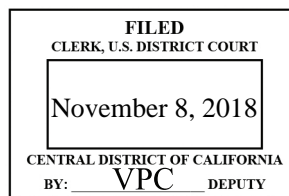


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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

No. ED 5:18-cv-02104-SJO-PLAx

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

JASON CARDIFF, individually and
as an owner, officer, director, or
member of
**REDWOOD SCIENTIFIC
TECHNOLOGIES, INC.**, a
California corporation;
**REDWOOD SCIENTIFIC
TECHNOLOGIES, Inc.**, a
Nevada corporation;
**REDWOOD SCIENTIFIC
TECHNOLOGIES, Inc.**, a
Delaware corporation;
IDENTIFY, LLC, a Wyoming
limited liability company;
**ADVANCED MEN’S
INSTITUTE PROLONGZ LLC**,

**~~PROPOSED~~ PRELIMINARY
INJUNCTION WITH ASSET
FREEZE, RECEIVER, AND
OTHER EQUITABLE RELIEF
AGAINST JASON CARDIFF
AND EUNJUNG CARDIFF**

1 d/b/a AMI, a California limited
2 liability company; and
3 RUN AWAY PRODUCTS,
4 LLC, a New York limited
5 liability company; and
6 both general and limited partner
7 of
8 CAROLS PLACE LIMITED
9 PARTNERSHIP, an Arizona
10 limited liability partnership;

11 **EUNJUNG CARDIFF**, a/k/a Eunjung
12 Lee, a/k/a Eunjung No,
13 individually and as an owner,
14 officer, director, or member of
15 REDWOOD SCIENTIFIC
16 TECHNOLOGIES, INC., a
17 California corporation;
18 REDWOOD SCIENTIFIC
19 TECHNOLOGIES, Inc., a
20 Nevada corporation;
21 REDWOOD SCIENTIFIC
22 TECHNOLOGIES, Inc., a
23 Delaware corporation;
24 IDENTIFY, LLC, a Wyoming
25 limited liability company;
26 ADVANCED MEN'S
27 INSTITUTE PROLONGZ LLC,
28 d/b/a AMI, a California limited
liability company; and
RUN AWAY PRODUCTS,
LLC, a New York limited
liability company; and
both general and limited partner
of
CAROLS PLACE LIMITED
PARTNERSHIP, an Arizona
limited liability partnership;

DANIELLE CADIZ, a/k/a Danielle

1 Walker, individually;

2 **REDWOOD SCIENTIFIC**
3 **TECHNOLOGIES, INC.**, a
4 California corporation, also d/b/a
5 Rengalife;

6 **REDWOOD SCIENTIFIC**
7 **TECHNOLOGIES, INC.**, a
8 Nevada corporation;

9 **REDWOOD SCIENTIFIC**
10 **TECHNOLOGIES, INC.**, a
11 Delaware corporation;

12 **IDENTIFY, LLC**, a Wyoming limited
13 liability company;

14 **ADVANCED MEN'S INSTITUTE**
15 **PROLONGZ LLC**, d/b/a AMI,
16 a California limited liability
17 company;

18 **RUN AWAY PRODUCTS, LLC**, a
19 New York limited liability
20 company; and

21 **CAROLS PLACE LIMITED**
22 **PARTNERSHIP**, an Arizona
23 limited liability partnership,

24 Defendants.

25 On October 3, 2018, Plaintiff, the Federal Trade Commission, filed its
26 Complaint for Permanent Injunction and Other Equitable Relief pursuant to
27 Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C.
28 § 53(b), the Restore Online Shoppers' Confidence Act, ("ROSCA"), 15 U.S.C.

1 §§ 8401-8405, and the Electronic Fund Transfer Act (“EFTA”), 15 U.S.C.
2 §§ 1693-1693r, and Section 6 of the Telemarketing and Consumer Fraud and
3 Abuse Prevention Act (the “Telemarketing Act”), 15 U.S.C. § 6105, and moved,
4 pursuant to Fed. R. Civ. P. 65(b), for a temporary restraining order, asset freeze,
5 other equitable relief, and an order to show cause why a preliminary injunction
6 should not issue against Defendants Jason Cardiff, Eunjung Cardiff, a/k/a Eunjung
7 Lee, a/k/a Eunjung No, Danielle Cadiz, a/k/a Danielle Walker, Redwood Scientific
8 Technologies, Inc. (California), Redwood Scientific Technologies, Inc. (Nevada),
9 Redwood Scientific Technologies, Inc. (Delaware), Identify, LLC, Advanced
10 Men’s Institute Prolongz LLC, Run Away Products, LLC, and Carols Place
11 Limited Partnership.

12 A Temporary Restraining Order (“TRO”) was entered by this Court on
13 October 10, 2018, setting a Preliminary Injunction hearing for October 23, 2018 at
14 2:00 p.m. Plaintiff and Defendants Jason Cardiff and Eunjung Cardiff stipulated in
15 advance of the October 23 hearing to an extension of the TRO and a continuance
16 of the Preliminary Injunction hearing until such date as the Court set.

17 On October 22, 2018, the Receiver submitted an Affidavit on Non-
18 Compliance for Temporary Restraining Order detailing bank withdrawals and
19 attempted bank transactions by Jason Cardiff and Eunjung Cardiff in violation of
20 the TRO.

21 On October 24, 2018, the Court extended the TRO and continued the
22 Preliminary Injunction hearing to November 7, 2018 as to Jason Cardiff and
23 Eunjung Cardiff, and ordered them to return assets to the Receiver. (Dkt. No. 48)
24 The Court also entered a Preliminary Injunction against all seven Corporate
25 Defendants. (Dkt. 46) On November 1, 2018, the Receiver reported that the
26 Cardiffs had not returned any funds to the Receiver. (Dkt. 53)

27 Under Section XXX of the extended TRO, Individual Defendants Jason
28 Cardiff and Eunjung Cardiff were required to file any answering pleadings,

1 affidavits, motions, expert reports or declarations, or legal memoranda no later
2 than four days prior to the hearing to show cause why a Preliminary Injunction
3 should not issue (i.e., by Friday, November 2, 2018). Individual Defendants Jason
4 Cardiff and Eunjung Cardiff did not file any such pleadings.

5 The Court held a Preliminary Injunction hearing on November 7, 2018, at
6 which counsel for Plaintiff, counsel for the Receiver, and Defendants Jason Cardiff
7 and Eunjung Cardiff appeared. The Court heard testimony and argument from the
8 parties and the Receiver.

9 **FINDINGS OF FACT**

10 The Court, having entered a Temporary Restraining Order and having
11 considered the declarations, exhibits, and the memorandum of points and
12 authorities filed in support thereof, as well as testimony and oral argument at the
13 November 7 Preliminary Injunction hearing, and being otherwise advised, finds
14 that:

15 A. This Court has jurisdiction over the subject matter of this case, and
16 there is good cause to believe that it will have jurisdiction over all parties hereto
17 and that venue in this district is proper.

18 B. In numerous instances, Defendants have misrepresented the
19 effectiveness of their dissolvable film strip products for smoking cessation, weight
20 loss, and improved male sexual performance, thereby misleading vulnerable
21 consumers. Defendants have then further injured many consumers by placing
22 them on unauthorized continuity plans that resulted in additional charges to their
23 credits cards or withdrawals from their debit accounts. Defendants have also made
24 false earnings claims as part of a multilevel marketing plan, and illegally caused
25 more than one million robocalls to be made to consumers' telephones.

26 C. There is good cause to believe that Defendants have engaged in and
27 are likely to engage in acts or practices that violate Sections 5(a) and 12 of the FTC
28 Act, Section 4 of ROSCA, Section 907(a) of EFTA, EFTA's implementing

1 Regulation E, and the Telemarketing Sales Rule (“TSR”), and that Plaintiff is
2 therefore likely to prevail on the merits of this action. As demonstrated by
3 Defendants’ own advertising and communications, consumer complaints,
4 declarations, and the additional documentation filed by the FTC, the Commission
5 has established a likelihood of success in showing that Defendants have
6 deceptively marketed TBX-FREE, Eupepsia Thin, and Prolongz, placed consumers
7 on continuity plans without their prior authorization, charged consumers’ credit
8 cards and debited their bank accounts without authorization, caused robocalls to be
9 made to more than one million consumers to induce the sale of goods or services,
10 and misrepresented the earnings that people who join their multi-level marketing
11 program are likely to make.

12 D. The FTC is likely to succeed in showing that Corporate Defendants
13 Redwood Scientific Technologies, Inc. (California), Redwood Scientific
14 Technologies, Inc. (Nevada), Redwood Scientific Technologies, Inc. (Delaware),
15 Identify, LLC, Advanced Men’s Institute Prolongz LLC, Run Away Products,
16 LLC, and Carols Place Limited Partnership operate as a common enterprise and are
17 the alter egos of Jason Cardiff and Eunjung Cardiff.

18 E. There is good cause to believe that immediate and irreparable harm
19 will result from Defendants’ ongoing violations of the FTC Act, ROSCA, EFTA
20 and Regulation E, and the TSR unless Defendants are restrained and enjoined by
21 order of this Court.

22 F. There is good cause to believe that immediate and irreparable damage
23 to the Court’s ability to grant effective final relief for consumers – including
24 monetary restitution, rescission, or disgorgement – will occur from the sale,
25 transfer, destruction or other disposition or concealment by Defendants of their
26 assets or records, unless Defendants are restrained and enjoined by order of this
27 Court.

28

1 G. Good cause exists for continuing the receivership and the asset freeze
2 imposed pursuant to the TRO issued in this case, and permitting Plaintiff and the
3 Receiver to take expedited discovery. Defendants Jason Cardiff and Eunjung
4 Cardiff each violated the asset freeze provision of the TRO, as discussed in the
5 Receiver’s Affidavit on Non-Compliance for Temporary Restraining Order, and
6 then failed to return to the funds they had withdrawn from frozen bank accounts as
7 they were directed to do by the Court’s October 24, 2018 Order.

8 H. Weighing the equities and considering Plaintiff’s likelihood of
9 ultimate success on the merits, this Order is in the public interest.

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

13 J. No security is required of any agency of the United States for issuance
14 of a Preliminary Injunction. Fed. R. Civ. P. 65(c).

15 **DEFINITIONS**

16 For the purpose of this Order, the following definitions shall apply:

17 A. “Asset” means any legal or equitable interest in, right to, or claim to,
18 any property, wherever located and by whomever held.

19 B. “Continuity Program” means any plan, arrangement, or system under
20 which a consumer is periodically charged for products or services, without prior
21 notification by the seller before each charge.

22 C. “Corporate Defendant(s)” means Redwood Scientific Technologies,
23 Inc. (California), Redwood Scientific Technologies, Inc. (Nevada), Redwood
24 Scientific Technologies, Inc. (Delaware), Identify, LLC, Advanced Men’s Institute
25 Prolongz LLC, Run Away Products, LLC, and Carols Place Limited Partnership,
26 and each of their subsidiaries, affiliates, successors, and assigns.

27 D. “Defendant(s)” means Corporate Defendants, Jason Cardiff, Eunjung
28 Cardiff, and Danielle Cadiz, individually, collectively, or in any combination.

1 E. “Document” is synonymous in meaning and equal in scope to the
2 usage of “document” and “electronically stored information” in Federal Rule of
3 Civil Procedure 34(a), Fed. R. Civ. P. 34(a), and includes writings, drawings,
4 graphs, charts, photographs, sound and video recordings, images, Internet sites,
5 web pages, websites, electronic correspondence, including email and instant
6 messages, contracts, accounting data, advertisements, FTP Logs, Server Access
7 Logs, books, written or printed records, handwritten notes, telephone logs,
8 telephone scripts, receipt books, ledgers, personal and business canceled checks
9 and check registers, bank statements, appointment books, computer records,
10 customer or sales databases, and any other electronically stored information,
11 including Documents located on remote servers or cloud computing systems, and
12 other data or data compilations from which information can be obtained directly or,
13 if necessary, after translation into a reasonably usable form. A draft or non-
14 identical copy is a separate document within the meaning of the term.

15 F. “Electronic Data Host” means any person or entity in the business of
16 storing, hosting, or otherwise maintaining electronically stored information. This
17 includes, but is not limited to, any entity hosting a website or server, and any entity
18 providing “cloud based” electronic storage.

19 G. “Individual Defendant(s)” means Jason Cardiff, Eunjung Cardiff, and
20 Danielle Cadiz, individually, collectively, or in any combination.

21 H. “Negative Option” means, in an offer or agreement to sell or provide
22 any good or service, a provision under which the consumer’s silence or failure to
23 take an affirmative action to reject a good or service or to cancel the agreement is
24 interpreted by the seller or provider as acceptance or continuing acceptance of the
25 offer or agreement.

26 I. “Person” means a natural person, organization, or other legal entity,
27 including a corporation, partnership, proprietorship, association, cooperative, or
28 any other group or combination acting as an entity.

1 J. "Preauthorized Electronic Fund Transfer" means an electronic fund
2 transfer authorized in advance to recur at substantially regular intervals.

3 K. "Receiver" means the receiver identified in Section XV of this Order
4 and any deputy receivers that shall be named by the receiver.

5 L. "Receivership Entities" means Corporate Defendants as well as any
6 other entity that has conducted any business related to Defendants' marketing and
7 sale of dissolvable film strips and promotion of the Rengalife multilevel marketing
8 program, including receipt of Assets derived from any activity that is the subject of
9 the Complaint in this matter, and that the Receiver determines is controlled or
10 owned by any Defendant.

11 M. "Receivership Property" means any Assets, wherever located, that are:
12 (1) owned, controlled, or held by or for the benefit of the Receivership Entities,
13 Jason Cardiff, or Eunjung Cardiff, in whole or in part; (2) in the actual or
14 constructive possession of the Receivership Entities, Jason Cardiff, or Eunjung
15 Cardiff; or (3) owned, controlled, or held by, or in the actual or constructive
16 possession of, or otherwise held for the benefit of, any corporation, partnership,
17 trust, or other entity directly or indirectly owned or controlled by the Receivership
18 Entities, Jason Cardiff, or Eunjung Cardiff, including the Jurikel Family Trust, and
19 Carols Place Trust.

20 **ORDER**

21 **I. PROHIBITED BUSINESS ACTIVITIES**

22 **IT IS THEREFORE ORDERED** that Defendants Jason Cardiff and
23 Eunjung Cardiff, their officers, agents, employees, and attorneys, and all other
24 persons in active concert or participation with them, who receive actual notice of
25 this Order by personal service or otherwise, whether acting directly or indirectly, in
26 connection with the advertising, marketing, promoting, or offering for sale of any
27 goods, services, or programs are preliminarily restrained and enjoined from
28 misrepresenting or assisting others in misrepresenting, expressly or by implication:

1 A. Any material fact about TBX-FREE, Eupepsia Thin, or Prolongz,
2 including, but not limited to:

- 3 1. That TBX-FREE is an effective smoking cessation product;
- 4 2. That TBX-FREE is more effective than either nicotine patches or
5 nicotine gum in enabling cigarette smokers to stop smoking;
- 6 3. That TBX-FREE enables many cigarette smokers to quit in seven to
7 ten days;
- 8 4. That TBX-FREE has an 88% success rate, including among people
9 who have smoked cigarettes for more than five years;
- 10 5. That smokers should not need to purchase more than one month of
11 TBX-FREE;
- 12 6. That clinical studies have been conducted on TBX-FREE, and have
13 shown that TBX-FREE is an effective smoking cessation product;
- 14 7. That TBX-FREE has been proven in clinical studies to be more
15 effective than nicotine patches or nicotine gum in enabling smokers to
16 stop smoking;
- 17 8. That clinical studies of TBX-FREE conducted on 10,600 people have
18 shown that TBX-FREE has an “88% success rate”;
- 19 9. That The New England Journal of Medicine (“NEJM”), Harvard
20 Health Publications, and Johns Hopkins University have published
21 clinical studies proving that TBX-FREE is an effective smoking
22 cessation product;
- 23 10. That NEJM’s clinical studies showed that TBX-FREE is ten times
24 more effective for smoking cessation than nicotine replacement
25 therapy;
- 26 11. That Eupepsia Thin is an effective appetite suppressant and weight
27 loss aid;

- 1 12. That Eupepsia Thin starts working in less than 20 seconds, and
- 2 suppresses a user's appetite within minutes;
- 3 13. That Eupepsia Thin enables users to lose 10, 20, or even 100 pounds
- 4 without dieting, giving up their favorite foods, or increasing their
- 5 exercise;
- 6 14. That Eupepsia Thin users can lose 15 pounds their first month without
- 7 dieting or changing their food or lifestyle;
- 8 15. That Eupepsia Thin users can lose as much as 20 pounds in one month
- 9 and as much as 50 pounds in three months;
- 10 16. That Eupepsia Thin is more effective at causing weight loss than
- 11 conventional calorie reduction and meal plans;
- 12 17. That Eupepsia Thin enables consumers to avoid gaining back weight
- 13 they lose, without any lifestyle changes.
- 14 18. That clinical studies have been conducted on Eupepsia Thin and those
- 15 studies show that it is an effective appetite suppressant and weight
- 16 loss aid;
- 17 19. That Prolongz substantially increases ejaculation control and the
- 18 duration of sex;
- 19 20. That Prolongz treats or prevents premature ejaculation;
- 20 21. That Prolongz is clinically proven to increase ejaculation control and
- 21 the duration of sex for more than 97% of users;
- 22 22. That Eupepsia Thin is made in the United States;
- 23 23. That individuals appearing in advertising for Eupepsia Thin used that
- 24 product successfully to lose weight; and
- 25 24. That consumers who are not satisfied with the product they purchased
- 26 will get their money back;

27 B. Any material fact about any multi-level marketing plan, including, but
28 not limited to, the income that participants in the plan are likely to earn; and

1 C. Any other fact material to consumers concerning any good or service,
2 such as: the total costs; any material restrictions, limitations, or conditions; or any
3 material aspect of its performance, efficacy, nature, or central characteristics.

4 **II. PROHIBITIONS AGAINST UNFAIR AND DECEPTIVE NEGATIVE**
5 **OPTION MARKETING PRACTICES**

6 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
7 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
8 active concert or participation with any of them, who receive actual notice of this
9 Order, whether acting directly or indirectly, in connection with the sale of any
10 good or service are preliminarily restrained and enjoined from charging, causing to
11 be charged, assisting others in charging, or attempting to charge any consumer in
12 any sale of a good or service sold through a negative option without:

13 A. Clearly and conspicuously disclosing all material terms of the
14 negative option features before obtaining the consumer's billing information;

15 B. Obtaining a consumer's express informed consent, written or similarly
16 authorized, to the negative option features before making any charge; and

17 C. Providing a simple mechanism for a consumer to stop recurring
18 charges from being placed on the consumer's credit card, debit card, or other
19 financial account.

20 **III. PROHIBITIONS AGAINST UNAUTHORIZED CHARGES**

21 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
22 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
23 active concert or participation with any of them, who receive actual notice of this
24 Order, whether acting directly or indirectly, are preliminarily restrained and
25 enjoined from charging, causing to be charged, assisting others in charging, or
26 attempting to charge any consumer for any good or service without first obtaining
27 the consumer's express informed consent, written or similarly authorized, to the
28 charge.

1 **IV. PROHIBITIONS AGAINST DEBITING CONSUMERS' BANK**
2 **ACCOUNTS WITHOUT AUTHORIZATION**

3 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
4 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
5 active concert or participation with any of them, who receive actual notice of this
6 Order, whether acting directly or indirectly, in connection with the sale of any
7 good or service, are preliminarily restrained and enjoined from:

8 A. Failing to timely obtain written authorization signed or similarly
9 authenticated by the consumer for any Preauthorized Electronic Fund Transfer
10 from a consumer's account before initiating any Preauthorized Electronic Fund
11 Transfer; and

12 B. Failing to provide to the consumer a copy of a valid written
13 authorization signed or similarly authenticated by the consumer for any
14 Preauthorized Electronic Fund Transfer from a consumer's account.

15 **V. PROHIBITION OF PRERECORDED MARKETING CALLS**

16 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
17 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
18 active concert or participation with any of them, who receive actual notice of this
19 Order, whether acting directly or indirectly, are hereby preliminarily restrained and
20 enjoined from initiating or causing the initiation of outbound telephone calls
21 delivering prerecorded messages to induce the sale of goods or services.

22 **VI. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

23 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
24 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
25 active concert or participation with any of them, who receive actual notice of this
26 Order, whether acting directly or indirectly, are hereby preliminarily restrained and
27 enjoined from:
28

1 A. Selling, renting, leasing, transferring, or otherwise disclosing, the
2 name, address, birth date, telephone number, email address, credit card number,
3 bank account number, Social Security number, or other financial or identifying
4 information of any person that any Defendant obtained in connection with any
5 activity that pertains to the subject matter of this Order; and

6 B. Benefitting from or using the name, address, birth date, telephone
7 number, email address, credit card number, bank account number, Social Security
8 number, or other financial or identifying information of any person that any
9 Defendant obtained in connection with any activity that pertains to the subject
10 matter of this Order.

11 Provided, however, that Defendants Jason Cardiff and Eunjung Cardiff may
12 disclose such identifying information to a law enforcement agency, to their
13 attorneys as required for their defense, as required by any law, regulation, or court
14 order, or in any filings, pleadings or discovery in this action in the manner required
15 by the Federal Rules of Civil Procedure and by any protective order in the case.

16 **VII. ASSET FREEZE**

17 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
18 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
19 active concert or participation with any of them, who receive actual notice of this
20 Order, whether acting directly or indirectly, are preliminarily restrained and
21 enjoined from:

22 A. Transferring, liquidating, converting, encumbering, pledging, loaning,
23 selling, concealing, dissipating, disbursing, assigning, relinquishing, spending,
24 withdrawing, granting a lien or security interest or other interest in, or otherwise
25 disposing of any Assets that are:

- 26 1. Owned or controlled, directly or indirectly, by any Defendant,
27 including, but not limited to, those for which any Defendant is a
28 signatory on the account;

- 1 2. Held, in part or in whole, for the benefit of any Defendant;
- 2 3. In the actual or constructive possession of any Defendant; or
- 3 4. Owned or controlled by, in the actual or constructive possession of, or
- 4 otherwise held for the benefit of, any corporation, partnership, asset
- 5 protection trust, or other entity that is directly or indirectly owned,
- 6 managed or controlled by any Defendant.

7 B. Opening or causing to be opened any safe deposit boxes, commercial
8 mail boxes, or storage facilities titled in the name of any Defendant or subject to
9 access by any Defendant, except as necessary to comply with written requests from
10 the Receiver acting pursuant to its authority under this Order;

11 C. Incurring charges or cash advances on any credit, debit, or ATM card
12 issued in the name, individually or jointly, of any Corporate Defendant or any
13 corporation, partnership, or other entity directly or indirectly owned, managed, or
14 controlled by any Defendant, or of which any Defendant is an officer, director,
15 member, or manager. This includes any corporate bankcard or corporate credit
16 card account for which any Defendant is, or was on the date that this Order was
17 signed, an authorized signer; or

18 D. Cashing any checks or depositing any money orders or cash received
19 from consumers, clients, or customers of any Defendant.

20 The Assets affected by this Section shall include: (1) all Assets of Defendants as
21 of the time the TRO was entered; (2) all Assets obtained by Defendants after the
22 TRO was entered if those Assets are derived from any activity that is the subject of
23 the Complaint in this matter or that is prohibited by this Order; and (3) all Assets
24 owned or controlled, directly or indirectly, by Defendant Jason Cardiff or
25 Defendant Eunjung Cardiff, including, but not limited to, the Jurikel Family Trust
26 or Carols Place Trust. This Section does not prohibit any transfers to the Receiver
27 or repatriation of foreign Assets specifically required by this Order.

28

1 **VIII. DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES**

2 **IT IS FURTHER ORDERED** that any financial or brokerage institution,
3 Electronic Data Host, credit card processor, payment processor, merchant bank,
4 acquiring bank, independent sales organization, third party processor or vendor,
5 payment gateway, insurance company, business entity, or person who receives
6 actual notice of this Order (by service or otherwise) that:

7 a) has held, controlled, or maintained custody, through an account
8 or otherwise, of any Document on behalf of Defendant Jason
9 Cardiff or Defendant Eunjung Cardiff or any Asset that has
10 been owned or controlled, directly or indirectly, by Defendant
11 Jason Cardiff or Defendant Eunjung Cardiff; held, in part or in
12 whole, for the benefit of Defendant Jason Cardiff or Defendant
13 Eunjung Cardiff; in the actual or constructive possession of
14 Defendant Jason Cardiff or Defendant Eunjung Cardiff; or
15 owned or controlled by, in the actual or constructive possession
16 of, or otherwise held for the benefit of, any corporation,
17 partnership, asset protection trust, or other entity that is directly
18 or indirectly owned, managed or controlled by Defendant Jason
19 Cardiff or Defendant Eunjung Cardiff;

20 b) has held, controlled, or maintained custody, through an account
21 or otherwise, of any Document or Asset associated with credits,
22 debits, or charges made on behalf of Defendant Jason Cardiff or
23 Defendant Eunjung Cardiff, including reserve funds held by
24 payment processors, credit card processors, merchant banks,
25 acquiring banks, independent sales organizations, third party
26 processors or vendors, payment gateways, insurance
27 companies, or other entities; or
28

1 c) has extended credit to Defendant Jason Cardiff or Defendant
2 Eunjung Cardiff, including through a credit card account, shall:

3 A. Hold, preserve, and retain within its control and prohibit the
4 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,
5 disbursement, dissipation, relinquishment, conversion, sale, or other disposal of
6 any such Document or Asset, as well as all Documents or other property related to
7 such Assets, except by further order of this Court;

8 B. Deny any person, except the Receiver, access to any safe deposit box,
9 commercial mail box, or storage facility that is titled in the name of Defendant
10 Jason Cardiff or Defendant Eunjung Cardiff, either individually or jointly, or
11 otherwise subject to access by Defendant Jason Cardiff or Defendant Eunjung
12 Cardiff;

13 C. Provide Plaintiff's counsel and the Receiver, unless already provided
14 pursuant to the TRO, within three (3) days of receiving a copy of this Order, a
15 sworn statement setting forth:

- 16 1. The identification number of each such account or Asset;
- 17 2. The balance of each such account, or a description of the nature and
18 value of each such Asset as of the close of business on the day on
19 which this Order is served, and, if the account or other Asset has been
20 closed or removed, the date closed or removed, the total funds
21 removed in order to close the account, and the name of the person or
22 entity to whom such account or other Asset was remitted; and
- 23 3. The identification of any safe deposit box, commercial mail box, or
24 storage facility that is either titled in the name, individually or jointly,
25 of Defendant Jason Cardiff or Defendant Eunjung Cardiff, or is
26 otherwise subject to access by Defendant Jason Cardiff or Defendant
27 Eunjung Cardiff; and

1 D. Upon the request of Plaintiff's counsel or the Receiver, promptly
2 provide Plaintiff's counsel and the Receiver with copies of all records or other
3 Documents pertaining to any account covered by this Section or Asset, including
4 originals or copies of account applications, account statements, signature cards,
5 checks, drafts, deposit tickets, transfers to and from the accounts, including wire
6 transfers and wire transfer instructions, all other debit and credit instruments or
7 slips, currency transaction reports, 1099 forms, and all logs and records pertaining
8 to safe deposit boxes, commercial mail boxes, and storage facilities.
9 Provided, however, that this Section does not prohibit any transfers to the Receiver
10 or repatriation of foreign Assets specifically required by this Order.

11 **IX. FINANCIAL DISCLOSURES**

12 **IT IS FURTHER ORDERED** that, to the extent not already done pursuant
13 to the TRO, Defendants Jason Cardiff and Eunjung Cardiff, within five (5) days of
14 service of this Order upon them, shall:

15 A. Prepare and deliver to Plaintiff's counsel and the Receiver completed
16 financial statements on the forms attached to this Order as **Attachment A**
17 (Financial Statement of Individual Defendant) for each Individual Defendant, and
18 **Attachment B** (Financial Statement of Corporate Defendant) for each Corporate
19 Defendant and for Carols Place Trust and the Jurikel Family Trust;

20 B. Prepare and deliver to Plaintiff's counsel and the Receiver completed
21 **Attachment C** (IRS Form 4506, Request for Copy of a Tax Return) for each
22 Individual Defendant and Corporate Defendant;

23 C. Identify to Plaintiff's counsel and the Receiver all bank accounts for
24 all entities for which Defendant Jason Cardiff or Defendant Eunjung Cardiff has
25 been an officer, director, member, owner, or signatory for the last five (5) years,
26 including, but not limited to, the entities Defendant Jason Cardiff identified in his
27 Financial Statement of Individual Defendant and the entities Defendant Eunjung
28 Cardiff identified in her Financial Statement of Individual Defendant; and

1 D. Deliver to Plaintiff's counsel and the Receiver any inventory of the
2 contents of any residence owned or leased by Defendants Jason Cardiff or Eunjung
3 Cardiff, prepared for any purpose, including, but not limited to, obtaining
4 insurance.

5 **X. FOREIGN ASSET REPATRIATION**

6 **IT IS FURTHER ORDERED** that, to the extent not already done pursuant
7 to the TRO, within five (5) days following the service of this Order, Defendant
8 Jason Cardiff, Defendant Eunjung Cardiff, and Carols Place Trust shall:

9 A. Provide Plaintiff's counsel and the Receiver with a full accounting,
10 verified under oath and accurate as of the date of this Order, of all Assets,
11 Documents, and accounts outside of the United States that are: (1) titled in the
12 name, individually or jointly, of any Defendant; (2) held by any person or entity
13 for the benefit of any Defendant or for the benefit of, any corporation, partnership,
14 asset protection trust, or other entity that is directly or indirectly owned, managed
15 or controlled by any Defendant; or (3) under the direct or indirect control, whether
16 jointly or singly, of any Defendant;

17 B. Take all steps necessary to provide the Receiver and Plaintiff's
18 counsel access to all Documents and records that may be held by third parties
19 located outside of the territorial United States of America, including signing the
20 Consent to Release of Financial Records, appended to this Order as

21 **Attachment D.**

22 C. Transfer to the territory of the United States and deliver to the
23 Receiver all Documents and Assets located in foreign countries that are: (1) titled
24 in the name, individually or jointly, of any Defendant, or any trust or other entity
25 for which any Defendant is a beneficiary or trustee; (2) held by any person or
26 entity for the benefit of any Defendant or for the benefit of any corporation,
27 partnership, asset protection trust, or other entity that is directly or indirectly
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1 owned, managed or controlled by any Defendant; or (3) under the direct or indirect
2 control, whether jointly or singly, of any Defendant; and

3 D. The same business day as any repatriation, (1) notify the Receiver and
4 Plaintiff's counsel of the name and location of the financial institution or other
5 entity that is the recipient of such Documents or Assets; and (2) serve this Order on
6 any such financial institution or other entity.

7 **XI. NON-INTERFERENCE WITH ASSET FREEZE AND**
8 **REPATRIATION**

9 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
10 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
11 active concert or participation with any of them, who receive actual notice of this
12 Order, whether acting directly or indirectly, are hereby preliminarily restrained and
13 enjoined from taking any action, directly or indirectly, which may result in the
14 encumbrance, transfer, relocation, or dissipation of domestic or foreign Assets, or
15 in the hindrance of the repatriation required by this Order, including, but not
16 limited to:

17 A. Sending any communication or engaging in any other act, directly or
18 indirectly, that results in a determination by a foreign trustee or other entity that a
19 "duress" event has occurred under the terms of a foreign trust agreement until such
20 time that all Defendants' Assets have been fully repatriated pursuant to this Order
21 or any other order issued by this Court; or

22 B. Notifying any trustee, protector, or other agent of any foreign trust or
23 other related entities of either the existence of this Order, or of the fact that
24 repatriation is required pursuant to a court order, until such time that all
25 Defendants' Assets have been fully repatriated pursuant to this Order or any other
26 order issued by this Court.

1 **XII. CONSUMER CREDIT REPORTS**

2 **IT IS FURTHER ORDERED** that Plaintiff may obtain credit reports
3 concerning Defendants Jason Cardiff and Eunjung Cardiff pursuant to Section
4 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. 1681b(a)(1), and that, upon
5 written request, any credit reporting agency from which such reports are requested
6 shall provide them to Plaintiff.

7 **XIII. PRESERVATION OF RECORDS**

8 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
9 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
10 active concert or participation with any of them, who receive actual notice of this
11 Order, whether acting directly or indirectly, are hereby preliminarily restrained and
12 enjoined from:

13 A. Destroying, erasing, falsifying, writing over, mutilating, concealing,
14 altering, transferring, or otherwise disposing of, in any manner, directly or
15 indirectly, Documents that relate to: (1) the business, business practices, Assets, or
16 business or personal finances of any Defendant; (2) the business practices or
17 finances of entities directly or indirectly under the control of any Defendant; or (3)
18 the business practices or finances of entities directly or indirectly under common
19 control with any other Defendant; and

20 B. Failing to create and maintain Documents that, in reasonable detail,
21 accurately, fairly, and completely reflect Defendants' incomes, disbursements,
22 transactions, and use of Defendants' Assets.

23 **XIV. REPORT OF NEW BUSINESS ACTIVITY**

24 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
25 Cardiff, their officers, agents, employees, and attorneys, and all other persons in
26 active concert or participation with any of them, who receive actual notice of this
27 Order, whether acting directly or indirectly, are hereby preliminarily restrained and
28 enjoined from creating, operating, or exercising any control over any business

1 entity, whether newly formed or previously inactive, including any partnership,
2 limited partnership, joint venture, sole proprietorship, or corporation, without first
3 providing Plaintiff's counsel and the Receiver with a written statement disclosing:
4 (1) the name of the business entity; (2) the address and telephone number of the
5 business entity; (3) the names of the business entity's officers, directors, principals,
6 managers, and employees; and (4) a detailed description of the business entity's
7 intended activities.

8 **XV. CONTINUATION OF THE RECEIVERSHIP**

9 **IT IS FURTHER ORDERED** that Robb Evans & Associates shall
10 continue to serve as the Receiver of the Receivership Entities and of the Assets of
11 Defendants Jason Cardiff and Eunjung Cardiff that are:

- 12 1. Owned, controlled, or held by or for the benefit of Defendant Jason
13 Cardiff or Defendant Eunjung Cardiff, in whole or in part;
 - 14 2. In the actual or constructive possession of Defendant Jason Cardiff or
15 Defendant Eunjung Cardiff; or
 - 16 3. Owned, controlled, or held by, or in the actual or constructive
17 possession of, or otherwise held for the benefit of, any corporation,
18 partnership, trust, or other entity directly or indirectly owned or
19 controlled by Defendant Jason Cardiff or Defendant Eunjung Cardiff;
- 20 with full powers of an equity receiver. The Receiver shall be solely the agent of
21 this Court in acting as Receiver under this Order.

22 **XVI. DUTIES AND AUTHORITY OF RECEIVER**

23 **IT IS FURTHER ORDERED** that the Receiver is directed and authorized
24 to accomplish the following:

- 25 A. Assume full control of the Receivership Entities by removing, as the
26 Receiver deems necessary or advisable, any director, officer, independent
27 contractor, employee, attorney, or agent of any Receivership Entity from control
28 of, management of, or participation in, the affairs of the Receivership Entity;

1 B. Take exclusive custody, control, and possession of all Assets and
2 Documents of, or in the possession, custody, or under the control of, any
3 Receivership Entity and all Assets of Defendants Jason Cardiff and Eunjung
4 Cardiff covered by Part XV of this Order, wherever situated. The Receiver shall
5 have access to all personal and business premises and storage facilities owned,
6 controlled, or used by the Receivership Entities or Defendants Jason Cardiff or
7 Eunjung Cardiff, and any offsite commercial mailboxes or virtual offices used by
8 Defendants, to inventory all Assets and remove Assets from the premises if
9 appropriate. Defendants Jason Cardiff and Eunjung Cardiff are prohibited from
10 removing any Assets from these locations before or after the Receiver's inspection.
11 The Receiver and Defendants Jason Cardiff and Eunjung Cardiff shall coordinate
12 to effect an inspection of the Cardiffs' personal residence during the week of
13 November 11, 2018. The Receiver may exclude any individuals within his
14 discretion, including but not limited to Defendants, Defendants' friends and family,
15 and any employees of Defendants from part or all of the personal and business
16 premises during the time of the Receiver's access. The Receiver is authorized to
17 employ the assistance of law enforcement as he deems necessary to effect service
18 and peacefully implement this Order. Provided, however, that the Receiver shall
19 not, without further order of this Court, take physical possession of the primary
20 residence of Defendants Jason Cardiff and Eunjung Cardiff;

21 C. Take exclusive custody, control, and possession of all Documents or
22 Assets associated with credits, debits, or charges made on behalf of any
23 Receivership Entity, wherever situated, including reserve funds held by payment
24 processors, credit card processors, merchant banks, acquiring banks, independent
25 sales organizations, third party processors, payment gateways, insurance
26 companies, or other entities;

27 D. Conserve, hold, manage, and prevent the loss of all Receivership
28 Property, and perform all acts necessary or advisable to preserve the value of those

1 Assets. The Receiver shall assume control over the income and profits therefrom
2 and all sums of money now or hereafter due or owing to the Receivership Entities.
3 The Receiver shall have full power to sue for, collect, and receive, all Receivership
4 Property and all Assets of other persons or entities whose interests are now under
5 the direction, possession, custody, or control of, the Receivership Entities or of
6 Jason Cardiff or Eunjung Cardiff. Provided, however, that the Receiver shall not
7 attempt to collect any amount from a consumer if the Receiver believes the
8 consumer's debt to the Receivership Entities has resulted from the deceptive acts
9 or practices or other violations of law alleged in the Complaint in this matter,
10 without prior Court approval;

11 E. Take exclusive custody, control, and possession of the following
12 valuable articles in the possession, custody, or under the control of, Defendants
13 Jason Cardiff or Eunjung Cardiff or Carols Place Limited Partnership, wherever
14 situated:

- 15 1. Ladies 14K yellow gold and diamond ring. Insured for \$11,813.
- 16 2. Ladies diamond pendent setting 14 KT. Insured for \$23,730.
- 17 3. Ladies Diamond Stud Earrings. Insured for \$34,125.
- 18 4. Ladies Diamond Fancy Ring. Insured for \$31,763.
- 19 5. Mens Roadster SM WG/WG Paved Bezel. Insured for \$32,550.
- 20 6. Ladies handmade platinum diamond bracelet. Insured for \$46,725.
- 21 7. Mens GTS 18KT white gold Daytona Rolex. Insured for \$42,000.
- 22 8. 5.08 ct round diamond I color S12 Clarity EGL platinum ring.
23 Insured for \$102,076.
- 24 9. Mens Rolex Yacht-Master 18K gold watch. Insured for \$14,125.
- 25 10. Ladies Love Bra yellow gold 4 dia[] 17 cm. Insured for \$9,819.
- 26 11. Ladies yellow gold ring, Serial #UD0824. Insured for \$2,284.
- 27 12. Ladies fancy diamond bracelet. Insured for \$39,397.
- 28 13. Mens Rolex watch 18KT gold Pearlmaster. Insured for \$33,180.

- 1 14. Tiffany pearl bracelet. Insured for \$3,166.
- 2 15. Ladies emerald and diamond ring. Insured for \$24,856.
- 3 16. IWC Portofino moon phase watch. Insured for \$8,000.
- 4 17. Pre-owner Ladies stainless steel Patek Phili[ppe]. Insured for \$8,145.
- 5 18. Rolex Vintage Thund[er]. Insured for \$9,000.
- 6 19. Stuart Moore “Aronade” platinum diamond. Insured for \$12,650.
- 7 20. Peter Philippe annual calendar wristwatch. Insured for \$41,300.
- 8 21. 18K yellow gold Tiffany Diamond Bracelet. #B0164. Insured for
9 \$7,600.
- 10 22. “Living Room” Artist Romero Britto. Insured for \$12,600.
- 11 23. Hermes Birkin bag, size 35 (Togo leather; in Sienna color). Insured
12 for \$20,000.
- 13 24. Hermes Birkin bag, size 35 (Togo leather; Curry). Insured for
14 \$20,000.
- 15 25. Ladies ring round center stone 8.5 cts, VS2 with diamonds. Insured
16 for \$532,000.
- 17 26. MenOCOs Patek Philippe gold calendar watch model 5035J. Insured
18 for \$28,500.

19 F. Obtain, conserve, hold, manage, and prevent the loss of all Documents
20 of the Receivership Entities, and perform all acts necessary or advisable to
21 preserve such Documents. The Receiver shall: divert mail; preserve all
22 Documents of the Receivership Entities that are accessible via electronic means
23 (such as online access to financial accounts and access to electronic documents
24 held onsite or by Electronic Data Hosts, by changing usernames, passwords or
25 other log-in credentials; take possession of all electronic Documents of the
26 Receivership Entities stored onsite or remotely; take whatever steps necessary to
27 preserve all such Documents; and obtain the assistance of the FTC’s Digital
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1 Forensic Unit for the purpose of obtaining electronic documents stored onsite or
2 remotely.

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

7 H. Make payments and disbursements from the receivership estate that
8 are necessary or advisable for carrying out the directions of, or exercising the
9 authority granted by, this Order, and to incur, or authorize the making of, such
10 agreements as may be necessary and advisable in discharging his or her duties as
11 Receiver. The Receiver shall apply to the Court for prior approval of any payment
12 of any debt or obligation incurred by the Receivership Entities prior to the date of
13 entry of this Order, except payments that the Receiver deems necessary or
14 advisable to secure Assets of the Receivership Entities, such as rental payments;

15 I. Take all steps necessary not already taken pursuant to the TRO to
16 secure and take exclusive custody of each location from which the Receivership
17 Entities operate their businesses. Such steps may include, but are not limited to,
18 any of the following, as the Receiver deems necessary or advisable: (1) securing
19 the location by changing the locks and alarm codes and disconnecting any Internet
20 access or other means of access to the computers, servers, internal networks, or
21 other records maintained at that location; and (2) requiring any persons present at
22 the location to leave the premises, to provide the Receiver with proof of
23 identification, and/or to demonstrate to the satisfaction of the Receiver that such
24 persons are not removing from the premises Documents or Assets of the
25 Receivership Entities, including, but not limited to, telephones, computers, and
26 tablets paid for by the Receivership Entities. Law enforcement personnel,
27 including, but not limited to, police or sheriffs, may assist the Receiver in
28 implementing these provisions in order to keep the peace and maintain security. If

1 requested by the Receiver, the United States Marshal will provide appropriate and
2 necessary assistance to the Receiver to implement this Order and is authorized to
3 use any necessary and reasonable force to do so;

4 J. Take all steps necessary to prevent the modification, destruction, or
5 erasure of any web page or website registered to and operated, in whole or in part,
6 by any Defendants, and to provide access to all such web pages or websites to
7 Plaintiff's representatives, agents, and assistants, as well as Defendants and their
8 representatives;

9 K. Enter into and cancel contracts and purchase insurance as advisable or
10 necessary;

11 L. Prevent the inequitable distribution of Assets and determine, adjust,
12 and protect the interests of consumers who have transacted business with the
13 Receivership Entities;

14 M. Make an accounting, as soon as practicable, of the Assets and
15 financial condition of the receivership and file the accounting with the Court and
16 deliver copies thereof to all parties;

17 N. Institute, compromise, adjust, appear in, intervene in, defend, dispose
18 of, or otherwise become party to any legal action in state, federal or foreign courts
19 or arbitration proceedings as the Receiver deems necessary and advisable to
20 preserve or recover the Assets of the Receivership Entities, or to carry out the
21 Receiver's mandate under this Order, including, but not limited to, actions
22 challenging fraudulent or voidable transfers;

23 O. Issue subpoenas to obtain Documents and records pertaining to the
24 Receivership, and conduct discovery in this action on behalf of the receivership
25 estate, in addition to obtaining other discovery as set forth in this Order;

26 P. Open one or more bank accounts at designated depositories for funds
27 of the Receivership Entities. The Receiver shall deposit all funds of the
28 Receivership Entities in such designated accounts and shall make all payments and

1 disbursements from the receivership estate from such accounts. The Receiver shall
2 serve copies of monthly account statements on all parties;

3 Q. Maintain accurate records of all receipts and expenditures incurred as
4 Receiver;

5 R. Allow Plaintiffs' representatives, agents, and assistants, as well as
6 Defendants' representatives and Defendants themselves, reasonable access to the
7 premises of the Receivership Entities, or any other premises where the
8 Receivership Entities conduct business. The purpose of this access shall be to
9 inspect and copy any and all books, records, Documents, accounts, and other
10 property owned by, or in the possession of, the Receivership Entities or their
11 agents. The Receiver shall have the discretion to determine the time, manner, and
12 reasonable conditions of such access;

13 S. Allow Plaintiffs' representatives, agents, and assistants, as well as
14 Defendants and their representatives reasonable access to all Documents in the
15 possession, custody, or control of the Receivership Entities;

16 T. Cooperate with reasonable requests for information or assistance from
17 any state or federal civil or criminal law enforcement agency;

18 U. Suspend business operations of the Receivership Entities if in the
19 judgment of the Receiver such operations cannot be continued legally and
20 profitably;

21 V. If the Receiver identifies a nonparty entity as a Receivership Entity,
22 promptly notify the entity as well as the parties, and inform the entity that it can
23 challenge the Receiver's determination by filing a motion with the Court.
24 Provided, however, that the Receiver may delay providing such notice until the
25 Receiver has established control of the nonparty entity and its assets and records, if
26 the Receiver determines that notice to the entity or the parties before the Receiver
27 establishes control over the entity may result in the destruction of records,
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1 dissipation of assets, or any other obstruction of the Receiver's control of the
2 entity;

3 W. If in the Receiver's judgment the business operations cannot be
4 continued legally and profitably, take all steps necessary to ensure that any of the
5 Receivership Entities' web pages or websites relating to the activities alleged in the
6 Complaint cannot be accessed by the public, or are modified for consumer
7 education and/or informational purposes, and take all steps necessary to ensure that
8 any telephone numbers associated with the Receivership Entities cannot be
9 accessed by the public, or are answered solely to provide consumer education or
10 information regarding the status of operations; and

11 X. File timely reports with the Court at reasonable intervals or as
12 otherwise directed by the Court.

13 **XVII. TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

14 **IT IS FURTHER ORDERED** that, to the extent not already done pursuant
15 to the TRO, Defendants and any other person with possession, custody, or control
16 of (1) property of, or records relating to, the Receivership Entities or (2) the Assets
17 of Jason Cardiff or Eunjung Cardiff or any trusts for which they are beneficiaries
18 or trustees, shall, upon notice of this Order by personal service or otherwise, fully
19 cooperate with and assist the Receiver in taking and maintaining possession,
20 custody, or control of the Assets and Documents of the Receivership Entities and
21 the Assets of Jason Cardiff or Eunjung Cardiff and immediately provide, transfer,
22 or deliver to the Receiver possession, custody, and control of, the following:

23 A. All Assets held by or for the benefit of the Receivership Entities or of
24 Jason Cardiff or Eunjung Cardiff, except for real property used as the primary
25 residence of Jason Cardiff and Eunjung Cardiff;

26 B. All Documents or Assets associated with credits, debits, or charges
27 made on behalf of any Receivership Entity, wherever situated, including reserve
28 funds held by payment processors, credit card processors, merchant banks,

1 acquiring banks, independent sales organizations, third party processors, payment
2 gateways, insurance companies, or other entities;

3 C. All Documents of or pertaining to the Receivership Entities or to the
4 Assets of Jason Cardiff or Eunjung Cardiff;

5 D. All computers, electronic devices, mobile devices, and machines used
6 to conduct the business of the Receivership Entities;

7 E. All Assets and Documents belonging to other persons or entities
8 whose interests are under the direction, possession, custody, or control of the
9 Receivership Entities; and

10 F. All keys, codes, user names, passwords, and all other means of
11 authentication necessary to gain or to secure access to any Assets or Documents of
12 or pertaining to the Receivership Entities, including access to their business
13 premises, means of communication, mobile phones, accounts, computer systems
14 (onsite and remote), Electronic Data Hosts, or other property.

15 In the event that any person or entity fails to deliver or transfer any Asset,
16 Document, or otherwise fails to comply with any provision of this Section, the
17 Receiver may file an Affidavit of Non-Compliance regarding the failure and a
18 motion seeking compliance or a contempt citation.

19 **XVIII. PROVISION OF INFORMATION TO RECEIVER**

20 **IT IS FURTHER ORDERED** that, to the extent not already done pursuant
21 to the TRO, Jason Cardiff and Eunjung Cardiff shall immediately provide to the
22 Receiver:

23 A. A list of all Assets and accounts of the Receivership Entities that are
24 held in any name other than the name of a Receivership Entity, or by any person or
25 entity other than a Receivership Entity;

26 B. A list of all Assets and accounts of Jason Cardiff or Eunjung Cardiff
27 that are held in any name other than their own names, or by any person or entity
28 other than themselves;

1 C. A list of all agents, employees, officers, attorneys, servants and those
2 persons in active concert and participation with the Receivership Entities, or who
3 have been associated or done business with the Receivership Entities; and

4 D. A description of any documents covered by attorney-client privilege
5 or attorney work product, including files where such documents are likely to be
6 located, authors or recipients of such documents, and search terms likely to
7 identify such electronic documents.

8 **XIX. COOPERATION WITH THE RECEIVER**

9 **IT IS FURTHER ORDERED** that Defendants, Receivership Entities,
10 Defendants' or Receivership Entities' officers, agents, employees, and attorneys,
11 all other persons in active concert or participation with any of them, and any other
12 person with possession, custody, or control of:

- 13 1. Receivership Property or records relating to Receivership
14 Property; or
- 15 2. Other records relating to the Receivership Entities;

16 who receive actual notice of this Order shall fully cooperate with and assist the
17 Receiver. This cooperation and assistance shall include, but is not limited to,
18 providing information to the Receiver that the Receiver deems necessary to
19 exercise the authority and discharge the responsibilities of the Receiver under this
20 Order; providing any keys, codes, user names, passwords, and all other means
21 required to access any computers, electronic devices, mobile devices, machines
22 (onsite or remotely), and any cloud account (including specific method to access
23 account) or electronic file in any medium; advising all persons who owe money to
24 any Receivership Entity that all debts should be paid directly to the Receiver; and
25 transferring funds at the Receiver's direction and producing records related to the
26 Receivership Property and sales of the Receivership Entities.

1 **XX. NON-INTERFERENCE WITH THE RECEIVER**

2 **IT IS FURTHER ORDERED** that Defendants, Receivership Entities,
3 Defendants' or Receivership Entities' officers, agents, employees, attorneys, and
4 all other persons in active concert or participation with any of them, who receive
5 actual notice of this Order, and any other person served with a copy of this Order,
6 are hereby restrained and enjoined from directly or indirectly:

7 A. Interfering with the Receiver's efforts to manage, or take custody,
8 control, or possession of, the Assets or Documents subject to the receivership;

9 B. Transacting any of the business of the Receivership Entities;

10 C. Transferring, receiving, altering, selling, encumbering, pledging,
11 assigning, liquidating, or otherwise disposing of any Assets owned, controlled, or
12 in the possession or custody of, or in which an interest is held or claimed by, the
13 Receivership Entities, Jason Cardiff, or Eunjung Cardiff; or

14 D. Refusing to cooperate with the Receiver or the Receiver's duly
15 authorized agents in the exercise of their duties or authority under any order of this
16 Court.

17 **XXI. STAY OF ACTIONS**

18 **IT IS FURTHER ORDERED** that, except by leave of this Court, during
19 the pendency of the receivership ordered herein, Defendants, their officers, agents,
20 employees, attorneys, and all other persons in active concert or participation with
21 any of them, who receive actual notice of this Order, and their corporations,
22 subsidiaries, divisions, or affiliates, and all investors, creditors, stockholders,
23 lessors, customers and other persons seeking to establish or enforce any claim,
24 right, or interest against or on behalf of Defendants, and all others acting for or on
25 behalf of such persons, are hereby enjoined from taking action that would interfere
26 with the exclusive jurisdiction of this Court over the Assets or Documents of the
27 Receivership Entities or over the Assets of Jason Cardiff and Eunjung Cardiff,
28 including, but not limited to:

1 A. Filing or assisting in the filing of a petition for relief under the
2 Bankruptcy Code, 11 U.S.C. § 101 et seq., or of any similar insolvency proceeding
3 on behalf of the Receivership Entities;

4 B. Commencing, prosecuting, or continuing a judicial, administrative, or
5 other action or proceeding against the Receivership Entities, including the issuance
6 or employment of process against the Receivership Entities, except that such
7 actions may be commenced if necessary to toll any applicable statute of
8 limitations;

9 C. Filing or enforcing any lien on any Asset of the Receivership Entities,
10 taking or attempting to take possession, custody, or control of any Asset of the
11 Receivership Entities, Jason Cardiff, or Eunjung Cardiff; or attempting to
12 foreclose, forfeit, alter, or terminate any interest in any Asset of the Receivership
13 Entities, Jason Cardiff, or Eunjung Cardiff, whether such acts are part of a judicial
14 proceeding, are acts of self-help, or otherwise.

15 Provided, however, that this Order does not stay: (1) the commencement or
16 continuation of a criminal action or proceeding; (2) the commencement or
17 continuation of an action or proceeding by a governmental unit to enforce such
18 governmental unit's police or regulatory power; or (3) the enforcement of a
19 judgment, other than a money judgment, obtained in an action or proceeding by a
20 governmental unit to enforce such governmental unit's police or regulatory power.

21 **XXII. COMPENSATION OF RECEIVER**

22 **IT IS FURTHER ORDERED** that the Receiver and all personnel hired by
23 the Receiver as herein authorized, including counsel to the Receiver and
24 accountants, are entitled to reasonable compensation for the performance of duties
25 pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by
26 them, from the Assets now held by, in the possession or control of, or which may
27 be received by, the Receivership Entities, Jason Cardiff, or Eunjung Cardiff. The
28 Receiver shall file with the Court and serve on the parties periodic requests for the

1 payment of such reasonable compensation, with the first such request filed no more
2 than sixty (60) days after the date of entry of this Order. The Receiver shall not
3 increase the hourly rates used as the bases for such fee applications without prior
4 approval of the Court.

5 **XXIII. RECEIVER'S BOND**

6 **IT IS FURTHER ORDERED** that the Receiver shall file with the Clerk of
7 this Court, unless already filed, a bond in the sum of \$15,000 with sureties to be
8 approved by the Court, conditioned that the Receiver will well and truly perform
9 the duties of the office and abide by and perform all acts the Court directs. 28
10 U.S.C. § 754.

11 **XXIV. SURRENDER OF PASSPORTS**

12 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
13 Cardiff shall surrender any and all domestic and foreign passports to the Receiver
14 on or before November 12, 2018 at 12:00 p.m. (noon).

15 **XXV. DISTRIBUTION OF ORDER BY DEFENDANTS**

16 **IT IS FURTHER ORDERED** that Defendants Jason Cardiff and Eunjung
17 Cardiff shall immediately provide a copy of this Order to each affiliate,
18 telemarketer, marketer, sales entity, successor, assign, member, officer, director,
19 employee, agent, independent contractor, client, attorney, spouse, subsidiary,
20 division, and representative of any Defendant, and shall, within ten (10) days from
21 the date of entry of this Order, provide Plaintiff and the Receiver with a sworn
22 statement that this provision of the Order has been satisfied, which statement shall
23 include the names, physical addresses, phone number, and email addresses of each
24 such person or entity who received a copy of the Order. Furthermore, Defendants
25 Jason Cardiff and Eunjung Cardiff shall not take any action that would encourage
26 officers, agents, members, directors, employees, salespersons, independent
27 contractors, attorneys, subsidiaries, affiliates, successors, assigns or other persons
28

1 or entities in active concert or participation with them to disregard this Order or
2 believe that they are not bound by its provisions.

3 **XXVI. EXPEDITED DISCOVERY**

4 **IT IS FURTHER ORDERED** that, notwithstanding the provisions of Fed.
5 R. Civ. P. 26(d) and (f) and 30(a)(2)(A)(iii), and pursuant to Fed. R. Civ. P. 30(a),
6 34, and 45, Plaintiff and the Receiver are granted leave, from any time after service
7 of this Order until a Rule 16(b) scheduling order is issued, to conduct limited
8 expedited discovery for the purpose of discovering: (1) the nature, location, status,
9 and extent of Defendants' Assets; or (2) compliance with this Order. The limited
10 expedited discovery set forth in this Section shall proceed as follows:

11 A. Plaintiff and the Receiver may take the deposition of parties and non-
12 parties. Forty-eight (48) hours notice shall be sufficient notice for such
13 depositions. The limitations and conditions set forth in Rules 30(a)(2)(B) and
14 31(a)(2)(B) of the Federal Rules of Civil Procedure regarding subsequent
15 depositions of an individual shall not apply to depositions taken pursuant to this
16 Section. Any such deposition taken pursuant to this Section shall not be counted
17 towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and
18 depositions may be taken by telephone or other remote electronic means.

19 B. Plaintiff and the Receiver may serve upon parties requests for
20 production of Documents or inspection that require production or inspection within
21 five (5) days of service, provided, however, that three (3) days of notice shall be
22 deemed sufficient for the production of any such Documents that are maintained or
23 stored only in an electronic format.

24 C. Plaintiff and the Receiver may serve upon parties interrogatories that
25 require response within five (5) days after Plaintiff serves such interrogatories.

26 D. Plaintiff and the Receiver may serve subpoenas upon non-parties that
27 direct production or inspection within five (5) days of service.
28

1 E. Service of discovery upon a party to this action, taken pursuant to this
2 Section, shall be sufficient if made by facsimile, email, or by overnight delivery.

3 F. Any expedited discovery taken pursuant to this Section is in addition
4 to, and is not subject to, the limits on discovery set forth in the Federal Rules of
5 Civil Procedure and the Local Rules of this Court. The expedited discovery
6 permitted by this Section does not require a meeting or conference of the parties,
7 pursuant to Rules 26(d) & (f) of the Federal Rules of Civil Procedure.

8 G. The Parties are exempted from making initial disclosures under Fed.
9 R. Civ. P. 26(a)(1) until further order of this Court.

10 **XXVII. SERVICE OF THIS ORDER**

11 **IT IS FURTHER ORDERED** that copies of this Order may be served by
12 any means, including facsimile, electronic mail or other electronic messaging,
13 personal or overnight delivery, U.S. Mail or FedEx, by agents and employees of
14 Plaintiff, by any law enforcement agency, or by private process server, upon any
15 Defendant or any person (including any financial institution) that may have
16 possession, custody or control of any Asset or Document of any Defendant, or that
17 may be subject to any provision of this Order pursuant to Rule 65(d)(2) of the
18 Federal Rules of Civil Procedure. For purposes of this Section, service upon any
19 branch, subsidiary, affiliate or office of any entity shall effect service upon the
20 entire entity.

21 **XXVIII. CORRESPONDENCE AND SERVICE ON PLAINTIFF**

22 **IT IS FURTHER ORDERED** that, for the purpose of this Order, all
23 correspondence and service of pleadings on Plaintiff shall be addressed to:

24 Elizabeth Sanger
25 James A. Prunty
26 Edwin Rodriguez
27 Shira D. Modell
28 Federal Trade Commission
600 Pennsylvania Ave., NW

1 Washington, DC 20580
2 Tel: (202) 326-2757, -2438, -3147, -3116
3 Fax: (202) 326-3259
4 Email: esanger@ftc.gov; jprunty@ftc.gov; erodriguez@ftc.gov;
5 smodell@ftc.gov

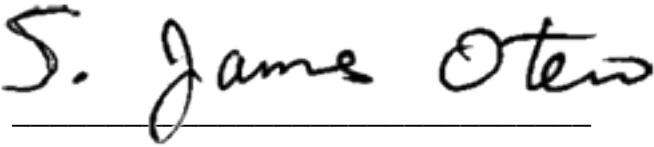
6 **XXIX. DURATION OF THE ORDER**

7 **IT IS FURTHER ORDERED** that this Order shall expire upon entry of a
8 final judgment in this case.

9 **XXX. RETENTION OF JURISDICTION**

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

12 SO ORDERED, this 8th day of November, 2018, at 11:54 a.m.

13 
14 _____

15 UNITED STATES DISTRICT JUDGE
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ATTACHMENT A

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

Definitions and Instructions:

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

Penalty for False Information:

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

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

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

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

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

BACKGROUND INFORMATION

Item 1. Information About You

Full Name	Social Security No.		
Current Address of Primary Residence	Driver's License No.		State Issued
	Phone Numbers Home: () Fax: ()	Date of Birth: / / (mm/dd/yyyy)	
	Place of Birth		
<input type="checkbox"/> Rent <input type="checkbox"/> Own From (Date): / / (mm/dd/yyyy)	E-Mail Address		
Internet Home Page			

Previous Addresses for past five years (if required, use additional pages at end of form)

Address	From: / / (mm/dd/yyyy)	Until: / / (mm/dd/yyyy)
	<input type="checkbox"/> Rent	<input type="checkbox"/> Own
Address	From: / /	Until: / /
	<input type="checkbox"/> Rent	<input type="checkbox"/> Own
Address	From: / /	Until: / /
	<input type="checkbox"/> Rent	<input type="checkbox"/> Own

Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:

Item 2. Information About Your Spouse or Live-In Companion

Spouse/Companion's Name	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Address (if different from yours)	Phone Number ()	Place of Birth
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	From (Date): / / (mm/dd/yyyy)

Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:

Employer's Name and Address	Job Title	
	Years in Present Job	Annual Gross Salary/Wages \$

Item 3. Information About Your Previous Spouse

Name and Address	Social Security No.
	Date of Birth / / (mm/dd/yyyy)

Item 4. Contact Information (name and address of closest living relative other than your spouse)

Name and Address	Phone Number ()
------------------	---------------------

Initials: _____

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

Item 6. Employment Information/Employment Income
 Provide the following information for this year-to-date and for each of the previous five full years, for each business entity of which you were a director, officer, member, partner, employee (including self-employment), agent, owner, shareholder, contractor, participant or consultant at any time during that period. "Income" includes, but is not limited to, any salary, commissions, distributions, draws, consulting fees, loans, loan payments, dividends, royalties, and benefits for which you did not pay (e.g., health insurance premiums, automobile lease or loan payments) received by you or anyone else on your behalf.

Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$

Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$

Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$

Initials: _____

Item 7. Pending Lawsuits Filed By or Against You or Your Spouse

List all pending lawsuits that have been filed by or against you or your spouse in any court or before an administrative agency in the United States or in any foreign country or territory. **Note:** At Item 12, list lawsuits that resulted in final judgments or settlements in your favor. At Item 21, list lawsuits that resulted in final judgments or settlements against you.

Caption of Proceeding	Court or Agency and Location	Case No.	Nature of Proceeding	Relief Requested	Status or Disposition

Item 8. Safe Deposit Boxes

List all safe deposit boxes, located within the United States or in any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or any of your dependents, or held by others for the benefit of you, your spouse, or any of your dependents.

Name of Owner(s)	Name & Address of Depository Institution	Box No.	Contents

Initials: _____

FINANCIAL INFORMATION

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

ASSETS

Item 9. Cash, Bank, and Money Market Accounts

List cash on hand (as opposed to cash in bank accounts or other financial accounts) and all bank accounts, money market accounts, or other financial accounts, including but not limited to checking accounts, savings accounts, and certificates of deposit. The term “cash on hand” includes but is not limited to cash in the form of currency, uncashed checks, and money orders.

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

Item 10. Publicly Traded Securities

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

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

Initials: _____

Item 11. Non-Public Business and Financial Interests

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

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

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

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

Item 13. Life Insurance Policies

List all life insurance policies (including endowment policies) with any cash surrender value.

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

Item 14. Deferred Income Arrangements

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

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

Initials: _____

Item 15. Pending Insurance Payments or Inheritances		
List any pending insurance payments or inheritances owed to you.		
Type	Amount Expected	Date Expected (mm/dd/yyyy)
	\$	/ /
	\$	/ /
	\$	/ /

Item 16. Vehicles
List all cars, trucks, motorcycles, boats, airplanes, and other vehicles.

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

Item 17. Other Personal Property
List all other personal property not listed in Items 9-16 by category, whether held for personal use, investment or any other reason, including but not limited to coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property.

Property Category (e.g., artwork, jewelry)	Name of Owner	Property Location	Acquisition Cost	Current Value
			\$	\$
			\$	\$
			\$	\$

Initials: _____

Item 18. Real Property			
List all real property interests (including any land contract)			
Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
Lender's Name and Address		Loan or Account No.	Current Balance On First Mortgage or Contract \$
			Monthly Payment \$
Other Mortgage Loan(s) (describe)		Monthly Payment \$	<input type="checkbox"/> Rental Unit Monthly Rent Received \$
		Current Balance \$	
Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
Lender's Name and Address		Loan or Account No.	Current Balance On First Mortgage or Contract \$
			Monthly Payment \$
Other Mortgage Loan(s) (describe)		Monthly Payment \$	<input type="checkbox"/> Rental Unit Monthly Rent Received \$
		Current Balance \$	

LIABILITIES

Item 19. Credit Cards			
List each credit card account held by you, your spouse, or your dependents, and any other credit cards that you, your spouse, or your dependents use, whether issued by a United States or foreign financial institution.			
Name of Credit Card (e.g., Visa, MasterCard, Department Store)	Account No.	Name(s) on Account	Current Balance
			\$
			\$
			\$
			\$
			\$

Item 20. Taxes Payable		
List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependents.		
Type of Tax	Amount Owed	Year Incurred
	\$	
	\$	
	\$	

Initials: _____

Item 21. Other Amounts Owed by You, Your Spouse, or Your Dependents

List all other amounts, not listed elsewhere in this financial statement, owed by you, your spouse, or your dependents.

Lender/Creditor's Name, Address, and Telephone No.	Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)		
	Lender/Creditor's Relationship to You		

Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule
--	----------------------------	---------------------------	------------------

Lender/Creditor's Name, Address, and Telephone No.	Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)		
	Lender/Creditor's Relationship to You		

Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule
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OTHER FINANCIAL INFORMATION

Item 22. Trusts and Escrows

List all funds and other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. Include any legal retainers being held on your behalf by legal counsel. Also list all funds or other assets that are being held in trust or escrow by you, your spouse, or your dependents, for any person or entity.

Trustee or Escrow Agent's Name & Address	Date Established (mm/dd/yyyy)	Grantor	Beneficiaries	Present Market Value of Assets*
	/ /			\$
	/ /			\$
	/ /			\$

*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.

Item 23. Transfers of Assets

List each person or entity to whom you have transferred, in the aggregate, more than \$5,000 in funds or other assets during the previous five years by loan, gift, sale, or other transfer (exclude ordinary and necessary living and business expenses paid to unrelated third parties). For each such person or entity, state the total amount transferred during that period.

Transferee's Name, Address, & Relationship	Property Transferred	Aggregate Value*	Transfer Date (mm/dd/yyyy)	Type of Transfer (e.g., Loan, Gift)
		\$	/ /	
		\$	/ /	
		\$	/ /	

*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.

Initials: _____

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

SUMMARY FINANCIAL SCHEDULES

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

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

Initials: _____

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

ATTACHMENTS

Item 27. Documents Attached to this Financial Statement

List all documents that are being submitted with this financial statement. For any Item 24 documents that are not attached, explain why.

Item No. Document Relates To	Description of Document

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

Executed on:

(Date)

Signature

ATTACHMENT B

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

Instructions:

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

Penalty for False Information:

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

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

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

BACKGROUND INFORMATION

Item 1. General Information

Corporation's Full Name _____

Primary Business Address _____ From (Date) _____

Telephone No. _____ Fax No. _____

E-Mail Address _____ Internet Home Page _____

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

Address _____ From/Until _____

Address _____ From/Until _____

Address _____ From/Until _____

All predecessor companies for past five years:

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Item 2. Legal Information

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

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

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

If Dissolved: Date dissolved _____ By Whom _____

Reasons _____

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

Item 3. Registered Agent

Name of Registered Agent _____

Address _____ Telephone No. _____

Item 4. Principal Stockholders

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

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

Item 5. Board Members

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

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

Item 6. Officers

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

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

Item 7. Businesses Related to the Corporation

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

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

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

Item 8. Businesses Related to Individuals

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

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

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

Item 9. Related Individuals

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

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

Item 10. Outside Accountants

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

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

Item 11. Corporation's Recordkeeping

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

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

Item 12. Attorneys

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

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

Item 13. Pending Lawsuits Filed by the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 14. Current Lawsuits Filed Against the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 15. Bankruptcy Information

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

Commencement Date _____ Termination Date _____ Docket No. _____

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

Disposition _____

Item 16. Safe Deposit Boxes

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

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

FINANCIAL INFORMATION

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

Item 17. Tax Returns

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

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

Item 18. Financial Statements

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

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

Item 19. Financial Summary

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

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

Item 20. Cash, Bank, and Money Market Accounts

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

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

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

Item 21. Government Obligations and Publicly Traded Securities

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

Issuer _____ Type of Security/Obligation _____

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

Issuer _____ Type of Security/Obligation _____

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

Item 22. Real Estate

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Item 23. Other Assets

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

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

Item 24. Trusts and Escrows

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

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

Item 25. Monetary Judgments and Settlements Owed To the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 26. Monetary Judgments and Settlements Owed By the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 27. Government Orders and Settlements

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

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

Item 28. Credit Cards

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

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

Item 29. Compensation of Employees

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

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

Item 30. Compensation of Board Members and Officers

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

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

Item 31. Transfers of Assets Including Cash and Property

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

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

Item 32. Documents Attached to the Financial Statement

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

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

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

Executed on:

(Date)

Signature

Corporate Position

ATTACHMENT C

Form **4506**

Request for Copy of Tax Return

(July 2017)

- ▶ **Do not sign this form unless all applicable lines have been completed.**
- ▶ **Request may be rejected if the form is incomplete or illegible.**
- ▶ **For more information about Form 4506, visit www.irs.gov/form4506.**

OMB No. 1545-0429

Department of the Treasury
Internal Revenue Service

Tip. You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the original tax return and usually contains the information that a third party (such as a mortgage company) requires. See **Form 4506-T, Request for Transcript of Tax Return**, or you can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Get a Tax Transcript..." or call 1-800-908-9946.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

Caution: If the tax return is being mailed to a third party, ensure that you have filled in lines 6 and 7 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your tax return to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your return information, you can specify this limitation in your written agreement with the third party.

6 Tax return requested. Form 1040, 1120, 941, etc. and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ▶ _____

Note: If the copies must be certified for court or administrative proceedings, check here

7 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than eight years or periods, you must attach another Form 4506.

8 Fee. There is a \$50 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN, ITIN, or EIN and "Form 4506 request" on your check or money order.	
a Cost for each return	\$ 50.00
b Number of returns requested on line 7	
c Total cost. Multiply line 8a by line 8b	\$
9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here <input type="checkbox"/>	

Caution: Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506. See instructions.

Phone number of taxpayer on line 1a or 2a

Sign Here	Signature (see instructions)	Date	
	Title (if line 1a above is a corporation, partnership, estate, or trust)		
	Spouse's signature	Date	

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about Form 4506 and its instructions, go to www.irs.gov/form4506. Information about any recent developments affecting Form 4506, Form 4506-T and Form 4506T-EZ will be posted on that page.

General Instructions

Caution: Do not sign this form unless all applicable lines have been completed.

Purpose of form. Use Form 4506 to request a copy of your tax return. You can also designate (on line 5) a third party to receive the tax return.

How long will it take? It may take up to 75 calendar days for us to process your request.

Tip. Use Form 4506-T, Request for Transcript of Tax Return, to request tax return transcripts, tax account information, W-2 information, 1099 information, verification of nonfiling, and records of account.

Automated transcript request. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Get a Tax Transcript..." or call 1-800-908-9946.

Where to file. Attach payment and mail Form 4506 to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual returns (Form 1040 series) and one for all other returns.

If you are requesting a return for more than one year or period and the chart below shows two different addresses, send your request to the address based on the address of your most recent return.

Chart for individual returns (Form 1040 series)

If you filed an individual return and lived in:

Mail to:

Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

Internal Revenue Service
RAIVS Team
Stop 6716 AUSC
Austin, TX 73301

Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming

Internal Revenue Service
RAIVS Team
Stop 37106
Fresno, CA 93888

Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia

Internal Revenue Service
RAIVS Team
Stop 6705 P-6
Kansas City, MO 64999

Chart for all other returns

If you lived in or your business was in:

Mail to:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

Internal Revenue Service
RAIVS Team
P.O. Box 9941
Mail Stop 6734
Ogden, UT 84409

Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin

Internal Revenue Service
RAIVS Team
P.O. Box 145500
Stop 2800 F
Cincinnati, OH 45250

Specific Instructions

Line 1b. Enter your employer identification number (EIN) if you are requesting a copy of a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 3. Enter your current address. If you use a P.O. box, please include it on this line 3.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.

Note: If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address. For a business address, file Form 8822-B, Change of Address or Responsible Party — Business.

Signature and date. Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506 within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.



You must check the box in the signature area to acknowledge you have the authority to sign and request the information. The form will not be processed and returned to you if the box is unchecked.

Individuals. Copies of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506 exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506 can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer. A bona fide shareholder of record owning 1 percent or more of the outstanding stock of the corporation may submit a Form 4506 but must provide documentation to support the requester's right to receive the information.

Partnerships. Generally, Form 4506 can be signed by any person who was a member of the partnership during any part of the tax period requested on line 7.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Note: If you are Heir at law, Next of kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

Signature by a representative. A representative can sign Form 4506 for a taxpayer only if this authority has been specifically delegated to the representative on Form 2848, line 5. Form 2848 showing the delegation must be attached to Form 4506.

Privacy Act and Paperwork Reduction Act

Notice. We ask for the information on this form to establish your right to gain access to the requested return(s) under the Internal Revenue Code. We need this information to properly identify the return(s) and respond to your request. If you request a copy of a tax return, sections 6103 and 6109 require you to provide this information, including your SSN or EIN, to process your request. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506 will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 16 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506 simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications Division
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224.

Do not send the form to this address. Instead, see *Where to file* on this page.

ATTACHMENT D

CONSENT TO RELEASE FINANCIAL RECORDS

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

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

Dated: _____

Signature: _____

Printed Name: _____