whom the Company made Outbound Telephone Calls in which a prerecorded message (including calls using Soundboard Technology) was delivered, state:
 - a. the total number of Outbound Telephone Calls made;
 - b. the total number of Outbound Telephone Calls made after May 19, 2017;
 - c. the total number of Outbound Telephone Calls made after May 19, 2017, to persons that the Company knew were prior donors of the client;
 - d. whether the Outbound Telephone calls offered an automated interactive voice or keypress-activated opt-out mechanism that permitted recipients to assert Do Not Call Requests; and
 - e. whether the Outbound Telephone calls provided a toll-free telephone number that recipients could call to assert Do Not Call Requests, including the specific telephone number provided on the message.

Third Party Contacts

21. For each proceeding (including investigations, subpoenas, civil investigative demands, other formal or informal request for information, inquiries, actions, and arbitrations) with any governmental entity, to which the Company or its principals was a subject or party:
 - a. identify the parties and their counsel; and
 - b. state the date each action commenced and ended.

22. For each proceeding (including investigations, subpoenas, civil investigative demands, other formal or informal request for information, inquiries, actions, and arbitrations) with any governmental entity, to which a client identified in response to Interrogatory 5, was a subject or party, and in which the Company was contacted by any governmental entity, identify:

- a. the client;
- b. the government entity and the nature of the inquiry; and
- c. the date of the inquiry.

CID Response

23. Describe the Company's practices for retaining and disposing of documents and data, specifically including, but not limited to, documents and data related to the Company's telemarketing.
24. Identify each person answering these Interrogatories, supplying information or assisting in any way the preparation of the answers to these interrogatories and the specific answers in which they participated.
25. If for any specification, there are documents that would have been responsive to this CID that were destroyed, mislaid, lost, transferred, deleted, or altered, describe the date and the circumstances.
26. Identify the custodian(s) of the records produced pursuant to this CID.

B. DOCUMENTS REQUESTED

Please produce the following documents. (Note that the definition of "document" specifically includes electronically stored information.)

If the response to a Document Request requires the production of voluminous records, please contact **FTC counsel Faye Chen Barnouw or Kenneth Abbe at (310) 824-4343** to discuss before producing.

Background

1. The Company's corporate documents (including its Articles of Incorporation, Bylaws, and Amendments).
2. The State and Federal tax returns prepared or filed by or on behalf of the Company.
3. The Company's record retention policies applicable to documents, including but not limited to electronically or digitally stored information such as recorded telephone calls and email.
4. Documents sufficient to explain the relationship between the Company and Courtesy Call, Inc.

Employees & Consultants

5. Documents sufficient to show the organization of the Company and descriptions of each job position at the manager and director level.
6. Documents sufficient to identify the terms and conditions and total compensation package for each officer, director, and manager of Telemarketers, including any employment contract.
7. Documents sufficient to identify each consultant or other independent contractor used by the Company, the purposes for which that person was retained, and his or her compensation, including any contracts..

Training & Monitoring

8. Documents sufficient to describe the Company's policies and procedures related to training, monitoring, compliance, and discipline related to communications with prospective donors (including policy manuals, employee handbooks, or other such documents).
9. Documents sufficient to show changes, if any, to the Company's compliance, monitoring, or training policies and procedures.
10. All communications (including electronic mail and text messages) referring or relating to compliance, monitoring, training, or disciplinary issues relating to communications with donors or prospective donors, by and between any Company compliance officer and management.
11. All records related to call monitoring (including call recordings, and written evaluations and summaries of the calls).
12. Documents sufficient to describe the Companies' policies regarding bonuses and commission-based compensation for Telemarketers and their supervisors.

Telemarketing Practices

13. Documents sufficient to describe the policies and procedures established by the Company to ensure compliance with the Section 310.4 of the Telemarketing Sales Rule (including policies relating to call abandonment, length of call, repeat calls, and entity-specific requests to be placed on the Do Not Call list).
14. Documents sufficient to describe the compliance monitoring of the policies and procedures established by the Company to ensure compliance with Section 310.4 of the Telemarketing Sales Rule.
15. All documents consisting of or referring to complaints about the Company or any of its clients (whether from donors, prospective donors, governmental entity, or otherwise), that the Company is aware of.

16. All documents referring to any Entity-Specific Do Not Call List maintained by the Company, including any lists maintained on behalf of any client and any list maintained on behalf of the Company.
17. Documents sufficient to illustrate how the Company addresses and processes Do Not Call Requests made by recipients of Outbound Telephone Calls made by or on behalf of the Company.
18. Documents referring to procedures established by the Company or any entity acting on behalf of the Company to prevent initiating Outbound Telephone Calls to telephone numbers of persons who have made a Do Not Call Request to the Company or one of its clients or are on the Company's or any client's Entity-Specific Do Not Call List.
19. All documents reflecting or referring to communications to employees, third parties acting on the Company's behalf, or clients about compliance with Do Not Call Requests.
20. Documents sufficient to describe the policies and procedures established by the Company to ensure compliance with Section 310.4 of the Telemarketing Sales Rule, and compliance therewith, including policies relating to call abandonment, length of call, repeat calls, pre-recorded calls (including calls using Soundboard Technology), and Entity Specific Do Not Call requests.
21. For each client identified in Interrogatory 5, produce all data compilations, reports, tables, spreadsheets, or other documents that relate to the volume of calls made on behalf of that client on a monthly, quarterly, or annual basis, including those reflecting:
 - a. the total number of Outbound Telephone Calls made;
 - b. the total number of Outbound Telephone Calls that were:
 - (1) answered by a person (rather than an answering machine or voice mail system); and
 - (2) answered by an answering machine or voice mail system;
 - c. the total number of Outbound Telephone Calls made to persons who had previously made a Do Not Call Request or were on the Company's or that client's Entity-Specific Do Not Call List; and
 - d. the total number of Do Not Call Requests made by recipients of Outbound Telephone Calls.
22. All documents referring or relating to the use of a Calling Party Number from an area code local to the call recipient, and the effectiveness of that practice in causing prospective donors to answer the telephone.

Clients

23. For each client identified in response to Interrogatory 5, produce the following documentation relating to scripted communications to prospective and actual donors:

- a. all telemarketing scripts (including opening, rebuttal, FAQ, Soundboard recordings, and verification scripts);
 - b. all other documents used in connection with communicating with prospective donors about or on behalf of the client (including pledge cards, pledge reminders, brochures, invoices, other correspondence, and recordings of telephone messages left for prospective donors, or transcripts thereof);
 - c. all documents relating to development and approval of scripts and other solicitation materials;
 - d. all documents relating to proposed and/or adopted modifications or revisions to scripts or written fundraising materials;
 - e. all background material about the client provided to telemarketers and other Company employees to use when speaking with prospective donors;
 - f. documents sufficient to describe the Company's policies and procedures for assessing the truthfulness of claims made by the Company on behalf of its clients;
 - g. all documents reflecting communications to or from any Company compliance officer regarding the content of scripted communications;
 - h. documents sufficient to reflect the number of times each different Soundboard Technology recording was played to prospective donors;
 - i. documents sufficient to show the number of solicitation calls the Company made on behalf of each client identified in response to Interrogatory 5, using Soundboard Technology, on an annual basis; and
 - j. all documents relating to analysis or consideration of the effectiveness of response rate for fundraising (including documents relating to the testing of any representations made in scripts, Soundboard recordings, or in printed fundraising materials).
24. For each client of the Company identified in response to Interrogatory 5, produce the following documentation relating to the Company's relationship with the client:
- a. all contracts with the client, including any addenda, extensions, or other modifications;
 - b. all contracts with subcontractors used in connection with the client, including any addenda, extensions or other modifications;
 - c. all documents reflecting communications between the client and the Company or its subcontractor that relate to fundraising claims the Company or its subcontractor has made on behalf of the client;
 - d. all documents provided by the client to the Company or its subcontractors that relate to fundraising claims the Company or its subcontractor has made on behalf of the client; and

- e. documents sufficient to show the funds collected by the Company and how those funds were distributed.
25. For each client identified in response to Interrogatory 5, all documents related to research about or review of the client or its officers or directors (both prior to the establishment of the relationship, during the course of the relationship, and after the relationship ended). This Document Request includes communications with the client, communications with third parties, and internal Company communications.

Other

26. All communications to/from any federal, state, or local regulatory agency that relate to fundraising claims the Company has made on behalf of any client identified in response to Interrogatory 5.
27. All media reports about the Company or about any client identified in response to Interrogatory 5, and all documents referring or relating to the media reports.
28. All articles, reports, electronic postings, or other writings made by or on behalf of the Company in any public forum (including social media), and all documents referring or relating to these writings.

DEFINITIONS

The following definitions apply to this CID:

D-1. **“Caller Identification Management Services”** means a service that relates to (i) providing Automated Number Identifiers (ANI), Calling Party Numbers (CPN) or Charge Numbers for use in making telephone calls; or (ii) the use of caller name or line information databases that associate names with telephone numbers, including alteration of the names associated with telephone numbers in these databases; or (iii) inquiries made to caller name or line information databases to obtain the name associated with a number, including payments based upon such inquiries.

D-2. **“Calling Party Number”** shall mean the subscriber line number or the directory number contained in the calling party number parameter of the call set-up message associated with an interstate call on a Signaling System 7 network (47 C.F.R. § 64.1600(c)), or other number that is or was provided to recipients of a call to show the source of the telephone call or permit the recipients to respond to the call.

D-3. **“Company,” “You,” or “Your”** means **Donor Relations, LLC**, its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing. The term shall include any descriptor used by **Donor Relations, LLC**, in its business practices.

D-4. “**Do Not Call Request**” means a statement by a person that he or she does not wish to receive telephone calls from the Company or a client on whose behalf the Company has called.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), and Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Entity-Specific Do Not Call List**” shall mean a list of telephone numbers or persons maintained by the Company or any entity acting on behalf of the Company from which the Company or any entity acting on behalf of the Company has received a Do Not Call Request.

D-7. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of your contact persons at the business or organization.

D-8. “**Outbound Telephone Call**” shall mean a telephone call initiated by a Telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.

D-9. “**Soundboard Technology**” shall mean all technology that allows a live agent to communicate with a call recipient by playing recorded audio clips.

D-10. “**Telemarketer**” shall mean any person who, in connection with Telemarketing, initiates or receives telephone calls to or from prospective donors.

D-11. “**Telemarketing**” shall mean 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 telephone call.

D-12. “**Voice Broadcasting Services**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (i) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (ii) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

- I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if you have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If you file a petition to limit or quash, you must still timely respond to all requests that you do not seek to modify or set aside in your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).
- I-2. **Withholding Requested Material / Privilege Claims:** If you withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, you must assert the claim no later than the return date of this CID, and you must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, you must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).
- I-3. **Modification of Specifications:** The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).
- I-4. **Scope of Search:** This CID covers documents and information in your possession or under your actual or constructive custody or control, including documents and information in the possession, custody, or control of your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.
- I-5. **Identification of Responsive Documents:** For specifications requesting production of documents, you must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, you may identify the documents previously provided and the date of submission.
- I-6. **Maintain Document Order:** You must produce documents in the order in which they appear in your files or as electronically stored. If documents are removed from their original

folders, binders, covers, containers, or electronic source, you must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. **Numbering of Documents:** You must number all documents in your submission with a unique identifier such as a bates number or a document ID.

I-8. **Production of Copies:** Unless otherwise stated, you may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and you preserve and retain the originals in their same state as of the time you received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. **Production in Color:** You must produce copies of advertisements in color, and you must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. **Electronically Stored Information:** See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. **Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”):** If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps you can take to minimize the amount of Sensitive PII or SHI you produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. **Interrogatory Responses:** For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements

Revised July 2017

In producing information in response to this CID, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NON-PUBLIC
INVESTIGATION OF DECEPTIVE FUNDRAISING**

File No. 132 3286

Nature and Scope of Investigation:

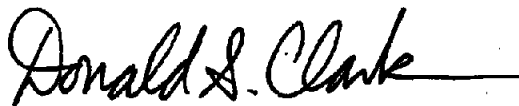
To determine whether unnamed persons, partnerships, corporations, or others, in connection with soliciting charitable contributions, donations, or gifts of money or any other thing of value, have engaged in or are engaging in (1) deceptive or unfair acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. Part 310. The investigation is also to determine whether Commission action to obtain redress for injury to consumers or others would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five (5) years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, and 57b-1; and FTC Procedures and Rules of Practice, 16 C.F.R. § 1.1 *et seq.*, and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: September 23, 2013

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Maureen K. Ohlhausen
 Terrell McSweeney

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARETERS, SELLERS, SUPPLIERS, OR OTHERS**

File No. 012 3145

Nature and Scope of Investigation:

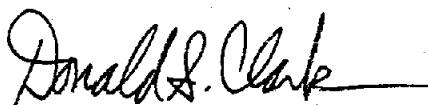
To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by **Donor Relations, LLC** (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

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

Date: _____

Signature

Petition Exhibit 3

Civil Investigative Demand to Courtesy Call, Inc.
(August 28, 2017)

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UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Secretary

Via Federal Express

Courtesy Call, Inc.
c/o Leland E. Lutfy, Esq.
Registered Agent
530 South 7th St.
Las Vegas, NV 89101

FTC Matter No. 1723134

To Courtesy Call:

The Federal Trade Commission (FTC) has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether Courtesy Call, Inc. has made false or unsubstantiated representations in connection with charitable fundraising, or provided the means and instrumentalities for such representations, in violation of Section 5 of the FTC Act, 15 U.S.C. § 45; whether Courtesy Call, Inc. has engaged in deceptive acts or practices in connection with telemarketing, in violation of Sections 310.3(b), 310.3(a)(4), or 310.3(d) of the Telemarketing Sales Rule, 16 C.F.R. Part 310 (TSR), and/or engaged in abusive telemarketing acts or practices in violation of Section 310.4 of the TSR; and whether Commission action to obtain monetary relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

1. **Contact FTC counsel, Faye Chen Barnouw or Kenneth Abbe, (310) 824-4343, fbarnouw@ftc.gov/kabbe@ftc.gov, as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We

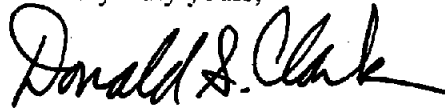
Page 2

may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel immediately to set up an initial meeting. We appreciate your cooperation.

Very truly yours,

A handwritten signature in black ink that reads "Donald S. Clark". The signature is written in a cursive style with a long horizontal stroke at the end.

Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

1. TO

Courtesy Call, Inc.
c/o Leland E. Lutfy, Esq., Registered Agent
530 South 7th St.
Las Vegas, NV 89101

This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

LOCATION OF HEARING

YOUR APPEARANCE WILL BE BEFORE

DATE AND TIME OF HEARING OR DEPOSITION

- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

SEP 27 2017

3. SUBJECT OF INVESTIGATION

See attached Schedule and attached resolution.

4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN

Thomas Dahdouh/Ann Stahl
Federal Trade Commission
10990 Wilshire Blvd., 4th Floor
Los Angeles, CA 90024

5. COMMISSION COUNSEL

Faye Chen Barnouw & Kenneth Abbe, 310-824-4343
Federal Trade Commission
10990 Wilshire Blvd., 4th Floor
Los Angeles, CA 90024

DATE ISSUED

8/28/17

COMMISSIONER'S SIGNATURE

INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (FTC)
CIVIL INVESTIGATIVE DEMAND (CID) SCHEDULE
FTC File No. 1723134**

Meet and Confer: You must contact FTC counsel, **Faye Chen Barnouw or Kenneth Abbe**, (310) 824-4343, fbarnouw@ftc.gov/kabbe@ftc.gov, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after you receive this CID. At the meeting, you must discuss with FTC counsel any questions you have regarding this CID or any possible CID modifications that could reduce your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about your information or records management systems, your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, you must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if you believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission's Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving you prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at your principal place of business. Alternatively, you may send all responsive documents and tangible things to **Ann Stahl, Federal Trade Commission, 10990 Wilshire Blvd., 4th Floor, Los Angeles, CA 90024**. If you are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures may delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how you intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the "Form of Certificate of Compliance" set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with your response. Completing this certification may reduce the need to subpoena you to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the Company, as defined herein, has made false or deceptive representations in connection with charitable fundraising, or provided the means and instrumentalities for such representations, in violation of Section 5 of the FTC Act, 15 U.S.C. § 45; whether the Company has engaged in deceptive acts or practices in connection with telemarketing, in violation of Sections 310.3(b), 310.3(a)(4), or 310.3(d) of the Telemarketing Sales Rule, 16 C.F.R. Part 310 (TSR); and/or engaged in abusive telemarketing acts or practices in violation of Section 310.4 of the TSR; and whether Commission action to obtain monetary relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the applicable time period for the requests set forth below is from **three years prior to the date this CID was issued (as stated on the CID form) until the date of full and complete compliance with this CID.**

A. INTERROGATORIES

Please provide the following information:

The Company

1. For each location at which the Company has done business, state:
 - a. the address of the Company's operations;
 - b. the name under which the Company has operated at this location;
 - c. the time periods during which the Company operated at the location; and
 - d. the general nature of the business activities the Company performed at the location.
2. For each officer, owner, and director of the Company (past and present):
 - a. state the nature and percentage of any ownership interest;
 - b. state the duties and responsibilities performed for the Company; and
 - c. state the amount received from the Company (including any bonuses or other performance-based amounts, retirement, or other benefits), on an annual basis.

3. Identify the five employees paid the most by the Company, and state the total amount paid to each, including any bonuses or performance-based amounts, on an annual basis.
4. Identify each person who received an IRS Form 1099 from the Company.

Clients

5. Identify each client on whose behalf the Company has engaged in fundraising or provided services associated with fundraising.
6. For each client identified in response to Interrogatory 5, describe the Company's business relationship with the client, including:
 - a. the services provided by the Company to the client;
 - b. the States in which the Company provided these services;
 - c. the time period during which the Company provided such services;
 - d. the number of Outbound Telemarketing Calls the Company made on behalf of the client;
 - e. the amount paid to the Company for performing the services, on an annual basis;
 - f. the number of donors who made a donation over the telephone with a credit, debit, or other electronic payment, on an annual basis;
 - g. the number of pledge mailings sent to prospective donors and the number returned by the prospective donors, on an annual basis;
 - h. the total number of prospective donors who donated, the total number of donations made, and the total funds donated, annually, both in the aggregate and broken down by State, on an annual basis;
 - i. the Company's procedures for collecting on delinquent pledges;
 - j. each bank account into which donations for that client have been deposited; and
 - k. the identity of any other person or entity involved in soliciting, or facilitating the solicitation or processing of, charitable donations, including, e.g., fundraising subcontractors, any Caller Identification Management Service, and any person or entity involved in collecting or depositing donor payments ("caging"), printing and/or mailing materials to prospective donors, list brokering or management, and acting as a fundraising consultant.
7. For each client identified in response to Interrogatory 5, describe how the solicitation materials for that client were developed, including:
 - a. what scripted, recorded, or written materials are used for each point of contact with prospective donors by the Company,
 - b. how such materials are developed and used,
 - c. what information was relied on in creating the materials, the source of any images or photographs appearing in the materials, and the identity of each person

- involved in drafting, creating, editing, reviewing, and distributing for use any such materials; and
- d. the process by which the Company sought approval from the client for solicitation materials.
8. For each client identified in response to Interrogatory 5, describe the steps taken by the Company to ensure that the fundraising claims the Company has made on behalf of the client were true and correct, including:
- a. steps taken by the Company to verify the accuracy and truthfulness of claims made by the Company to prospective donors about the client or its charitable programs; and
- b. steps taken by the Company to investigate the client or its charitable programs.
9. For each client identified in response to Interrogatory 5, describe the Company's use of lead lists, including:
- a. the source of the telephone numbers that the Company called on behalf of the client (including whether the Company utilized telephone number lists purchased from third-parties, telephone number dialing technology, dialers, or Voice Broadcasting Services);
- b. any specific criteria or demographic information used, including, if lead lists were purchased, rented or exchanged, the source and characteristics of each such lead list;
- c. whether and on what basis the Company has called the donor list or prospective donor list of one client for the purpose of soliciting a charitable donation on behalf of a different client;
- d. what information the Company tracks or otherwise retains about donors, how the Company maintains that data, and whether it shares that information with third parties;
- e. what the Company does with the client's donor information after it ends its relationship with the client;
- f. the identity of any list management company used to manage any donor lists;
- g. whether and under what circumstances the Company has provided or refused to provide donor lists to a client; and
- h. any compensation received by the Company for the sharing or use of any donor lists.
10. For each client identified in response to Interrogatory 5, describe the extent of the Company's knowledge of feedback about its clients' operations, including:
- a. stating the number of complaints the Company has received (whether from donors, prospective donors, or others), and describe the Company's practices with respect to handling complaints.

- b. identifying all negative or critical press/media reports (including in printed media, and on Internet blogs or websites) about the client that any officer, owner, or director of the Company became aware of, and if any, stating when the officer, owner, or director became aware of this information, whether the Company took any steps to investigate the nature or conduct of the client, and the outcome of any such investigation;
- c. listing all subpoenas, civil investigative demands, or other requests for information about the client that the Company has received from any consumer protection governmental entity, and if any, stating when the Company received this request for information, whether the Company took any steps to investigate the nature or conduct of the client, and the outcome of any such investigation; and
- d. listing all regulatory or law enforcement action by any consumer protection government agency taken against the client that the Company has learned of, and if any, stating when the Company became aware of this information, whether the Company took any steps to investigate the nature or conduct of the client, and the outcome of any such investigation.

Employee Training and Monitoring

11. For all employees, independent contractors, subcontractors, or others working for or on behalf of the Company who communicate with prospective donors about any charitable donations, describe:
- a. the Company's rules, if any, for communicating with prospective donors;
 - b. any training provided, including the nature and frequency of the training, in connection with communicating with prospective donors;
 - c. the compensation structure for those employees, independent contractors, subcontractors, or others working for or on behalf of the Company;
 - d. the commissions, bonuses, or incentives (including non-cash incentives), if any, available; the basis by which the Company awards such commissions, bonuses, or incentives; and the identity of each person involved in determining who receives the commissions, bonuses, or incentives;
 - e. whether and how the Company monitors communications with prospective donors, the frequency of such monitoring, and the circumstances under which the monitoring is done;
 - f. any disciplinary policies used by the Company to enforce compliance with the Company's rules for communicating with donors or prospective donors; and
 - g. how independent contractors or subcontractors are trained and monitored.

If the Company's policies or practices have changed over time, identify the previous policies or practices and current policies or practices, and the date(s) on which changes were made.

Telemarketing Sales Rule Compliance

12. Describe the Company's procedures to prevent initiating Outbound Telephone Calls to telephone numbers of persons who have made a Do Not Call Request to the Company or to any client.
13. Does the Company maintain an Entity-Specific Do Not Call List? If so, for each such list, describe:
 - a. the process by which Do Not Call Requests are added to the list;
 - b. the format of the list and how it is maintained;
 - c. where the list is maintained;
 - d. how often the list is updated;
 - e. who has access to the list;
 - f. whether and how the Company provides access to the list to persons or entities making Outbound Telephone Calls on behalf of the Company or any of its clients;
 - g. whether and how the Company provides access to the list to its clients or third parties;
 - h. how the Company uses the list to prevent Outbound Telephone Calls to telephone numbers on the list; and
 - i. the disposition of any client-specific list at the conclusion of the contractual relationship between the Company and the client.
14. Has the Company placed Outbound Telephone Calls that deliver a prerecorded message? If so, describe:
 - a. the content of the prerecorded messages, the purpose of the calls, and the number of calls made;
 - b. the procedures, if any, to prevent Outbound Telephone Calls that deliver a prerecorded message, in violation of 16 C.F.R. § 310.4(b)(1)(v)(B)(ii);
 - c. the procedures, if any, to offer an automated interactive voice or keypress-activated opt-out mechanism that permits recipients to assert Do Not Call Requests that meets the requirements set forth in 16 C.F.R. § 310.4(b)(1)(v)(B)(ii)(A)(1) – (3) for any call that could be answered in person;
 - d. the procedures, if any, to provide a toll-free telephone number that the call recipient can use to assert a Do Not Call Request that meets the requirements set forth in 16 C.F.R. § 310.4(b)(1)(v)(B)(ii)(B)(1) – (3) for a call that could be answered by an answering machine or voicemail service; and
 - e. the procedures, if any, to offer opt-out mechanisms to recipients of such calls that do, in fact, add the number of recipients who use the opt-out mechanism to an Entity-Specific Do Not Call List.

15. In its Outbound Telephone Calls, does the Company transmit a name and Calling Party Number or otherwise comply with legal requirements set forth in 16 C.F.R. § 310.4(a)(8)? If so, please:
 - a. describe how, including whether the Company uses any Caller Identification Management Services in connection with any Outbound Telephone Calls;
 - b. state the names and addresses of all third parties that the Company uses to provide Caller Identification Management Services;
 - c. describe the Company's policies and practices for selecting Caller ID information that appears on prospective donors' Caller ID screens and any software or service provider used to deliver varying Caller ID information to prospective donors;
 - d. identify each different telephone number used by the Company to initiate or receive calls from prospective donors, specifically including all numbers related to such calls that appear on prospective donors' Caller ID screens; and
 - e. describe all procedures taken to transmit Caller ID number and name information in compliance with 16 C.F.R. § 310.4(a)(8).

16. Describe how the Company complies with the Telemarketing Sales Rule, specifically including its policies and practices, and any safeguards to ensure those policies are followed, regarding:
 - a. repeated calls to the same telephone number;
 - b. abandoned calls;
 - c. obtaining express informed consent from prospective donors prior to submitting billing information for payment; and
 - d. records retention.

17. For each client identified in response to Interrogatory 5, for whom the Company made Outbound Telephone Calls, state:
 - a. the total number of Do Not Call Requests, on an annual basis, by campaign;
 - b. the total number of Outbound Telephone Calls to telephone numbers that were on the Company's or the client's Entity-Specific Do Not Call List, on an annual basis;
 - c. how the Company obtained the telephone numbers that were called, including whether the Company utilized telephone number lists purchased from third-parties, telephone number dialing technology, dialers, or Voice Broadcasting Services;
 - d. the identity of each third party, if any, the Company utilized to obtain telephone numbers that were called; and
 - e. whether and how Entity-Specific Do Not Call requests were communicated by the Company to the client or by the client to the Company.

18. For each client identified in response to Interrogatory 5, for whom the Company made Outbound Telephone Calls in which a prerecorded message was delivered, state:
 - a. the total number of Outbound Telephone Calls made;
 - b. whether the Outbound Telephone calls offered an automated interactive voice or keypress-activated opt-out mechanism that permitted recipients to assert Do Not Call Requests; and
 - c. whether the Outbound Telephone calls provided a toll-free telephone number that recipients could call to assert Do Not Call Requests, including the specific telephone number provided on the message.

Third Party Contacts

19. For each proceeding (including investigations, subpoenas, civil investigative demands, other formal or informal request for information, inquiries, actions, and arbitrations) with any governmental entity, to which the Company or its principals was a subject or party:
 - a. identify the parties; and
 - b. state the date each action commenced and ended.
20. For each proceeding (including investigations, subpoenas, civil investigative demands, other formal or informal request for information, inquiries, actions, and arbitrations) with any governmental entity, to which a client identified in response to Interrogatory 5, was a subject or party, and in which the Company was contacted by any governmental entity, identify:
 - a. the client;
 - b. the government entity and the nature of the inquiry; and
 - c. the date of the inquiry.

CID Response

21. Describe the Company's practices for retaining and disposing of documents and data, specifically including, but not limited to, documents and data related to the Company's telemarketing.
22. Identify each person answering these Interrogatories, supplying information or assisting in any way the preparation of the answers to these interrogatories and the specific answers in which they participated.
23. If for any specification, there are documents that would have been responsive to this CID that were destroyed, mislaid, lost, transferred, deleted, or altered, describe the date and the circumstances.
24. Identify the custodian(s) of the records produced pursuant to this CID.

B. DOCUMENTS REQUESTED

Please produce the following documents. (Note that the definition of “document” specifically includes electronically stored information.)

If the response to a Document Request requires the production of voluminous records, please contact **FTC counsel Faye Chen Barnouw or Kenneth Abbe at (310) 824-4343** to discuss before producing.

Background

1. The Company’s corporate documents (including its Articles of Incorporation, Bylaws, and Amendments). The applicable time period for Document Request 1 is **the entire lifecycle of the Company**.
2. The State and Federal tax returns prepared or filed by or on behalf of the Company.
3. The Company’s record retention policies applicable to documents, including but not limited to electronically or digitally stored information such as recorded telephone calls and email.
4. Documents sufficient to explain the relationship between the Company and Donor Relations, LLC.

Employees & Consultants

5. Documents sufficient to show the organization of the Company and descriptions of each job position at the manager and director level.
6. Documents sufficient to identify the terms and conditions and total compensation package for each officer, director, and manager of Telemarketers, including any employment contract.
7. Documents sufficient to identify each consultant or other independent contractor used by the Company, the purposes for which that person was retained, and his or her compensation, including any contracts.

Training & Monitoring

8. Documents sufficient to describe the Company’s policies and procedures related to training, monitoring, compliance, and discipline related to communications with prospective donors (including policy manuals, employee handbooks, or other such documents).
9. Documents sufficient to show changes, if any, to the Company’s compliance, monitoring, or training policies and procedures.
10. All communications (including electronic mail and text messages) referring or relating to compliance, monitoring, training, or disciplinary issues relating to communications with

donors or prospective donors, by and between any Company compliance officer and management.

11. All records related to call monitoring (including call recordings, and written evaluations and summaries of the calls).
12. Documents sufficient to describe the Companies' policies regarding bonuses and commission-based compensation for Telemarketers and their supervisors.

Telemarketing Practices

13. Documents sufficient to describe the policies and procedures established by the Company to ensure compliance with the Section 310.4 of the Telemarketing Sales Rule (including policies relating to call abandonment, length of call, repeat calls, and entity-specific requests to be placed on the Do Not Call list).
14. Documents sufficient to describe the compliance monitoring of the policies and procedures established by the Company to ensure compliance with Section 310.4 of the Telemarketing Sales Rule.
15. All documents consisting of or referring to complaints about the Company or any of its clients (whether from donors, prospective donors, governmental entity, or otherwise), that the Company is aware of.
16. All documents referring to any Entity-Specific Do Not Call List maintained by the Company, including any lists maintained on behalf of any client and any list maintained on behalf of the Company.
17. Documents sufficient to illustrate how the Company addresses and processes Do Not Call Requests made by recipients of Outbound Telephone Calls made by or on behalf of the Company.
18. Documents referring to procedures established by the Company or any entity acting on behalf of the Company to prevent initiating Outbound Telephone Calls to telephone numbers of persons who have made a Do Not Call Request to the Company or one of its clients or are on the Company's or any client's Entity-Specific Do Not Call List.
19. All documents reflecting or referring to communications to employees, third parties acting on the Company's behalf, or clients about compliance with Do Not Call Requests.
20. Documents sufficient to describe the policies and procedures established by the Company to ensure compliance with Section 310.4 of the Telemarketing Sales Rule, and compliance therewith, including policies relating to call abandonment, length of call, repeat calls, pre-recorded calls, and Entity Specific Do Not Call requests.

21. For each client identified in Interrogatory 5, produce all data compilations, reports, tables, spreadsheets, or other documents that relate to the volume of calls made on behalf of that client on a monthly, quarterly, or annual basis, including those reflecting:
 - a. the total number of Outbound Telephone Calls made;
 - b. the total number of Outbound Telephone Calls that were:
 - (1) answered by a person (rather than an answering machine or voice mail system); and
 - (2) answered by an answering machine or voice mail system;
 - c. the total number of Outbound Telephone Calls made to persons who had previously made a Do Not Call Request or were on the Company's or that client's Entity-Specific Do Not Call List; and
 - d. the total number of Do Not Call Requests made by recipients of Outbound Telephone Calls.

22. All documents referring or relating to the use of a Calling Party Number from an area code local to the call recipient, and the effectiveness of that practice in causing prospective donors to answer the telephone.

Clients

23. For each client identified in response to Interrogatory 5, produce the following documentation relating to scripted communications to prospective and actual donors:
 - a. all telemarketing scripts (including opening, rebuttal, FAQ, Soundboard recordings, and verification scripts);
 - b. all other documents used in connection with communicating with prospective donors about or on behalf of the client (including pledge cards, pledge reminders, brochures, invoices, other correspondence, and recordings of telephone messages left for prospective donors, or transcripts thereof);
 - c. all documents relating to development and approval of scripts and other solicitation materials;
 - d. all documents relating to proposed and/or adopted modifications or revisions to scripts or written fundraising materials;
 - e. all background material about the client provided to telemarketers and other Company employees to use when speaking with prospective donors;
 - f. documents sufficient to describe the Company's policies and procedures for assessing the truthfulness of claims made by the Company on behalf of its clients;
 - g. all documents reflecting communications to or from any Company compliance officer regarding the content of scripted communications; and
 - h. all documents relating to analysis or consideration of the effectiveness of response rate for fundraising (including documents relating to the testing of any

representations made in scripts, Soundboard recordings, or in printed fundraising materials).

24. For each client of the Company identified in response to Interrogatory 5, produce the following documentation relating to the Company's relationship with the client:
- a. all contracts with the client, including any addenda, extensions, or other modifications;
 - b. all contracts with subcontractors used in connection with the client, including any addenda, extensions or other modifications;
 - c. all documents reflecting communications between the client and the Company or its subcontractor that relate to fundraising claims the Company or its subcontractor has made on behalf of the client;
 - d. all documents provided by the client to the Company or its subcontractors that relate to fundraising claims the Company or its subcontractor has made on behalf of the client; and
 - e. documents sufficient to show the funds collected by the Company and how those funds were distributed.
25. For each client identified in response to Interrogatory 5, all documents related to research about or review of the client or its officers or directors (both prior to the establishment of the relationship, during the course of the relationship, and after the relationship ended). This Document Request includes communications with the client, communications with third parties, and internal Company communications.

Other

26. All communications to/from any federal, state, or local regulatory agency that relate to fundraising claims the Company has made on behalf of any client identified in response to Interrogatory 5.
27. All media reports about the Company or about any client identified in response to Interrogatory 5, and all documents referring or relating to the media reports.
28. All articles, reports, electronic postings, or other writings made by or on behalf of the Company in any public forum (including social media), and all documents referring or relating to these writings.

DEFINITIONS

The following definitions apply to this CID:

D-1. "**Caller Identification Management Services**" means a service that relates to (i) providing Automated Number Identifiers (ANI), Calling Party Numbers (CPN) or Charge Numbers for use in making telephone calls; or (ii) the use of caller name or line information databases that associate names with telephone numbers, including alteration of the names

associated with telephone numbers in these databases; or (iii) inquiries made to caller name or line information databases to obtain the name associated with a number, including payments based upon such inquiries.

D-2. “**Calling Party Number**” shall mean the subscriber line number or the directory number contained in the calling party number parameter of the call set-up message associated with an interstate call on a Signaling System 7 network (47 C.F.R. § 64.1600(c)), or other number that is or was provided to recipients of a call to show the source of the telephone call or permit the recipients to respond to the call.

D-3. “**Company**,” “**You**,” or “**Your**” means **Courtesy Call, Inc.**, its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing. The term shall include any descriptor used by **Courtesy Call, Inc.**, in its business practices.

D-4. “**Do Not Call Request**” means a statement by a person that he or she does not wish to receive telephone calls from the Company or a client on whose behalf the Company has called.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), and Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Entity-Specific Do Not Call List**” shall mean a list of telephone numbers or persons maintained by the Company or any entity acting on behalf of the Company from which the Company or any entity acting on behalf of the Company has received a Do Not Call Request.

D-7. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of your contact persons at the business or organization.

D-8. “**Outbound Telephone Call**” shall mean a telephone call initiated by a Telemarketer to induce the purchase of goods or services or to solicit a charitable contribution.

D-9. “**Soundboard Technology**” shall mean all technology that allows a live agent to communicate with a call recipient by playing recorded audio clips.

D-10. “**Telemarketer**” shall mean any person who, in connection with Telemarketing, initiates or receives telephone calls to or from prospective donors.

D-11. “**Telemarketing**” shall mean 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 telephone call.

D-12. “**Voice Broadcasting Services**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (i) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (ii) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if you have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If you file a petition to limit or quash, you must still timely respond to all requests that you do not seek to modify or set aside in your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. **Withholding Requested Material / Privilege Claims:** If you withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, you must assert the claim no later than the return date of this CID, and you must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, you must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. **Modification of Specifications:** The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. **Scope of Search:** This CID covers documents and information in your possession or under your actual or constructive custody or control, including documents and information in the possession, custody, or control of your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. **Identification of Responsive Documents:** For specifications requesting production of documents, you must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously

supplied to the FTC, you may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, you must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in your submission with a unique identifier such as a bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, you may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and you preserve and retain the originals in their same state as of the time you received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and you must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements ("Production Requirements"), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information ("Sensitive PII") or Sensitive Health Information ("SHI"): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps you can take to minimize the amount of Sensitive PII or SHI you produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual's Social Security number; an individual's biometric data (such as fingerprints or retina scans, but not photographs); and an individual's name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver's license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
Revised July 2017

In producing information in response to this CID, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NON-PUBLIC
INVESTIGATION OF DECEPTIVE FUNDRAISING**

File No. 132 3286

Nature and Scope of Investigation:

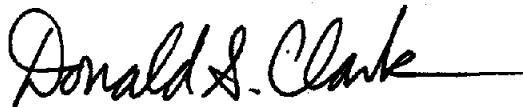
To determine whether unnamed persons, partnerships, corporations, or others, in connection with soliciting charitable contributions, donations, or gifts of money or any other thing of value, have engaged in or are engaging in (1) deceptive or unfair acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. Part 310. The investigation is also to determine whether Commission action to obtain redress for injury to consumers or others would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five (5) years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, and 57b-1; and FTC Procedures and Rules of Practice, 16 C.F.R. § 1.1 *et seq.*, and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: September 23, 2013

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Maureen K. Ohlhausen
 Terrell McSweeney

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS**

File No. 012 3145

Nature and Scope of Investigation:

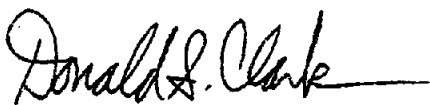
To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by **Courtesy Call, Inc.** (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

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

Date: _____

Signature

Petition Exhibit 4

**FedEx Delivery Receipts Confirming Service of CIDs on Donor
Relations, LLC and Courtesy Call, Inc.
(August 31, 2017)**

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Kappler, Burke

From: TrackingUpdates@fedex.com
Sent: Thursday, August 31, 2017 10:16 AM
To: Abbe, Kenneth
Subject: FedEx Shipment 770137128295 Delivered

Your package has been delivered

Tracking # 770137128295



Ship date:
Tue, 8/29/2017
Crystal McCoy-Hunter
Federal Trade
Commission
Washington, DC 20580
US



Delivery date:
Thu, 8/31/2017
10:06 am
Donor Relations, LLC
c/o American
Incorporators Ltd.,
1013 Centre Rd., Ste.
403-A Registered Agent
WILMINGTON, DE
19805
US

Shipment Facts

Our records indicate that the following package has been delivered.

Tracking number: 770137128295
Status: Delivered: 08/31/2017
10:06 AM Signed for
By: C.CHILTON
Purchase order number: 0612
Reference: 587939/1723134
Signed for by: C.CHILTON
Delivery location: WILMINGTON, DE
Delivered to: Receptionist/Front Desk
Service type: FedEx 2Day
Packaging type: FedEx Envelope
Number of pieces: 1
Weight: 0.50 lb.

Special handling/Services: Direct Signature
Required
Deliver Weekday

Standard transit: 8/31/2017 by 4:30 pm

Please do not respond to this message. This email was sent from an unattended mailbox. This report was generated at approximately 9:16 AM CDT on 08/31/2017.

All weights are estimated.

To track the latest status of your shipment, click on the tracking number above.

Standard transit is the date and time the package is scheduled to be delivered by, based on the selected service, destination and ship date. Limitations and exceptions may apply. Please see the FedEx Service Guide for terms and conditions of service, including the FedEx Money-Back Guarantee, or contact your FedEx Customer Support representative.

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Thank you for your business.

Kappler, Burke

From: TrackingUpdates@fedex.com
Sent: Thursday, August 31, 2017 2:58 PM
To: Abbe, Kenneth
Subject: FedEx Shipment 770137168601 Delivered

Your package has been delivered

Tracking # 770137168601



Ship date:
Tue, 8/29/2017
Crystal McCoy-Hunter
Federal Trade
Commission
Washington, DC 20580
US



Delivery date:
Thu, 8/31/2017
11:51 am
Courtesy Call, Inc.
c/o Leland E. Luffy, Esq.,
530 South 7th St.
Registered Agent
LAS VEGAS, NV 89101
US

Shipment Facts

Our records indicate that the following package has been delivered.

Tracking number: 770137168601
Status: Delivered: 08/31/2017
11:51 AM Signed for
By: M.KAZBEE
Purchase order number: 0612
Reference: 587939/1723134
Signed for by: M.KAZBEE
Delivery location: LAS VEGAS, NV
Delivered to: Receptionist/Front Desk
Service type: FedEx 2Day
Packaging type: FedEx Envelope
Number of pieces: 1
Weight: 0.50 lb.
Special: Direct Signature

handling/Services: Required
Deliver Weekday
Standard transit: 8/31/2017 by 4:30 pm

Please do not respond to this message. This email was sent from an unattended mailbox. This report was generated at approximately 1:57 PM CDT on 08/31/2017.

All weights are estimated.

To track the latest status of your shipment, click on the tracking number above.

Standard transit is the date and time the package is scheduled to be delivered by, based on the selected service, destination and ship date. Limitations and exceptions may apply. Please see the FedEx Service Guide for terms and conditions of service, including the FedEx Money-Back Guarantee, or contact your FedEx Customer Support representative.

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Thank you for your business.

Petition Exhibit 5

**E-mail from Faye Chen Barnouw to Robert Bernhoft and Daniel
Treuden
(September 18, 2017)**

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From: Barnouw, Faye Chen
To: "Robert Bernhoft"; "Treuden Dan"
Cc: Abbe, Kenneth; "Bernhoft Emma"; "Beuerman Jamison"
Subject: RE: FTC Matter No. 1723134
Date: Monday, September 18, 2017 6:38:00 PM
Attachments: CC & DR tolling agreement 2017-09-18.docx

Dear Mr. Bernhoft and Mr. Treuden-

I am writing to respond to your request today to extend the time for Courtesy Call and Donor Relations to respond to the FTC's CIDs to October 18, 2017. Our understanding is that you are proposing that at that point, you would either produce the requested documents or petition to quash the CIDs. You also mentioned that you may have "various scope and related production issues" that you might seek to resolve by agreement.

We can extend the deadline for Courtesy Call and Donor Relations to respond to the FTC's CIDs to October 18, but we would need your commitment on the following:

- First, we need to meet with you as soon as possible this week to get a sense of what your scope and production issues are, as well as what you anticipate your basis for petitioning to quash would be.
- Second, we need Courtesy Call and Donor Relations to provide certain basic documents and information requested by the CIDs (Interrogatories 1-5, and Document Requests 1, 2, and 5) by the original September 27, 2017 deadline.
- Finally, we need Courtesy Call, Donor Relations, and Mr. Richard Zeitlin to enter into the attached agreement, which would toll any applicable statutes of limitations, laches, waiver, estoppel, or any other defense based on timeliness with respect to any of the FTC's potential claims against them.

Are you available to talk tomorrow?

Thank you.

Regards,
Faye Chen Barnouw

-----Original Message-----

From: Robert Bernhoft [mailto:rgbernhof@bernhoflaw.com]
Sent: Monday, September 18, 2017 9:31 AM
To: Abbe, Kenneth
Cc: Treuden Dan; Bernhoft Emma; Beuerman Jamison; Barnouw, Faye Chen
Subject: Re: FTC Matter No. 1723134

Dear Mr. Abbe:

Thank you for your patience as we worked through a difficult medical issue this past week for my

managing partner. (Dan is out of the hospital and doing well).

You've already received our representation letter, and I write here to respectfully request a 28-day extension of time in which to either produce or petition to quash the two CIDs. We show September 20th as the earlier of the two relevant deadline dates, such that this request would extend the deadline to October 18, 2017.

This is a new file for my firm, and we're in the process of coming up to speed. We also contemplate conferencing with your office to determine if various scope and related production issues can be resolved by agreement.

Please let me know, and

Thank you again,

Robert G. Bernhoft, Esquire
The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701

1901 Avenue of the Stars
2nd Floor
Los Angeles, California 90067

(512) 582-2100 telephone
(512) 987-3880 cellular
(512) 373-3159 facsimile
rgbernhoft@bernhoftlaw.com
www.bernhoftlaw.com

> On Sep 12, 2017, at 10:40 AM, Abbe, Kenneth <KABBE@ftc.gov> wrote:

>

> Mr. Bernhoft:

>

> I apologize for my delayed response. If you are still available this afternoon at 12:45pm PT / 2:45pm CT, let's have the call then. We can use my conference number:

>

> Conference Dial-In Number: 1-877-336-1839 Access Code: 1114042

>

> Thanks, Ken Abbe

> _____

>

> Kenneth H. Abbe

> Federal Trade Commission

> Western Region – Los Angeles

> 10877 Wilshire Blvd., Suite 700
> Los Angeles, CA 90024
> 310-824-4313
> 310-824-4380 fax
> kabbe@ftc.gov
>
> -----Original Message-----
> From: Robert Bernhoft [<mailto:rgbernhoft@bernhoftlaw.com>]
> Sent: Monday, September 11, 2017 3:27 PM
> To: Abbe, Kenneth
> Cc: Treuden Dan; Bernhoft Emma; Beuerman Jamison; Barnouw, Faye Chen
> Subject: Re: FTC Matter No. 1723134

>
> Dear Ken:
>
> How about any time between 11:00 a.m. and 1:00 p.m. CDT tomorrow? Or
> between 2:45 and 4:00 p.m. CDT? If those windows don't work for you we
> can circulate others. Please let me know, and

>
> Best regards,
>
> Robert G. Bernhoft, Esquire
> The Bernhoft Law Firm, S.C.
> 1220 Colorado Street, Suite 440
> Austin, Texas 78701

>
> 1901 Avenue of the Stars
> 2nd Floor
> Los Angeles, California 90067
>
> (512) 582-2100 telephone
> (512) 987-3880 cellular
> (512) 373-3159 facsimile
> rgbernhoft@bernhoftlaw.com
> www.bernhoftlaw.com

>> On Sep 11, 2017, at 4:15 PM, Abbe, Kenneth <KABBE@ftc.gov> wrote:

>> Mr. Treuden:

>> Thank you for your representation letter and your email. Faye Barnouw and I are available this week for a call. Are there times that would work best for you? Please let me know.

>> Thanks, Ken Abbe

>> _____

>>

>> Kenneth H. Abbe
>> Federal Trade Commission
>> Western Region – Los Angeles
>> 10877 Wilshire Blvd., Suite 700
>> Los Angeles, CA 90024
>> 310-824-4313
>> 310-824-4380 fax
>> kabbe@ftc.gov

>>

>>

>> -----Original Message-----

>> From: Dan Treuden [<mailto:djtreuden@bernhoftlaw.com>]
>> Sent: Monday, September 11, 2017 10:58 AM
>> To: Barnouw, Faye Chen; Abbe, Kenneth
>> Cc: Emma Bernhoft; Robert Bernhoft; Beuerman Jamison
>> Subject: FTC Matter No. 1723134

>>

>> Dear Attys. Barnouw and Abbe:

>>

>> Please find attached to this email a letter announcing our representation, and requesting the initial conference meeting related to the above-referenced matter. I am also enclosing the Civil Investigation Demands that my clients' registered agents received on August 31, 2017.

>>

>> Going forward, both Attorney Robert G. Bernhoft or I will be able to assist you on this matter. Mr. Bernhoft can be contacted at the same office in Austin, or via email as set out above. I look forward to talking to you soon.

>>

>> Sincerely,

>>

>> Daniel Treuden
>> Attorney and Counselor at Law

>>

>> The Bernhoft Law Firm, S.C.
>> 1220 Colorado Street, Suite 440
>> Austin, Texas 78701
>> (512) 582-2100 telephone
>> (512) 373-3159 facsimile
>> djtreuden@bernhoftlaw.com

>

>

THE BERNHOFT LAW FIRM, S.C.

Faye Chen Barnouw & Kenneth Abbe
Federal Trade Commission
10990 Wilshire Blvd., 4th Floor
Los Angeles, CA 90024
fbarnouw@ftc.gov
kabbe@ftc.gov
(310) 824-4343 telephone

September 11, 2017

Via Federal Express and Electronic Mail

**Re: FTC Matter No. 1723134
Donor Relations, LLC
Courtesy Call, Inc.**

Dear Attys. Barnauw and Abbe:

Please be advised that both Attorney Robert Bernhoft and I have been retained as counsel for Donor Relations, LLC and Courtesy Call, Inc. in FTC Matter No. 1723134. A copy of the two Civil Investigation Demands ("CID") are attached. According to our records, the CIDs were both received on August 31, 2017.

As we have just received this file, we will be requesting an extension of time to review the file, come up to speed, and provide an adequate response, which might include a Petition to Quash. We will contact you shortly via telephone to discuss arrangements for an initial telephonic conference. Please don't hesitate to contact me with any questions.

Sincerely yours,



Daniel J. Treuden, Esq.
Attorney and Counselor at Law

encl.

Petition Exhibit 6

E-mail from Faye Chen Barnouw to Robert Bernhoft and Daniel
Treuden
(October 4, 2017)

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From: Barnouw, Faye Chen
To: Dan Treuden; Robert Bernhoft
Cc: Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Abbe, Kenneth
Subject: RE: FTC's CIDs to Donor Relations and Courtesy Call
Date: Wednesday, October 04, 2017 5:07:00 PM
Attachments: 2017-10-04 Courtesy Call-Donor Relations forbearance ltr.pdf

Dear Bob and Dan—

Based on your good faith representation that Courtesy Call and Donor Relations will soon be providing the rest of their responses to the FTC's CIDs, we will continue to forbear from referring this matter for CID enforcement. See attached letter.

Regards,
Faye

From: Dan Treuden [mailto:djtreuden@bernhoflaw.com]
Sent: Tuesday, October 03, 2017 12:59 PM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Abbe, Kenneth
Subject: Re: FTC's CIDs to Donor Relations and Courtesy Call

Dear Faye and Kenneth:

After consultation with our client, we will decline to toll the statute of limitations. We understand that the two entities are technically late in filing their CID responses, but we will do our best to provide responses as soon as we can.

Thanks,

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoflaw.com

On Oct 2, 2017, at 5:33 PM, Barnouw, Faye Chen <FBARNOUW@ftc.gov> wrote:

Hi Dan—

I'm writing to follow up on the tolling agreement issue. Ken and I just left a telephone message for you about this. Please call us as soon as possible.

Thank you.

Regards,
Faye

From: Dan Treuden [<mailto:ditreuden@bernhoflaw.com>]
Sent: Friday, September 29, 2017 8:08 AM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Abbe, Kenneth
Subject: Re: FTC's CIDs to Donor Relations and Courtesy Call

Thank you, Faye.

I will check on the state tax returns for those years and get back to you on the tolling agreement by Monday.

The password is 0315, which is the last four digits of the company's EIN.

Best regards,

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
ditreuden@bernhoflaw.com

On Sep 28, 2017, at 5:48 PM, Barnouw, Faye Chen
<FBARNOUW@ftc.gov> wrote:

Hi Bob and Dan –

Thank you for Courtesy Call and Donor Relations' initial responses and preliminary document production.

Please get back to us as soon as possible (by Monday?) about the tolling agreement. As we mentioned previously, we need the tolling agreement in place in order to give an extension of time to provide a complete response to the CIDs. As of right now, Donor Relations and Courtesy Call are both late in their responses.

Courtesy Call's preliminary document production included the federal tax returns for 2014, 2015, and 2016. Did they file state returns for those years? Also, the 2015 and 2016 federal tax returns are password

protected. Please send the password(s).

Thank you.

Regards,
Faye

From: Dan Treuden [<mailto:djtreuden@bernhoflaw.com>]
Sent: Wednesday, September 27, 2017 11:45 AM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Abbe, Kenneth
Subject: Re: FTC's CIDs to Donor Relations and Courtesy Call

Dear Attys. Barnouw and Abbe:

Thanks for sending this email. We'll consult with our client and get back to you on the tolling agreement. In the meantime, I'm waiting on a copy of my client's signature for the interrogatory responses due today. Once I have that, I'd like to send all of my clients' initial responses to the CIDs via email. The responsive documents for each company are 15.4 MB and 17.0 MB respectively, plus whatever the cover letters end up to be. Do you have a limit on the size of email attachments you can receive? If so, I'll can send a couple of emails for each company to split the responsive documents into sizes you can accept.

Alternatively, I can send everything by facsimile.

Please let me know your preference, and thanks!

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoflaw.com

On Sep 26, 2017, at 10:19 AM, Barnouw, Faye Chen
<FBARNOUW@ftc.gov> wrote:

Dear Counsel:

I am writing to follow up on our telephone call last Friday about the FTC's Civil Investigative Demands to Donor

Relations and Courtesy Call. At that time, you raised your concern about the termination date for the tolling agreement.

To address your concern, we can modify Paragraph 3 of the tolling agreement. Paragraph 3 currently reads as follows:

“3. The Termination Date for the tolling provided by this Agreement shall be the first to occur of either: (a) the FTC’s filing of a complaint asserting the Potential Claims; or (b) ninety (90) days following the FTC’s written notification to Potential Defendants that the FTC is not seeking further information from Potential Defendants with regard to its investigation of the Potential Claims.”)

We can offer the following modification:

“3. The Termination Date for the tolling provided by this Agreement shall be the date upon which Potential Defendants provide certification of their full and complete compliance with all outstanding CIDs.”

(As we discussed previously, we will need Donor Relations, Courtesy Call, and Mr. Zeitlin to enter into the tolling agreement in order to extend the CID response deadline.)

In addition, we agreed that, assuming there is a tolling agreement in place:

- By September 27, 2017, Donor Relations and Courtesy Call will provide the documents and information responsive to Interrogatories 1-5, and Document Requests 1, 2, and 5.
- The FTC will modify Document Request 2 (in a separate letter) to seek production of the state and federal tax returns of only Donor Relations and Courtesy Call (and not of the “the Company,” as defined in Definition D-3).

If the proposed tolling agreement modification addresses your concern, please execute it and return it as soon as possible.

Regards,

Faye

Faye Chen Barnouw
Federal Trade Commission
10990 Wilshire Blvd., Suite 400
Los Angeles, CA 90024
Tel: (310) 824-4343
Email: fbarnouw@ftc.gov

Petition Exhibit 7

**Letter from Thomas N. Dahdouh to Robert Bernhoft and Daniel
Treuden
(October 4, 2017)**

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United States of America
FEDERAL TRADE COMMISSION
Western Region

10990 Wilshire Blvd., Ste. 400
Los Angeles, CA 90024
(310) 824-4343

October 4, 2017

Via email (rb@bernhoftlaw.com and djt@bernhoftlaw.com)

Robert Bernhoft
Daniel Treuden
The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, TX 78701

Dear Counsel:

On August 28, 2017, the Federal Trade Commission (FTC) issued Civil Investigative Demands (CIDs) to Courtesy Call, Inc., and Donor Relations, LLC. Courtesy Call and Donor Relations have responded to some but not all of the specifications in their respective CIDs. This letter addresses compliance with those specifications to which Courtesy Call and Donor Relations have not yet responded or have not responded in full.

On September 27, 2017, Courtesy Call and Donor Relations provided answers and documents in response to Interrogatories 1-5, and Document Requests 1, 2, and 5, of their respective CIDs.

As discussed in your September 22, 2017 telephonic meet and confer with FTC counsel Faye Chen Barnouw and Kenneth Abbe, Document Request 2 is modified to seek the federal and state tax returns of only Courtesy Call and Donor Relations. As noted in the September 28-29, 2017 email correspondence between you and FTC counsel, Courtesy Call's and Donor Relations' production responses to Document Request 2 are incomplete in that their state tax returns were not produced. You represented in that email correspondence that you will check on the state tax returns for the 2014-2016 time period.

In addition, during our September 22, 2017 telephonic meet and confer, you represented that Courtesy Call and Donor Relations will provide answers and documents responsive to the rest of Interrogatories and Document Requests in the CIDs (Courtesy Call Interrogatories 6 through 24 and Document Requests 3, 4, and 6 through 28, and Donor Relations Interrogatories 6 through 26 and Document Requests 3, 4, and 6 through 28) by October 18, 2017. In your September 29, 2017 email to FTC counsel, you reiterated that you will do your best to provide responses as soon as possible.

Courtesy Call and Donor Relations' deadline for responding to the FTC's CIDs was September 27, 2017. Because that deadline has passed and Courtesy Call and Donor Relations have not complied in full with the CIDs, Courtesy Call and Donor Relations are now in default as to all of the CID specifications to which

it has not responded or not responded in full. Nevertheless, in view of Courtesy Call and Donor Relations' representations during the September 22, 2017 telephonic meet and confer, and your September 29, 2017 email, FTC staff is willing to refrain, at this time, from referring this matter for CID enforcement so long as Courtesy Call and Donor Relations' representations are accurate and complete, and so long as Courtesy Call and Donor Relations produce the outstanding answers, documents, and any applicable privilege log consistent with the following conditions:

- On or before October 18, 2017:
 - Courtesy Call and Donor Relations will supplement its response to Document Request 2 with their state tax returns.
 - Courtesy Call will answer Interrogatories 6 through 24 and produce the documents responsive to Document Requests 3, 4, and 6 through 28.
 - Donor Relations will answer Interrogatories 6 through 26 and produce the documents responsive to Document Requests 3, 4, and 6 through 28.

This letter states the conditions under which staff will continue to forbear referring this matter for CID enforcement. This letter does not constitute a modification of the CIDs, except to Document Request 2, which as noted above, is modified to seek the federal and state tax returns of only Courtesy Call and Donor Relations. To the extent that you have made other proposals or limitations on production during the September 22, 2017 telephonic meet and confer or in subsequent correspondence with FTC staff, any such proposals or limitations not addressed in this letter are rejected.

Should you have any further questions about the CIDs or this letter, please do not hesitate to call Faye Chen Barnouw or Kenneth Abbe at (310) 824-4343.

Sincerely,



Thomas N. Dahdouh
Regional Director
Western Region

Petition Exhibit 8

**E-mail from Kenneth Abbe to Daniel Treuden
(October 20, 2017)**

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From: Abbe, Kenneth
To: "Dan Treuden"
Cc: "Robert Bernhoft"; "Bernhoft Emma (emma@bernhoflaw.com)"; "Beuerman Jamison (jbeuerman@bernhoflaw.com)"; Barnouw, Faye Chen
Subject: RE: FTC's CIDs to Donor Relations and Courtesy Call
Date: Friday, October 20, 2017 6:50:00 PM
Attachments: 2017-10-20_Courtesy_Call-Donor_Relations_2nd_forbearance_ltr_3om.pdf

Dan:

To follow up, I am attaching a second forbearance letter. Let's discuss further next week.

Thanks, Ken Abbe

Kenneth H. Abbe
Federal Trade Commission
Western Region – Los Angeles
10990 Wilshire Blvd., Ste. 400
Los Angeles, CA 90024
310-824-4313
310-824-4380 fax
kabbe@ftc.gov

From: Abbe, Kenneth
Sent: Friday, October 20, 2017 3:16 PM
To: 'Dan Treuden'
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Barnouw, Faye Chen
Subject: RE: FTC's CIDs to Donor Relations and Courtesy Call

Dan:

Thank you for the information. Are you able to estimate the date when Donor Relations and Courtesy Call will be able to fully comply with the CIDs? Or is Monday that date? Please let me know.

Thanks, Ken Abbe

Kenneth H. Abbe
Federal Trade Commission
Western Region – Los Angeles
10990 Wilshire Blvd., Ste. 400
Los Angeles, CA 90024
310-824-4313
310-824-4380 fax
kabbe@ftc.gov

From: Dan Treuden [<mailto:djtreuden@bernhoflaw.com>]
Sent: Friday, October 20, 2017 3:07 PM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison

(jbeuerman@bernhofflaw.com); Abbe, Kenneth

Subject: Re: FTC's CIDs to Donor Relations and Courtesy Call

Faye and Ken:

I was unable to complete the production today. I have final approval on the interrogatories we are responding to, but need to put them into a final form, and review them for both companies. I may not have Rick Zeitlin's signature until Monday, however. I'll be able produce the documents Saturday and then either Saturday or Monday, I'll have the interrogatory responses signed under penalty of perjury and cover letter for the document production requests. I'm sorry for the delay.

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhofflaw.com

On Oct 19, 2017, at 11:57 AM, Barnouw, Faye Chen <FBARNOUW@ftc.gov> wrote:

Hi Dan –
How about 1:30pm PT?
Thanks.
Regards,
Faye

From: Dan Treuden [<mailto:djtreuden@bernhofflaw.com>]
Sent: Thursday, October 19, 2017 9:47 AM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhofflaw.com); Beuerman Jamison (jbeuerman@bernhofflaw.com); Abbe, Kenneth
Subject: Re: FTC's CIDs to Donor Relations and Courtesy Call

Faye:

Bob Bernhoft is in trial in Dayton, Ohio, and I need to leave for the dentist. Would I be able to call this afternoon?

As an update, I have a number of additional documents and interrogatory responses, but I am expecting a slew of additional contracts and scripts by tomorrow. I was planning on giving you another production on Monday.

I will be around by about 1:00 p.m. Pacific time to talk.

Sincerely,

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhofflaw.com

On Oct 19, 2017, at 11:00 AM, Barnouw, Faye Chen
<FBARNOUW@ftc.gov> wrote:

Dear Bob and Dan –

Can you give us a call this morning?

We were of the understanding that you would be producing Courtesy Call's and Donor Relations' information and documents responsive to the FTC's CIDs yesterday. We have not received them.

Thank you.

Regards,
Faye

From: Barnouw, Faye Chen
Sent: Wednesday, October 04, 2017 2:07 PM
To: 'Dan Treuden'; Robert Bernhoft
Cc: Bernhoft Emma (emma@bernhofflaw.com); Beuerman Jamison (jbeuerman@bernhofflaw.com); Abbe, Kenneth
Subject: RE: FTC's CIDs to Donor Relations and Courtesy Call

Dear Bob and Dan—

Based on your good faith representation that Courtesy Call and Donor Relations will soon be providing the rest of their responses to the FTC's CIDs, we will continue to forbear from referring this matter for CID enforcement. See attached letter.

Regards,
Faye

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Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Abbe, Kenneth
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Dear Faye and Kenneth:

After consultation with our client, we will decline to toll the statute of limitations. We understand that the two entities are technically late in filing their CID responses, but we will do our best to provide responses as soon as we can.

Thanks,

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoflaw.com

On Oct 2, 2017, at 5:33 PM, Barnouw, Faye Chen
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Faye

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Sent: Friday, September 29, 2017 8:08 AM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma (emma@bernhoflaw.com); Beuerman Jamison (jbeuerman@bernhoflaw.com); Abbe, Kenneth
Subject: Re: FTC's CIDs to Donor Relations and Courtesy Call

Thank you, Faye.

I will check on the state tax returns for those years and get back to you on the tolling agreement by Monday.

The password is 0315, which is the last four digits of the company's EIN.

Best regards,

Daniel Treuden
Attorney and Counselor at Law

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(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoflaw.com

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Hi Bob and Dan –

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Courtesy Call's preliminary document production included the federal tax returns for 2014, 2015, and 2016. Did they file state returns for those years? Also, the 2015 and 2016 federal tax returns are password protected. Please send the password(s).

Thank you.

Regards,
Faye

From: Dan Treuden
[mailto:djtreuden@bernhoflaw.com]
Sent: Wednesday, September 27, 2017 11:45 AM
To: Barnouw, Faye Chen
Cc: Robert Bernhoft; Bernhoft Emma
(emma@bernhoflaw.com); Beuerman Jamison
(jbeuerman@bernhoflaw.com); Abbe, Kenneth
Subject: Re: FTC's CIDs to Donor Relations and
Courtesy Call

Dear Attys. Barnouw and Abbe:

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Alternatively, I can send everything by facsimile.

Please let me know your preference, and thanks!

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoflaw.com

On Sep 26, 2017, at 10:19 AM,
Barnouw, Faye Chen
<FBARNOUW@ftc.gov>
wrote:

Dear Counsel:

I am writing to follow up on our telephone call last Friday about the FTC's Civil Investigative Demands to Donor Relations and Courtesy Call. At that time, you raised your concern about the termination date for the tolling agreement.

To address your concern, we can modify Paragraph 3 of the tolling agreement. Paragraph 3 currently reads as follows:

"3. The Termination Date for the tolling provided by this Agreement shall be the first to occur of either: (a) the FTC's filing of a complaint asserting the Potential Claims; or (b) ninety (90) days following the FTC's written notification to Potential Defendants that the FTC is not seeking further information from Potential Defendants with regard to its investigation of the Potential Claims."

We can offer the following modification:

"3. The Termination Date for the tolling provided by this Agreement shall be the date upon which Potential Defendants

provide certification of their full and complete compliance with all outstanding CIDs.”

(As we discussed previously, we will need Donor Relations, Courtesy Call, and Mr. Zeitlin to enter into the tolling agreement in order to extend the CID response deadline.)

In addition, we agreed that, assuming there is a tolling agreement in place:

- By September 27, 2017, Donor Relations and Courtesy Call will provide the documents and information responsive to Interrogatories 1-5, and Document Requests 1, 2, and 5.
- The FTC will modify Document Request 2 (in a separate letter) to seek production of the state and federal tax returns of only Donor Relations and Courtesy Call (and not of the “the Company,” as defined in Definition D-3).

If the proposed tolling agreement modification addresses your concern, please execute it and return it as soon as possible.

Regards,
Faye

Faye Chen Barnouw
Federal Trade Commission
10990 Wilshire Blvd., Suite 400
Los Angeles, CA 90024

Tel: (310) 824-4343

Email: fbarnouw@ftc.gov

Petition Exhibit 9

Second Letter from Thomas N. Dahdouh to Robert Bernhoft and Daniel
Treuden
(October 20, 2017)

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United States of America
FEDERAL TRADE COMMISSION
Western Region

10990 Wilshire Blvd., Ste. 400
Los Angeles, CA 90024
(310) 824-4343

October 20, 2017

Via email (rbernhoft@bernhoftlaw.com and djtreuden@bernhoftlaw.com)

Robert Bernhoft
Daniel Treuden
The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, TX 78701

Dear Counsel:

On August 28, 2017, the Federal Trade Commission (FTC) issued Civil Investigative Demands (CIDs) to Courtesy Call, Inc., and Donor Relations, LLC (respondents). The deadline for responding to the FTC's CIDs was September 27. On that date, respondents provided answers and documents in response to Interrogatories 1-5 and Document Requests 1, 2, and 5 of their respective CIDs. By letter on October 4, FTC staff stated that it would refrain from referring this matter for CID enforcement so long as respondents provided responses to the remaining specifications in the CIDs by October 18.

Because that deadline has passed and respondents have not complied in full with the CIDs, respondents are now in default as to all of the CID specifications to which they have not responded or not responded in full. On October 19, FTC counsel Faye Chen Barnouw and Kenneth Abbe held a telephonic meet and confer with Messrs. Treuden and Beuerman, counsel for respondents. In that teleconference, you indicated that respondents would be providing contracts and scripts in partial response to CID Document Requests and written responses to certain CID Interrogatories on October 20 and October 23. You also indicated that you would provide an estimate on October 20 as to a date when respondents could fully respond to the CIDs.

On your email dated today, you indicated that respondents would be providing the responses discussed in our teleconference yesterday on or before Monday, October 23. Based on your representations in that email and our October 19 telephonic meet and confer, FTC staff is willing to refrain, at this time, from referring this matter for CID enforcement so long as respondents fully respond to the CIDs by Tuesday, October 24, 2017, and those responses are accurate and complete.

Should you have further questions about the CIDs or this letter, please call Faye Chen Barnouw or Kenneth Abbe at (310) 824-4343.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Dahdouh', written in a cursive style.

Thomas N. Dahdouh
Regional Director
Western Region

Petition Exhibit 10

**E-mail from Daniel Treuden to David Gonzalez, Kenneth Abbe, and
Faye Chen Barnouw
(October 21, 2017)**

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Kappler, Burke

From: Dan Treuden <djtreuden@bernhoftlaw.com>
Sent: Saturday, October 21, 2017 5:24 PM
To: Gonzalez, David; Abbe, Kenneth; Barnouw, Faye Chen
Cc: Robert Bernhoft; Emma Bernhoft; Jamison Beuerman
Subject: Re: File Request - File-transfer link for Donor Relations and Courtesy Call CID responses

Ken and Faye:

When I go to the link set out below, the button that says "Choose File/Folder" isn't working. There is no reaction when I click on it. I did update my Java Script, but that hasn't helped. I also tried multiple browsers, but still can't get it to work. I can send these documents overnight to you, or would you prefer we use dropbox? The Courtesy Call documents are 195.6 MB in size and the Donor Relations documents are 49.9 MB in size, so they are too large to email.

I sent the final draft of the interrogatory responses and document production response cover to our client for his review and execution. As you know, the interrogatories must be signed under penalty of perjury. I should have his signed copy by Monday and can email that to you.

Regarding your question regarding timing of the CID responses, I am loath to make any representations I don't know I can keep. I wouldn't know how to estimate the time necessary to respond to the CIDs in full. I know you've stated that you've tried to narrow the scope of the CID's request, but the CID is asking for a ton of material and from our perspective is not narrow at all. The cost of responding is high in terms of both money and time. If our client had unlimited time and resources, he might have fully responded by now, but his resources are limited. We'll continue to work diligently to put these documents together, and if you need to enforce the CID in the meantime, we'll continue to segregate documents responsive to the CID during the pendency of that proceeding.

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoftlaw.com

On Oct 19, 2017, at 4:46 PM, dgonzalez1@ftc.gov wrote:

dgonzalez1@ftc.gov has requested a file from you.
Use the link below to send securely.

Dan:

Here is the file-transfer link to use for the production on Friday, October 19, from Donor Relations and Courtesy Call in response to the FTC's CIDs. Please let us know when you have uploaded the production on Friday; we will send you additional links for any further productions.

Thanks, Ken Abbe

Please ask me if you have any questions. Thanks, Ken Abbe

dgonzalez1@ftc.gov has requested a file from you.

Please click on the link below to send files back:

<https://securemail.ftc.gov/a/wreq/ZtU08888eoXFyuHTnnaExi30aGOnzMdK>

In order to send a file securely, please do not use your email reader's reply function. Rather click the above-enclosed link, and upload through the secure web interface for an encrypted file transfer

The request file is only valid for 4 day(s) or up to 1 transaction(s) only.

(If clicking the link in this message does not work, copy and paste the link into the address bar of your browser.)

Secured by Acclion

Petition Exhibit 11

**E-mail from Daniel Treuden to Kenneth Abbe and
Faye Chen Barnouw
(November 1, 2017)**

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Kappler, Burke

From: Dan Treuden <djtreuden@bernhoftlaw.com>
Sent: Wednesday, November 01, 2017 3:29 PM
To: Abbe, Kenneth; Barnouw, Faye Chen
Cc: Robert Bernhoft; Emma Bernhoft; Jamison Beuerman
Subject: Re: Donor Relations and Courtesy Call responses to FTC's CIDs

I'm sorry, Kenneth. I won't be able to break away today.

I have just received a copy of the Do Not Call list for Donor Relations. I believe Courtesy Call used to use the same list in the past, but Donor Relations took over the list, and had since added numbers during the course of its business. So we don't have a historical version of the list. I will put this together for you and send it out, likely by tomorrow. I have a couple other urgent matters that I have papers that have to be filed in court today that will take me most of the day.

I also can't commit to a specific time to respond to the remaining questions. I understand that you may decide to file an enforcement petition without a commitment to produce by a particular date.

Best regards,

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
djtreuden@bernhoftlaw.com

On Nov 1, 2017, at 11:05 AM, Abbe, Kenneth <KABBE@ftc.gov> wrote:

Dan:

To follow up on my email below, are you available for a call today? We would like to speak with you about the responses by Donor Relations and Courtesy Call to the FTC's CIDs. Faye and I are generally available today except from 2 to 2:30pm PT / 4 to 4:30pm CT. Please let me know.

Thanks, Ken Abbe

Kenneth H. Abbe
Federal Trade Commission
Western Region – Los Angeles
10990 Wilshire Blvd., Ste. 400
Los Angeles, CA 90024
310-824-4313

310-824-4380 fax
kabbe@ftc.gov

From: Abbe, Kenneth
Sent: Thursday, October 26, 2017 2:48 PM
To: 'Dan Treuden'
Cc: Robert Bernhoft; Emma Bernhoft; Jamison Beuerman; Barnouw, Faye Chen
Subject: Donor Relations and Courtesy Call responses to FTC's CIDs

Dan:

Are you available for a call next week? We would like to talk with you about the time frame for the remaining responses from Donor Relations and Courtesy Call to the FTC's CIDs, as well as the respondents' submissions to date. We are generally available on Monday and Tuesday, October 30-31, after 10am PT / 12pm CT. Is there a time that works for you? Please let me know.

Thanks, Ken Abbe

Kenneth H. Abbe
Federal Trade Commission
Western Region – Los Angeles
10990 Wilshire Blvd., Ste. 400
Los Angeles, CA 90024
310-824-4313
310-824-4380 fax
kabbe@ftc.gov

From: Dan Treuden [<mailto:djtreuden@bernhoflaw.com>]
Sent: Saturday, October 21, 2017 2:24 PM
To: Gonzalez, David; Abbe, Kenneth; Barnouw, Faye Chen
Cc: Robert Bernhoft; Emma Bernhoft; Jamison Beuerman
Subject: Re: File Request - File-transfer link for Donor Relations and Courtesy Call CID responses

Ken and Faye:

When I go to the link set out below, the button that says "Choose File/Folder" isn't working. There is no reaction when I click on it. I did update my Java Script, but that hasn't helped. I also tried multiple browsers, but still can't get it to work. I can send these documents overnight to you, or would you prefer we use dropbox? The Courtesy Call documents are 195.6 MB in size and the Donor Relations documents are 49.9 MB in size, so they are too large to email.

I sent the final draft of the interrogatory responses and document production response cover to our client for his review and execution. As you know, the interrogatories must be signed under penalty of perjury. I should have his signed copy by Monday and can email that to you.

Regarding your question regarding timing of the CID responses, I am loath to make any representations I don't know I can keep. I wouldn't know how to estimate the time necessary to respond to the CIDs in full. I know you've stated that you've tried to narrow the scope of the CID's request, but the CID is asking for a ton of material and from our perspective is not narrow at all. The cost of responding is high in terms of both money and time. If our client had unlimited time and resources, he might have fully responded by now, but his resources are limited. We'll continue to work diligently to put these documents together, and if you need to enforce the CID

in the meantime, we'll continue to segregate documents responsive to the CID during the pendency of that proceeding.

Daniel Treuden
Attorney and Counselor at Law

The Bernhoft Law Firm, S.C.
1220 Colorado Street, Suite 440
Austin, Texas 78701
(512) 582-2100 telephone
(512) 373-3159 facsimile
ditreuden@bernhoflaw.com

Petition Exhibit 12

**Letter from Daniel Treuden to Kenneth Abbe and
Faye Chen Barnouw
(November 2, 2017)**

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THE BERNHOFT LAW FIRM, S.C.

Faye Chen Barnouw & Kenneth Abbe
Federal Trade Commission
10990 Wilshire Blvd., 4th Floor
Los Angeles, CA 90024

November 2, 2017

Via Priority Mail

**Re: Civil Investigation Demands to Courtesy Call, Inc. and Donor
Relations, LLC
Document Production Disclosure**

Dear Atts. Barnouw & Abbe:

Please find enclosed with this letter a USB drive containing the Do Not Call List that was used for Donor Relations and Courtesy Call, Inc.

We will continue to work towards providing responses to these interrogatories and document requests. I wish I could give you a definite time we can complete this work, but this isn't an estimate I can make at this time.

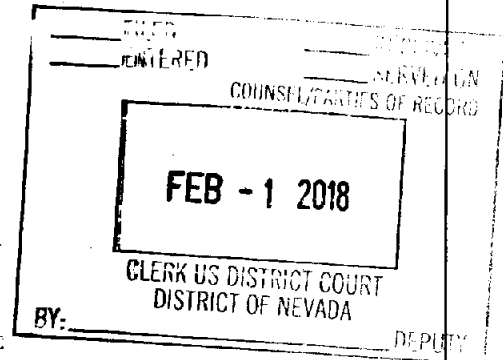
Sincerely yours,

Daniel J. Treuden, Esq.
Attorney and Counselor at Law

encl.

BURKE W. KAPPLER
D.C. Bar No. 471936; Previously admitted pursuant to LR IA 11-3
FEDERAL TRADE COMMISSION
Office of General Counsel
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580
Tel: 202-326-2043
Fax: 202-326-2477
Email: bkappler@ftc.gov

Attorney for Petitioner Federal Trade Commission



**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION,

2:18-cv-00183-GMN-CWH

Petitioner,

v.

DONOR RELATIONS, LLC, and

**FEDERAL TRADE COMMISSION'S
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
PETITION TO ENFORCE
CIVIL INVESTIGATIVE DEMANDS**

COURTESY CALL, INC.,

Respondents.

The Federal Trade Commission brings these proceedings to enforce civil investigative demands (CIDs) issued to Donor Relations, LLC and Courtesy Call, Inc. as part of an investigation into the companies' solicitations on behalf of their purported charity clients. The purpose of the investigation is to determine whether the companies have engaged in "unfair or deceptive acts or practices" in violation of Section 5 of the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 45, or violated the Telemarketing Sales Rule (TSR), 16 C.F.R. pt. 310. The companies responses' to the CID are deficient in numerous respects. Instead of addressing those deficiencies, they have refused to cooperate with FTC staff in its efforts to bring the companies

1 into compliance and move forward in the investigation. The Commission
2 respectfully asks this Court to conduct a show cause hearing and afterwards enforce
3 the CIDs, entering its own order that directs Donor Relations and Courtesy Call to
4 provide the responsive materials within 10 days of the date of that order.

5 Jurisdiction

6 The authority of the Commission to issue a CID, and the jurisdiction and
7 venue of this Court to enter an order enforcing it, are conferred by Section 20(c) of
8 the FTC Act, 15 U.S.C. § 57b-1(c). Section 20 empowers the Commission to issue
9 CIDs to compel, *inter alia*, the production of documentary evidence and responses to
10 written interrogatories. Sections 20(e) and (h) of the FTC Act, 15 U.S.C. §§ 57b-1(e)
11 and (h), authorize the Commission to invoke the aid of the district courts to enforce a
12 CID in any jurisdiction in which the recipient of a CID “resides, is found, or
13 transacts business.” In this case, venue and jurisdiction are proper under Section
14 20(e) because both companies reside, are found, or transact business in this district.¹
15 Pet. Ex. 1, ¶¶ 3-4.²

16 The Parties

17 The Commission is an administrative agency of the United States, organized
18 and existing pursuant to the FTC Act, 15 U.S.C. § 41 *et seq.* The FTC is authorized
19 and directed by Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), to prohibit, *inter alia*,
20 “unfair or deceptive acts or practices” affecting commerce. The Commission is also
21 authorized to enforce the TSR’s prohibition on deceptive and abusive telemarketing
22 practices. 15 U.S.C. § 6105(b); 16 C.F.R. pt. 310. Among others, the Rule prohibits
23 placing calls to individuals whose names appear on the Commission’s Do Not Call
24

25 ¹ In addition to the jurisdiction and venue conferred by Section 20 of the FTC
26 Act, this Court also has jurisdiction under 28 U.S.C. §§ 1331, 1337(a), and 1345 and
venue is proper under 28 U.S.C. § 1391.

27 ² Citations to exhibits are to paragraph numbers where available or to Bates
28 numbers that appear at the bottom of each exhibit page.

1 registry, *see* 16 C.F.R. § 310.4(b)(1)(iii)(B), or delivering prerecorded messages,
2 known as “robocalls.” 16 C.F.R. § 310.4(b)(1)(v). The Commission is authorized to
3 investigate possible violations of these provisions. *See, e.g.*, 15 U.S.C. §§ 43, 46.
4 Most relevant here, Section 20 of the FTC Act, 15 U.S.C. § 57b-1, empowers the
5 Commission to issue CIDs requiring the production of documents or other
6 information relating to any Commission law enforcement investigation

7 Respondent Courtesy Call, Inc. is a for-profit fundraiser whose principal place
8 of business was in Las Vegas, Nevada until May 2017, when, as reported by the
9 Nevada Secretary of State, it was dissolved. It was owned and operated by an
10 individual, Richard Zeitlin. Pet. Ex. 1, ¶ 3.

11 Respondent Donor Relations, LLC, is a Las Vegas-based for-profit fundraiser.
12 It is owned and operated by Richard Zeitlin. Donor Relations was organized in
13 2016, at about the same time Courtesy Call was winding down. At present, it
14 provides fundraising services for approximately 12 of Courtesy Call’s former clients.
15 *Id.*, ¶ 4.

16 **Statement of Facts**

17 1. The purpose of the current investigation is to determine whether Donor
18 Relations and Courtesy Call may have violated Section 5 of the FTC Act or the
19 Telemarketing Sales Rule in soliciting donations for their clients. The subjects
20 covered by the CIDs include the following:

- 21 a. Respondents’ knowledge of any misrepresentations made by their
22 telemarketers;
- 23 b. Respondents’ use of the TSR’s Do Not Call lists and reliance on
24 Soundboard technology, a form of pre-recorded call, to make their
25 calls;
- 26 c. Respondents’ operation, management, and ownership;

1 d. The identities of, and information about, Respondents' clients;
2 and

3 2. The training and monitoring of Respondents' employees.

4 On August 28, 2017, the Commission issued its CIDs directing the companies
5 to produce documents and to respond to interrogatories no later than September 27,
6 2017. Pet. Ex. 2 at 3; Pet. Ex. 3 at 3. The Commission issued the CIDs were issued
7 under the authority of two separate investigational resolutions. The first, a
8 Resolution Directing Use of Compulsory Process in a Non-Public Investigation of
9 Deceptive Fundraising authorizes the use of process

10 to determine whether unnamed persons, partnerships, corporations, or
11 others, in connection with soliciting charitable contributions, donations,
12 gifts of money or any other thing of value, have engaged in or are
13 engaging in (1) deceptive or unfair acts or practices in or affecting
14 commerce in violation of Section 5 of the Federal Trade Commission
15 Act, 15 U.S.C. § 45, and/or (2) deceptive or abusive telemarketing acts
or practices in violation of the Commission's Telemarketing Sales Rule,
16 C.F.R. Part 310.

16 Pet. Ex. 2 at 23; *see also* Pet. Ex. 3 at 22. The second, a Resolution Directing Use of
17 Compulsory Process in a Nonpublic Investigation of Telemarketers, Sellers,
18 Suppliers, or Others, similarly authorizes the Commission to use process to
19 investigate possible unfair or deceptive acts or practices by entities engaged in
20 telemarketing in violation of Section 5 or deceptive or abusive telemarketing
21 practices in violation of the TSR. Pet. Ex. 2 at 24; Pet. Ex. 3 at 23. The CIDs were
22 signed by a Commissioner and issued in accordance with all the procedures
23 mandated by the FTC Act and the FTC's Rules of Practice. *See* 15 U.S.C. § 57b-1(i);
24 16 C.F.R. § 2.7(a); Pet. Ex. 2 at 3; Pet. Ex. 3 at 3.

25 The FTC served the CIDs on August 31, 2017. *See* Pet. Ex. 4; *see also* 15
26 U.S.C. § 57b-1(c)(8); 16 C.F.R. § 4.4(a)(3). Respondents then waited until September
27 11, 2017, to contact FTC staff, at which time their counsel requested an extension of
28

1 time. Pet. Ex. 1, ¶ 13. Respondents then pursued a strategy of delay, including
 2 missing deadlines, providing partial and deficient productions, and refusing to
 3 engage with FTC staff on an expected completion date.³ *Id.* ¶¶ 13-43. As a result,
 4 more than three months after the CIDs' initial deadlines, the FTC has no
 5 commitment from the companies as to when, or if, they will ever fully respond to the
 6 CIDs. *See, e.g.*, Pet. Ex. 1, ¶¶ 29-30, 31-32, 37, 40.

7 Argument

8 **I. The scope of issues considered in proceedings to enforce compulsory** 9 **process is narrow.**

10 Although “the court's function is ‘neither minor nor ministerial,’ the scope of
 11 issues which may be litigated in [a compulsory process] enforcement proceeding
 12 must be narrow, because of the important governmental interest in the expeditious
 13 investigation of possible unlawful activity.” *FTC v. Texaco, Inc.*, 555 F.2d 862, 872
 14 (D.C. Cir. 1977) (*en banc*) (internal citation omitted); *NLRB v. North Bay Plumbing,*
 15 *Inc.*, 102 F.3d 1005, 1007 (9th Cir. 1996). The Court is thus limited to determining
 16 whether the Commission has demonstrated that: (1) Congress has granted the
 17 authority to investigate; (2) the procedural requirements have been followed; and (3)
 18 the evidence is relevant and material to the investigation. *North Bay Plumbing,*
 19 *Inc.*, 102 F.3d at 1007; *accord FDIC v. Garner*, 126 F.3d 1138, 1142-43 (9th Cir.
 20 1997). If the agency establishes these factors, “the subpoena should be enforced
 21 unless the party being investigated proves the inquiry is unreasonable because it is
 22 overbroad or unduly burdensome.” *North Bay Plumbing*, 102 F.3d at 1007.

23
 24
 25 ³ Nor have respondents properly preserved any objections they may have had to
 26 the CIDs. The Commission's Rules of Practice allow the recipient of a CID to object
 27 to a CID by filing an administrative petition to limit or quash. *See* 16 C.F.R. § 2.10.
 28 Respondents have not filed such a petition. *Id.*, ¶ 44.

1 The government's burden to meet these requirements requires only a "prima
2 facie showing" and can be demonstrated by an affidavit of a government official.
3 *Garner*, 126 F.3d at 1143. Here, as set forth in the accompanying Declaration of
4 Faye Chen Barnouw, one of the lead investigating attorneys, the Commission has
5 readily demonstrated that the requirements for enforcement are satisfied. *See*
6 *generally* Pet. Ex. 1.

7 Procedurally, an enforcement proceeding is properly instituted by a petition
8 and order to show cause (rather than by complaint and summons) and is summary in
9 nature; discovery or evidentiary hearings are generally not permitted, save in
10 extraordinary circumstances. *See, e.g., EEOC v. Karuk Tribe Hous. Auth.*, 260 F.3d
11 1071, 1078 (9th Cir. 2001); *FTC v. Carter*, 636 F.2d 781, 789 (D.C. Cir. 1980).

12 **II. The civil investigative demands should be enforced.**

13 **A. Congress granted the FTC the authority to investigate.**

14 Section 5 of the FTC Act prohibits unfair or deceptive acts or practices in or
15 affecting commerce. *See* 15 U.S.C. § 45. Further, as provided by the Telemarketing
16 and Consumer Fraud and Abuse Prevention Act, the Commission is empowered to
17 prescribe rules prohibiting deceptive or abusive telemarketing practices and to
18 enforce these rules with all of the authority provided by the FTC Act. *See* 15 U.S.C.
19 §§ 6102(a), 6105(b). The Commission may issue CIDs to investigate potential
20 violations of any of these laws. 15 U.S.C. § 57b-1(c)(1).

21 **B. The procedural requirements have been followed.**

22 The CIDs were issued pursuant to a valid Commission resolution authorizing
23 the issuance of compulsory process for possible violations of the FTC Act. Each CID
24 was signed by a Commissioner and was served by the Commission's Secretary, as
25 provided by the FTC Act and the Commission's Rules. *See* 15 U.S.C. §§ 57b-1(c)(7),
26 (c)(8), (i); 16 C.F.R. §§ 2.7, 4.4(a)(3).

1 **C. The evidence is relevant and material to the investigation.**

2 The purpose of an FTC investigation is defined by the compulsory process
3 resolution that authorizes the CID. *FTC v. Invention Submission Corp.*, 965 F.2d
4 1086, 1088, 1090 (D.C. Cir. 1992); *Texaco*, 555 F.2d at 874. The purpose of this
5 investigation, as stated in the accompanying resolutions, is to determine whether
6 respondents have engaged in unfair or deceptive practices in violation of Section 5 or
7 have engaged in deceptive or abusive telemarketing practices in violation of the TSR.
8 Therefore, in order for this Court to enforce the CIDs, the information requested
9 must be relevant to these purposes, applying the “broad” and “relaxed” standard of
10 relevance that applies in administrative investigations. *See Invention Submission*,
11 965 F.2d at 1090; *Phelps v. Soc. Sec. Admin., Office of the Inspector Gen.*, No.
12 08CV2092-L (BLM), 2009 WL 862167, at *1 (S.D. Cal. Mar. 26, 2009) (citing, *inter*
13 *alia*, *Sandsend Fin. Consultants, Ltd. v. Fed. Home Loan Bank Bd.*, 878 F.2d 875,
14 882 (5th Cir. 1989)).

15 Here, to support the investigations, the CIDs call for information on several
16 topics, including the following, with the corresponding specifications indicated in
17 parentheses:

- 18 a. Respondents’ awareness of falsities in representations they made
19 in their telemarketing solicitations regarding their charity
20 clients’ business practices (Courtesy Call Interrogatories 19, 20;
21 Donor Relations Interrogatories 21, 22; Courtesy Call and Donor
22 Relations Document Requests 23-28);
- 23 b. Respondents’ TSR compliance practices, including their practices
24 regarding Do Not Call lists and their use of Soundboard
25 technology, a form of pre-recorded call (Courtesy Call
26 Interrogatories 12-18; Donor Relations Interrogatories 12-20;
27 Courtesy Call and Donor Relations Document Requests 13-22);

- 1 c. Basic information about respondents' operation, management,
2 and ownership (Courtesy Call and Donor Relations
3 Interrogatories 1-4; Courtesy Call and Donor Relations
4 Document Requests 1-7);
- 5 d. Information that respondents maintain about their charity
6 clients (Courtesy Call and Donor Relations Interrogatories 5-10;
7 Courtesy Call and Donor Relations Document Requests 23-25);
8 and
- 9 e. Training and monitoring of respondents' employees (Courtesy
10 Call and Donor Relations Interrogatory 11; Courtesy Call and
11 Donor Relations Document Requests 8-12).

12 Each of these topics relates directly to the investigation's purposes by enabling
13 the Commission to learn more about both Courtesy Call and Donor Relations, their
14 operations, their employees, and their clients, their telemarketing practices, and
15 whether the companies are aware of any falsities in their representations. *See* Pet.
16 Ex. 1, ¶ 10.

17 **D. The information sought is not overbroad or unduly**
18 **burdensome.**

19 For the reasons stated above, the Commission is entitled to enforcement of its
20 CIDs. As provided in *North Bay Plumbing*, however, a court may elect not to enforce
21 compulsory process if "the party being investigated proves the inquiry is
22 unreasonable because it is overbroad or unduly burdensome." *North Bay Plumbing*,
23 102 F.3d at 1007. There are two reasons Respondents cannot make this showing.

24 First, Courtesy Call was served with a CID that requires it to respond to 24
25 interrogatories and 28 document requests. Pet. Ex. 3. Donor Relations was required
26 to respond to the same 24 interrogatories and 28 document requests, plus an
27 additional two interrogatories relating to Donor Relations' possible use of
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1 soundboard technology in its telemarketing calls. Pet. Ex. 2. As described above,
2 these specifications relate directly to the stated purposes of the investigation and
3 thus are not overbroad. Nor are these requests unduly burdensome; instead, these
4 are tailored to provide staff the information it needs to evaluate the companies'
5 conduct and thus go to the heart of the investigation. Pet. Ex. 1, ¶¶ 6-7, 10.

6 Second, at no point has either company sufficiently claimed the CID it
7 received was overbroad or unduly burdensome. *Garner*, 126 F.3d at 1145-46
8 (holding that the party claiming burden must establish the burden) (citing *United*
9 *States v. Stuart*, 489 U.S. 353, 360 (1989)). Although company counsel has claimed
10 generally to FTC staff that the CIDs are burdensome, *see, e.g.*, Pet. Ex. 10 at 1, this
11 vague and unsupported assertion is not the proper way to raise such a claim.
12 Instead, a claim of undue burden is properly made through the filing of an
13 administrative petition to quash or limit the CID, but neither respondent filed any
14 such petition. 16 C.F.R. § 2.10; Pet. Ex. 1, ¶ 44. And, even if the companies faced an
15 undue burden, Commission staff accommodated them by agreeing to forbear from
16 taking further enforcement action on two separate occasions, granting the companies
17 additional time to come into compliance, a condition that both companies failed to
18 achieve. Pet. Ex. 1, ¶¶ 20, 26, 40-43.

19 Having failed to object to breadth or burden of the CID by filing an
20 administrative motion to quash or limit, respondents may not raise such a defense
21 now. *See Casey v. FTC*, 578 F.2d 793, 796 (9th Cir. 1978) (“[F]ailure to exhaust
22 administrative remedies typically precludes judicial relief.”); *see also Amerco v.*
23 *NLRB*, 458 F.3d 883, 888 (9th Cir. 2006) (citing *Myers v. Bethlehem Shipbuilding*
24 *Corp.*, 303 U.S. 41, 50-51 (1938)).

25 Conclusion

26 For these reasons, the Court should enter the attached show cause order
27 commencing this proceeding and afterwards grant the Commission’s petition to
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1 enforce the CIDs, entering its own order requiring Donor Relations, LLC, and
2 Courtesy Call, Inc. to produce the requested documents and interrogatory responses
3 within 10 days.

4
5 Respectfully submitted,

6 DAVID C. SHONKA
7 Acting General Counsel

8 LESLIE RICE MELMAN
9 Assistant General Counsel for Litigation

10 /s/ Burke W. Kappler
11 BURKE W. KAPPLER
12 Attorney

13 FEDERAL TRADE COMMISSION
14 600 Pennsylvania Ave., N.W.
15 Washington, DC 20580
16 Tel.: (202) 326-2043
17 Fax: (202) 326-2477
18 Email: bkappler@ftc.gov

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28 Dated: January 31, 2018

JS 44 (Rev. 06/17)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Federal Trade Commission

(b) County of Residence of First Listed Plaintiff Washington, D.C.
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
Burke W. Kappler, Attorney, Office of General Counsel, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580, Tel: 202-326-2043

DEFENDANTS

Donor Relations, LLC; Courtesy Call, Inc.

County of Residence of First Listed Defendant Clark County
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)
Robert Bernhoff and Daniel Treuden, The Bernhoff Law Firm, S.C., 1220 Colorado Street, Suite 440, Austin, TX 78701, Tel: 512-582-2100

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (For Diversity Cases Only)

Cit _____ Plaintiff
DEF _____
Citi. _____ 4
Citi. _____ 5
Citi. _____ 6

2:18-cv-00183-GMN-CWH

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from Another District (specify)
- 6 Multidistrict Litigation - Transfer
- 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
15 U.S.C. s. 57b-1(e)
Brief description of cause:
Enforcement of administrative compulsory process (civil investigative demands)

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ _____ CHECK YES only if demanded in complaint:
JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE _____ DOCKET NUMBER _____

DATE 01/31/2018 SIGNATURE OF ATTORNEY OF RECORD /s/ Burke W. Kappler

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

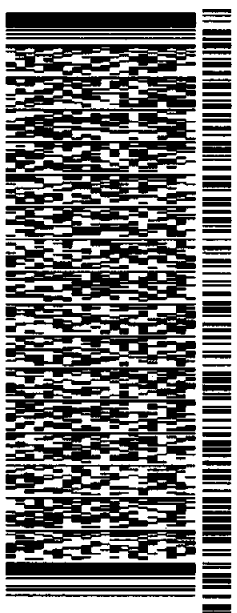
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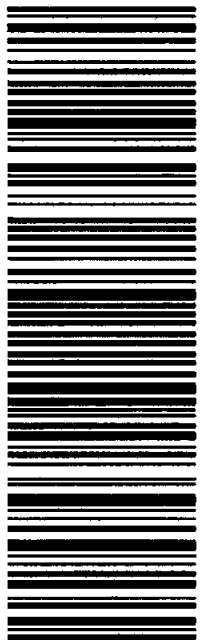
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