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CLERK, U.S. DISTRICT COURT  
JUL - 7 2009  
CENTRAL DISTRICT OF CALIFORNIA  
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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,  
THE PEOPLE OF THE STATE OF  
CALIFORNIA, AND THE STATE  
OF MISSOURI,

Plaintiffs,

v.

US FORECLOSURE RELIEF  
CORP., a corporation, also d/b/a U.S.  
Foreclosure Relief, Inc., Lighthouse  
Services, and California Foreclosure  
Specialists,

GEORGE ESCALANTE, individually  
and as an officer of US  
FORECLOSURE RELIEF CORP.,

CESAR LOPEZ, individually and also  
trading and doing business as H.E.  
Service Company, and

ADRIAN POMERY, ESQ.,  
individually and also trading and  
doing business as Pomery &  
Associates,

Defendants.

Case No. **SACV09-768 JVS(MLGX)**

[Proposed]  
Temporary Restraining Order With Asset  
Freeze, Appointment of Temporary  
Receiver and Other Equitable Relief, and  
Order to Show Cause Why a Preliminary  
Injunction Should Not Issue and a  
Permanent Receiver Should Not Be  
Appointed

TRO

1 Plaintiffs Federal Trade Commission (“FTC”), the People of the State of  
2 California (“State of California”), and State of Missouri (“Plaintiffs”) have filed a  
3 Complaint against Defendants (1) US Foreclosure Relief Corp., a corporation, (2)  
4 George Escalante, individually and as an officer of US Foreclosure Relief Corp., (3)  
5 Cesar Lopez, individually and also trading and doing business as H.E. Service  
6 Company; and (4) Adrian Pomery, Esq., individually and also trading and doing  
7 business as Pomery & Associates (“Defendants”), seeking a permanent injunction  
8 and other relief, and have applied ex parte for a Temporary Restraining Order  
9 (“Order”) pursuant to Rule 65 of the Federal Rules of Civil Procedure. This Court  
10 has considered the Complaint, Plaintiffs’ application, and the memorandum in  
11 support of Plaintiffs’ application, and other materials filed in support thereof, and  
12 now being advised in the premises, finds as follows:

13 1. This Court has jurisdiction of the subject matter of this case. There is  
14 also good cause to believe that it will have jurisdiction over all parties hereto, and  
15 that venue in this district is proper.

16 2. There is good cause to believe that Defendants have engaged, and are  
17 likely to engage, in acts that violate Section 5 of the Federal Trade Commission Act  
18 (“FTC Act”), 15 U.S.C. § 45; various provisions of the Telemarketing Sales Rule  
19 (“TSR”), 16 C.F.R. Part 310; Sections 17200 and 17500 of the California Business  
20 and Professions Code; and Sections 407.020 and 407.935 to 407.943 of the Missouri  
21 Merchandising Practices Act, §§ 407.020 and 407.935-407.943 Mo. Rev. Stat.; and  
22 that the Plaintiffs are likely to prevail on the merits of this action.

23 3. There is good cause to believe that immediate and irreparable harm will  
24 result from Defendants’ ongoing violations of the FTC Act, the TSR, the California  
25 Business and Professions Code, and the Missouri Merchandising Practices Act  
26 unless Defendants are restrained and enjoined by order of this Court.

27 4. There is good cause to believe that immediate and irreparable damage to  
28 the Court’s ability to grant effective final relief in the form of permanent injunctive



1           3.     “Defendants” means US Foreclosure Relief Corp., a corporation, also  
2 d/b/a U.S. Foreclosure Relief, Inc., Lighthouse Services, and California Foreclosure  
3 Specialists; George Escalante, individually and as an officer of US Foreclosure  
4 Relief Corp.; Cesar Lopez, individually and also trading and doing business as H.E.  
5 Service Company, and Adrian Pomery, Esq., individually and also trading and doing  
6 business as Pomery & Associates; and each of them, by whatever names each might  
7 be known by, as well as their successors and assigns, whether acting directly or  
8 through any corporation, subsidiary, division, or other device, including, but not  
9 limited to, fictitious business names.

10           4.     “Document” is equal in scope and synonymous in meaning to the terms  
11 “document” and “electronically stored information,” as described and used in  
12 Federal Rule of Civil Procedure 34(a).

13           5.     “Foreclosure consultant” is equal in scope and synonymous in meaning  
14 to the term “foreclosure consultant” as described and used in Section 2945.1(a) of  
15 the California Civil Code and Section 407.935 of the Missouri Merchandising  
16 Practices Act, § 407.935 Mo. Rev. Stat.

17           6.     “Individual Defendants” means George Escalante, Cesar Lopez, and  
18 Adrian Pomery, Esq.

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

21           8.     “Mortgage loan modification or foreclosure relief service” means any  
22 service, product, or program wherein the offeror, expressly or by implication, claims  
23 that it can assist a homeowner in any manner to (A) stop, prevent, or postpone any  
24 home mortgage foreclosure sale, (B) obtain or arrange a modification of any term of  
25 a home loan, deed of trust, or mortgage, (C) obtain any forbearance from any  
26 mortgage loan holder or servicer, (D) exercise any statutory right of reinstatement,  
27 (E) obtain any extension of the period within which the owner may reinstate his or  
28 her obligation, (F) obtain any waiver of an acceleration clause contained in any

1 promissory note or contract secured by a deed of trust or mortgage on a residence in  
2 foreclosure or contained in that deed of trust or mortgage, (G) obtain a loan or  
3 advance of funds that is connected to the consumer's home ownership, (H) avoid or  
4 ameliorate the impairment of the owner's credit standing, credit rating or credit  
5 profile resulting from the recording of a notice of default or the conduct of a  
6 foreclosure sale, (I) save the owner's residence from foreclosure, or (J) assist the  
7 owner in obtaining proceeds from the foreclosure sale of the owner's residence. The  
8 foregoing shall include any manner of claimed assistance, including, but not limited  
9 to, debt, budget, or financial counseling, receiving money for the purpose of  
10 distributing it to creditors, contacting creditors on behalf of the homeowner,  
11 arranging or attempting to arrange for an extension of the period within which the  
12 owner of property sold at foreclosure may cure his or her default, arranging or  
13 attempting to arrange for any delay or postponement of the time of a foreclosure sale,  
14 and giving advice of any kind with respect to filing for bankruptcy.

15 9. "Mortgage loan holder or servicer" means any beneficiary, mortgagee,  
16 trustee, loan servicer, or any other loan holder and/or their authorized agents.

17 10. "Person" means a natural person, organization, or other legal entity,  
18 including a corporation, partnership, proprietorship, association, cooperative, or any  
19 other group or combination acting as an entity.

20 11. "Plaintiffs" mean the Federal Trade Commission, the People of the State  
21 of California, and the State of Missouri.

22 12. "Receivership Defendants" means US Foreclosure Relief Corp and the  
23 Individual Defendants doing business as US Foreclosure Relief Corp., U.S.  
24 Foreclosure Relief, Inc., Lighthouse Services, California Foreclosure Specialists,  
25 H.E. Service Company, H.E. Servicing Inc., Pomery & Associates, and Homeowners  
26 Legal Assistance.

27 13. "Telemarketing" means a plan, program, or campaign (whether or not  
28 covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310) which is conducted to

1 induce the purchase of goods or services or a charitable contribution by use of one or  
2 more telephones.

### 3 ORDER

#### 4 PROHIBITED REPRESENTATIONS

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

14 A. That any Defendant or any other person will:

- 15 1. obtain or arrange a modification of any term of a home loan, deed  
16 of trust, or mortgage;
- 17 2. obtain or arrange lower monthly mortgage payments for any  
18 consumer;
- 19 3. obtain or arrange affordable monthly mortgage payments for any  
20 consumer;
- 21 4. stop, prevent, or postpone any home mortgage foreclosure sale;
- 22 5. save any consumer's residence from foreclosure;
- 23 6. prevent a notice of default from being filed with respect to any  
24 consumer's residence or home loan;
- 25 7. obtain or write a new home loan for any consumer;
- 26 8. obtain or arrange refinancing of a home loan for any consumer;
- 27 9. obtain or arrange a forbearance from any mortgage loan holder or  
28 servicer;

1           10. obtain or arrange any agreement whereby any consumer's  
2           mortgage payments are deferred for any period of time; or

3           11. immediately or promptly contact any consumer's mortgage loan  
4           holder or servicer;

5           B. The degree of success that any Defendant or any other person has had in  
6 performing mortgage loan modification or foreclosure relief services;

7           C. The length of time that any Defendant or any other person has been in  
8 the mortgage loan modification or foreclosure relief services business;

9           D. The terms that any mortgage loan holder or servicer will or is likely to  
10 offer or accept to cure any delinquency or default on, or to re-instate, any mortgage  
11 or other home loan;

12          E. The amount of time that it will take or is likely to take for any  
13 Defendant or other person to arrange or reach an agreement with any consumer's  
14 mortgage loan holder or servicer to prevent foreclosure or to cure any delinquency or  
15 default on, or to re-instate, any mortgage or other home loan;

16          F. The nature of the Defendant's or any other person's relationship with  
17 any mortgage loan holder or servicer, or other lender;

18          G. The cost of such service or of any aspect of such service;

19          H. That any Defendant or any other person is affiliated with, endorsed or  
20 approved by, or otherwise connected to any government agency, unit or department,  
21 including but not limited to the U.S. Department of Housing and Urban  
22 Development (H.U.D.);

23          I. The refund policy of any Defendant or any other person, including but  
24 not limited to the likelihood of a consumer obtaining a full or partial refund, or the  
25 circumstances in which a full or partial refund will be granted to the consumer; or

26          J. Any other material fact.  
27  
28





1 performing each and every mortgage loan modification or foreclosure relief service  
2 that Defendants contracted to perform or represented would be performed.

3 **RESTRICTIONS ON BUSINESS ACTIVITIES AS**  
4 **FORECLOSURE CONSULTANT**

5 **IV. IT IS FURTHER ORDERED** that Defendants and their officers, agents,  
6 servants, employees, and attorneys, and those persons in active concert or  
7 participation with any of them who receive actual notice of this Order by personal  
8 service or otherwise, whether acting directly or through any corporation, subsidiary,  
9 division, or other device, in connection with the telemarketing, advertising,  
10 marketing, promotion, offering for sale or sale of the services of a foreclosure  
11 consultant, are **hereby temporarily restrained and enjoined** from violating, or  
12 assisting others in violating, any provision of California Civil Code Sections 2945 to  
13 2945.11 or any provision of Sections 407.935 to 407.943 of the Missouri  
14 Merchandising Practices Act, §§ 407.935-407.943 Mo. Rev. Stat., including, but not  
15 limited to, failing to include in any written contract for such services the notices  
16 required by Section 2945.3 of the California Civil Code and Section 407.938 of the  
17 Missouri Merchandising Practices Act, § 407.938 Mo. Rev. Stat.

18 **ASSET FREEZE**

19 **V. IT IS FURTHER ORDERED** that, except as otherwise ordered by this  
20 Court, an immediate freeze shall be placed on all monies and assets (with an  
21 allowance for necessary and reasonable living expenses to be granted only upon  
22 good cause shown by application to the Court with notice <sup>which may be shortened on</sup> to and an opportunity for <sup>application,</sup>  
23 the Plaintiffs to be heard) in all accounts at any bank, financial institution or  
24 brokerage firm, all certificates of deposit, and other funds or assets, held in the name  
25 of, for the benefit of, or over which account authority is held by any Defendant, or  
26 any trust, partnership, joint venture, person or entity affiliated with any Receivership  
27 Defendant, including but not limited to the following accounts:

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7709

<u>Institution Name</u>	<u>Account Holder</u>	<u>Last Four Digits of Account Number</u>
Wells Fargo Bank, N.A.	US Foreclosure Relief Corporation	7733
Wells Fargo Bank, N.A.	US Foreclosure Relief Corp. DBA Lighthouse Service	0699
Wells Fargo Bank, N.A.	US Foreclosure Relief Corp.	0962
Wells Fargo Bank, N.A.	US Foreclosure Relief Corp.	1135
Wells Fargo Bank, N.A.	H.E. Servicing Inc.	5490
Wells Fargo Bank, N.A.	H.E. Servicing Inc.	1960
Wells Fargo Bank, N.A.	H.E. Servicing Inc.	2000
PayPal, Inc.	US Foreclosure Relief	6474
Bank of America	Adrian Pomery & Associates	8791

**VI. IT IS FURTHER ORDERED** that Defendants are hereby temporarily restrained and enjoined, until further order of this Court, from:

A. Transferring, encumbering, selling, concealing, pledging, hypothecating, assigning, spending, withdrawing, disbursing, conveying, gifting, dissipating, or otherwise disposing of any funds, property, coins, lists of consumer names, shares of stock, or other assets, wherever located, that are (1) owned or controlled by any of the Defendants, in whole or in part; (2) in the actual or constructive possession of any of the Defendants; (3) held by an agent of any of the Defendants, as a retainer for the agent's provision of services to a Defendant; or (4) owned, controlled by, or in the actual or constructive possession of, or otherwise

1 held for the benefit of, any corporation, partnership, or other entity directly or  
2 indirectly owned or controlled by any of the Defendants;

3 B. Collecting or attempting to collect payment, in whole or in part, from  
4 any consumer who hired Defendants prior to the entry of this Order;

5 C. Opening or causing to be opened any safe deposit boxes titled in the  
6 name of any of the Defendants, or subject to access by any of the Defendants; and

7 D. Incurring charges or cash advances on any credit or debit card issued in  
8 the name, singly or jointly, of any of the Defendants, or any corporation, partnership,  
9 or other entity directly or indirectly owned or controlled by any of the Defendants.

10 *Provided, however,* that the freeze imposed in this Section shall be construed  
11 to apply to assets acquired by any Defendant following service of this Order only if  
12 such assets are derived from activity prohibited by this Order, and *provided further*  
13 that this Section shall not be construed to prohibit Pomery & Associates from  
14 disbursing funds that are held in trust fund accounts or client funds accounts  
15 established pursuant to Rule 4-100 of the California Rules of Professional Conduct  
16 and that are held for the benefit of legal services clients ("Rule 4-100 accounts"), so  
17 long as:

- 18 (1) Such funds were not received as payment for mortgage loan  
19 modification or foreclosure relief services;
- 20 (2) Such funds are not disbursed for any purpose related to mortgage loan  
21 modification or foreclosure relief services;
- 22 (3) Pomery & Associates shall provide to Plaintiffs and the Temporary  
23 Receiver within five (5) days of the date of service of this Order a sworn  
24 statement indicating as to each Rule 4-100 account it maintains (a)  
25 whether the account contains funds received as payment for mortgage  
26 loan modification or relief service, and (b) a copy of the written journal  
27 that is required by Rule 4-100 to be kept for each such bank account that  
28 sets forth the name of such account; the date, amount, and client

1 affected by each debit and credit; and the current balance in such  
2 account; and

- 3 (4) Pomery & Associates shall make and retain detailed records explaining  
4 the reason for each such disbursement and noting the date and amount  
5 of the disbursement and the name, address, and telephone number of the  
6 payee.

7 **FINANCIAL REPORTS**

8 **VII. IT IS FURTHER ORDERED** that within <sup>seventy-two (72) JGS</sup> ~~forty-eight (48)~~ hours after service <sup>7.7.09</sup>  
9 of this Order:

10 A. Each of the Individual Defendants shall complete and deliver to  
11 Plaintiffs and the Temporary Receiver the Financial Statement captioned "Financial  
12 Statement of Individual Defendant," a copy of which is attached hereto as  
13 Attachment A;

14 B. The Individual Defendants shall, on behalf of US Foreclosure Relief  
15 Corp., prepare and deliver to Plaintiffs and the Temporary Receiver the Financial  
16 Statement captioned "Financial Statement of Corporate Defendant," a copy of which  
17 is attached hereto as Attachment B. The Individual Defendants shall be jointly and  
18 severally liable for this obligation;

19 C. Each of the Individual Defendants shall, on behalf of each corporation  
20 or other entity of which he is the majority owner or otherwise controls, other than US  
21 Foreclosure Relief Corp., complete and deliver to Plaintiffs and the Temporary  
22 Receiver a separate copy of the "Financial Statement of Corporate Defendant";

23 D. Defendants shall provide the Plaintiffs and the Temporary Receiver  
24 access to records and documents pertaining to assets of any of the Defendants that  
25 are held by financial institutions outside the territory of the United States by signing  
26 a Consent to Release of Financial Records, a copy of which is attached hereto as  
27 Attachment C; and  
28

1 E. Defendants shall provide to Plaintiffs and the Temporary Receiver such  
2 other financial statements as Plaintiffs or the Temporary Receiver may request in  
3 order to monitor Defendants' Compliance with this Order.

*reasonably* ✓ *US*  
*A* 7-7-09

4 **PRESERVATION OF RECORDS AND TANGIBLE THINGS**

5 **VIII. IT IS FURTHER ORDERED** that Defendants and their officers, agents,  
6 servants, employees, and attorneys, and those persons in active concert or  
7 participation with any of them who receive actual notice of this Order by personal  
8 service or otherwise, whether acting directly or through any corporation, subsidiary,  
9 division, or other device, are hereby enjoined from:

10 A. Destroying, secreting, defacing, transferring, or otherwise altering or  
11 disposing, in any manner, directly or indirectly, any documents that relate to the  
12 business practices, or business or personal finances, of Defendants or any other  
13 entity directly or indirectly under the control of Defendants; or

14 B. Failing to create and maintain books, records, and accounts which, in  
15 reasonable detail, accurately, fairly, and completely reflect the incomes, assets,  
16 disbursements, transactions and use of monies by any Defendant or other entity  
17 directly or indirectly under the control of any Defendants.

18 This Section specifically applies to all documents that have been or are  
19 displayed on or have been or are accessible from any and all Internet websites owned  
20 or controlled by any Defendant, including but not limited to any of the websites with  
21 the following domain names: [www.cafspecialists.com](http://www.cafspecialists.com), [www.pomerylaw.com](http://www.pomerylaw.com),  
22 [www.homelegalassistance.com](http://www.homelegalassistance.com), or [www.stopforeclosuretogether.com](http://www.stopforeclosuretogether.com).

23 **PROHIBITION ON RELEASE OF CUSTOMER INFORMATION OR**  
24 **CUSTOMER LISTS**

25 **IX. IT IS FURTHER ORDERED** that Defendants and their officers, agents,  
26 servants, employees, and attorneys, and those persons in active concert or  
27 participation with any of them who receive actual notice of this Order by personal  
28 service or otherwise, are hereby temporarily restrained and enjoined from selling,



1 titled in the name of any of the Defendants, either individually or jointly or held for  
2 the benefit of any of the Defendants shall:

3 A. Provide to the Plaintiffs and to the Temporary Receiver, within three (3)  
4 business days of notice of this Order, a sworn statement setting forth:

- 5 1. the identification of each account or asset;
- 6 2. the balance of each account or a description of the nature and  
7 value of each asset as of the close of business on the day  
8 notification of this Order is received, and, if the account or asset  
9 has been closed or moved, the balance or value removed, the date  
10 on which it was removed, and the person to whom it was  
11 transferred; and
- 12 3. the identification of any safe deposit box titled in the name of or  
13 subject to access by any of the Defendants; and

14 B. Upon request by counsel for the Plaintiffs or the Temporary Receiver,  
15 promptly provide the Plaintiffs with copies of all records or other documentation  
16 pertaining to such account or asset, including but not limited to originals or copies of  
17 account applications, account statements, signature cards, checks, drafts, deposit  
18 tickets, transfers to and from the accounts, all other debit and credit instruments or  
19 slips, currency transaction reports, 1099 forms, and safe deposit box logs.

#### 20 REPATRIATION OF ASSETS

21 **XII. IT IS FURTHER ORDERED** that within five (5) business days following  
22 service of this Order, each of the Defendants shall:

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

26 B. The same business day as any repatriation under sub-section A above,  
27  
28

1 1. notify the Plaintiffs and the Temporary Receiver of the name and  
2 location of the financial institution or other entity that is the  
3 recipient of such funds, documents, or assets; and

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

5 C. Provide the Plaintiffs and the Temporary Receiver with a full  
6 accounting of all funds, documents, and assets outside of the territory of the United  
7 States held either: (1) by them; (2) for their benefit; or (3) under their direct or  
8 indirect control, jointly or singly; and

9 D. Hold and retain all repatriated funds, documents, and assets and prevent  
10 any transfer, disposition, or dissipation whatsoever of any such assets or funds,  
11 except as provided in this Order.

12 **APPOINTMENT OF TEMPORARY RECEIVER**

13 **XIII. IT IS FURTHER ORDERED** that Thomas McNamara and Lillian B. McNamara  
14 is hereby appointed Temporary Receiver for the business assets and operations of the  
15 Receivership Defendants, with the full power of an equity receiver. The Temporary  
16 Receiver shall be the agent of this Court, and solely the agent of this Court, in acting  
17 as Temporary Receiver under this Order. The Temporary Receiver shall be  
18 accountable directly to this Court. The Temporary Receiver shall comply with all  
19 Local Rules of this Court governing receivers.

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7.7.28

20 **TEMPORARY RECEIVERSHIP DUTIES**

21 **XIV. IT IS FURTHER ORDERED** that the Temporary Receiver is authorized and  
22 directed to accomplish the following:

23 A. Continue to conduct the business, or cease operation of the business, of  
24 the Receivership Defendants in such manner, to such extent, and for such duration as  
25 the Temporary Receiver may in good faith deem to be necessary or appropriate to  
26 operate the businesses profitably and lawfully, if at all;

27 B. Assume full control of the Receivership Defendants by removing, as the  
28 Temporary Receiver deems necessary or advisable, any director, officer, manager,



1 independent contractor, employee, or agent of any of the Receivership Defendants,  
2 including any Defendant, from control of, management of, or participation in, the  
3 affairs of the Receivership Defendants;

4 C. Take exclusive custody, control, and possession of all assets and  
5 documents of, or in the possession, custody, or under the control of, the Receivership  
6 Defendants, wherever situated, including but not limited to the accounts identified in  
7 Section V – *provided, however*, that the Temporary Receiver shall not take custody,  
8 control or possession of assets or documents not used for the business operations of  
9 the Receivership Defendants. The Temporary Receiver shall have full power to  
10 divert mail and to sue for, collect, receive, take in possession, hold, and manage all  
11 assets and documents of the Receivership Defendants and other persons or entities  
12 whose interests are now held by, or are under the direction, possession, custody, or  
13 control of the Receivership Defendants;

14 D. Take all steps necessary to secure all premises Defendants are using to  
15 conduct business under the name US Foreclosure Relief Corp., Lighthouse Services,  
16 California Foreclosure Specialists, H.E. Service Company, H.E. Servicing Inc.,  
17 Pomery & Associates, or Homeowners Legal Assistance, including but not limited to  
18 all such premises located at (1) 2125 East Katella Avenue, Anaheim, CA 92806, (2)  
19 2050 West Chapman Avenue, Orange, CA 92868, and (3) 1010 West Chapman  
20 Avenue, Suite 200, Orange, CA 92868 – *provided, however*, that the Temporary  
21 Receiver shall not take custody of or secure the premises of the primary abode of any  
22 Individual Defendant.

23 Such steps may include, but are not limited to, any of the following, as the  
24 Temporary Receiver deems necessary or advisable: (1) serving this Order; (2)  
25 completing a written inventory of all receivership assets; (3) obtaining pertinent  
26 information from all employees and other agents of the Receivership Defendants,  
27 including, but not limited to, the name, home address, social security number, job  
28 description, passwords or access codes, method of compensation, and all accrued and

1 unpaid commissions and compensation of each such employee or agent; (4)  
2 photographing and video taping any or all portions of the premises; (5) securing the  
3 location by changing the locks and disconnecting any computer modems or other  
4 means of access to the computer or other records maintained at that location; and (6)  
5 requiring any persons present on the premises at the time this Order is served to  
6 leave the premises, to provide the Temporary Receiver with proof of identification,  
7 or to demonstrate to the satisfaction of the Temporary Receiver that such persons are  
8 not removing from the premises documents or assets of the Receivership Defendants.  
9 Law enforcement officers may assist the Temporary Receiver in implementing these  
10 provisions to keep the peace and maintain security;

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

17 F. Enter into contracts and purchase insurance as advisable or necessary;

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

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

25 I. Have the sole authority to hire legal counsel on behalf of any of the  
26 Receivership Defendants;

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

1 applicable laws, including, but not limited to, revising sales materials and  
2 implementing monitoring procedures;

3 K. Institute, compromise, adjust, appear in, intervene in, or become party  
4 to such actions or proceedings in state, federal or foreign courts or arbitration  
5 proceedings as the Temporary Receiver deems necessary and advisable to preserve  
6 or recover the assets of the Receivership Defendants, or that the Temporary Receiver  
7 deems necessary and advisable to carry out the Temporary Receiver's mandate under  
8 this Order, including but not limited to, actions challenging fraudulent or voidable  
9 transfers;

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

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

18 N. Open one or more bank accounts as designated depositories for funds of  
19 the Receivership Defendants. The Temporary Receiver shall deposit all funds of the  
20 Receivership Defendants in such a designated account and shall make all payments  
21 and disbursements from the receivership estate from such an account;

22 O. Maintain accurate records of all receipts and expenditures that he or she  
23 makes as Temporary Receiver; and

24 P. Cooperate with reasonable requests for information or assistance from  
25 any state or federal law enforcement agency.

26 *Provided, however,* that to the extent Pomery & Associates is providing  
27 services other than mortgage loan modification or foreclosure relief services that are  
28

1 professional legal services, the Temporary Receiver shall have no responsibility for  
2 supervising or otherwise overseeing such professional legal services.

3 **COOPERATION WITH THE RECEIVER**

4 **XV. IT IS FURTHER ORDERED** that Defendants and their officers, agents,  
5 servants, employees, and attorneys, and those persons in active concert or  
6 participation with any of them who receive actual notice of this Order by personal  
7 service or otherwise shall fully cooperate with and assist the Temporary Receiver.  
8 Such cooperation and assistance shall include, but not be limited to, providing  
9 information to the Temporary Receiver that the Temporary Receiver deems  
10 necessary in order to exercise the authority and discharge the responsibilities of the  
11 Temporary Receiver under this Order; providing any password required to access  
12 any computer, telephonic or electronic data in any medium; and advising all persons  
13 who owe money to the Receivership Defendants that all debts should be paid directly  
14 to the Temporary Receiver. Defendants are hereby temporarily restrained and  
15 enjoined from directly or indirectly:

16 A. Transacting any of the business of the Receivership Defendants or  
17 transacting business under the names US Foreclosure Relief Corp., Lighthouse  
18 Services, California Foreclosure Specialists, H.E. Service Company, H.E. Servicing  
19 Inc., Pomery & Associates, or Homeowners Legal Assistance;

20 B. Destroying, secreting, defacing, transferring, or otherwise altering or  
21 disposing of any documents of the Receivership Defendants, including, but not  
22 limited to, scripts, telephone call logs, audio or visual recordings, correspondence,  
23 computer records, and other data compilations, electronically-stored records, books,  
24 records, accounts, writings, drawings, graphs, charts, photographs, or any other  
25 papers of any kind or nature;

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

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

3 D. Excusing debts owed to the Receivership Defendants;

4 E. Failing to notify the Temporary Receiver of any asset, including  
5 accounts, of a Receivership Defendant held in any name other than the name of the  
6 Receivership Defendant, or by any person other than the Receivership Defendant, or  
7 failing to provide any assistance or information requested by the Temporary  
8 Receiver in connection with obtaining possession, custody, or control of such assets;  
9 and

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

#### 18 **DELIVERY OF RECEIVERSHIP PROPERTY**

19 **XVI. IT IS FURTHER ORDERED** that:

20 A. Immediately upon service of this Order upon them, or within such  
21 period as may be permitted by the Temporary Receiver and upon the Temporary  
22 Receiver's request, Defendants and any other person served with a copy of this Order  
23 or who otherwise has actual knowledge of this Order, shall transfer or deliver  
24 possession, custody, and control of the following to the Temporary Receiver:

- 25 1. All assets of the Receivership Defendants (including but not  
26 limited to desktop and laptop computers and network servers);
- 27 2. All documents of the Receivership Defendants (including but not  
28 limited to books and records of accounts, financial and

1 accounting records, balance sheets, income statements, bank  
2 records, client lists, scripts, correspondence, complaint files,  
3 electronic records, title documents, lease agreements, and other  
4 papers);

5 3. All assets belonging to members of the public now held by the  
6 Receivership Defendants; and

7 4. All keys, codes, and passwords necessary to gain or to secure  
8 access to any assets or documents of the Receivership  
9 Defendants, including, but not limited to, access to their business  
10 premises, means of communication, accounts, computer systems,  
11 or other property;

12 *Provided, however,* that this Section shall not be construed to contradict any of  
13 the requirements set forth in Section VI of this Order regarding Rule 4-100 accounts  
14 or require anyone to transfer or deliver possession, custody, and control of assets or  
15 documents not used for business operations conducted under the name of US  
16 Foreclosure Relief Corp., U.S. Foreclosure Relief, Inc., Lighthouse Services,  
17 California Foreclosure Specialists, H.E. Service Company, H.E. Servicing Inc.,  
18 Pomery & Associates, and Homeowners Legal Assistance; and

19 B. In the event any person fails to deliver or transfer any asset or otherwise  
20 fails to comply with any provision of this Section, the Temporary Receiver may file  
21 *ex parte* an Affidavit of Non-Compliance regarding the failure. Upon filing of the  
22 affidavit, the Court may authorize, without additional process or demand, Writs of  
23 Possession or Sequestration or other equitable writs requested by the Temporary  
24 Receiver. The writs shall authorize and direct the United States Marshal or any  
25 sheriff or deputy sheriff of any county, or any other federal or state law enforcement  
26 officer, to seize the asset, document, or other thing and to deliver it to the Temporary  
27 Receiver.

1                   **TRANSFER OF FUNDS TO THE TEMPORARY RECEIVER**

2 **XVII. IT IS FURTHER ORDERED** that, upon service of a copy of this  
3 Order, all banks, broker-dealers, savings and loans, escrow agents, title companies,  
4 commodity trading companies, precious metals dealers and other financial  
5 institutions and depositories of any kind, all payment systems or services, and all  
6 third-party billing agents, LEC's, common carriers, and other telecommunications  
7 companies shall cooperate with all reasonable requests of the Plaintiffs and the  
8 Temporary Receiver relating to implementation of this Order, including transferring  
9 funds at his or her direction and producing records related to the assets and sales of  
10 the Receivership Defendants.

11                   **COMPENSATION OF TEMPORARY RECEIVER**

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

23                   **TEMPORARY RECEIVER'S BOND**

24 **XIX. IT IS FURTHER ORDERED** that the Temporary Receiver shall file with the  
25 Clerk of this Court a bond in the sum of \$ 100,000 <sup>JRC</sup> ~~with~~ <sup>7.7-09</sup> sureties to be  
26 approved by the Court, conditioned upon the Temporary Receiver well and truly  
27 performing the duties of the office, and abiding by and performing all acts the Court  
28 directs. Except for an act of gross negligence, the Temporary Receiver, his agents,

1 staff employees and any person or entity engaged by him to assist in performing his  
2 duties and responsibilities as Temporary Receiver, shall not be liable for any loss or  
3 damage incurred by any of the Defendants, their officers, agents, servants,  
4 employees and attorneys or any other person, by reason of any act performed or  
5 omitted to be performed by the Temporary Receiver in connection with the discharge  
6 of his or her duties and responsibilities.

### 7 STAY OF ACTIONS

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

9 A. Except by leave of this Court, Defendants and all other persons or  
10 entities (except for Plaintiffs) are hereby stayed from taking any action to establish or  
11 enforce any claim, right, or interest for, against, on behalf of, in, or in the name of:  
12 (a) the Defendants, (b) any of the Receivership Defendants' assets, or c) the  
13 Temporary Receiver or the Temporary Receiver's duly authorized agents acting in  
14 their capacities as such, including, but not limited to, the following actions:

- 15 1. Commencing, prosecuting, continuing, entering, or enforcing any  
16 suit or proceeding, except that such actions may be filed to toll  
17 any applicable statute of limitations;
- 18 2. Accelerating the due date of any obligation or claimed obligation;  
19 filing or enforcing any lien; taking or attempting to take  
20 possession, custody, or control of any asset; attempting to  
21 foreclose, forfeit, alter, or terminate any interest in any asset,  
22 whether such acts are part of a judicial proceeding, are acts of  
23 self-help, or otherwise;
- 24 3. Executing, issuing, serving, or causing the execution, issuance or  
25 service of, any legal process, including, but not limited to,  
26 attachments, garnishments, subpoenas, writs of replevin, writs of  
27 execution, or any other form of process whether specified in this  
28 Order or not;



- 1 4. Causing any Receivership Defendant to be placed in involuntary  
2 bankruptcy; or
- 3 5. Doing any act or thing whatsoever to interfere with the  
4 Temporary Receiver managing, or taking custody, control, or  
5 possession of, the assets or documents subject to this  
6 receivership, or to harass or interfere with the Temporary  
7 Receiver in any way, or to interfere in any manner with the  
8 exclusive jurisdiction of this Court over the assets or documents  
9 of the Receivership Defendants; and

10 B. This Section does not stay:

- 11 1. The commencement or continuation of a criminal action or  
12 proceeding;
- 13 2. The commencement or continuation of an action or proceeding by  
14 a governmental unit to enforce such governmental unit's police or  
15 regulatory power;
- 16 3. The enforcement of a judgment, other than a money judgment,  
17 obtained in an action or proceeding by a governmental unit to  
18 enforce such governmental unit's police or regulatory power; or
- 19 4. The commencement of any action by the Secretary of the United  
20 States Department of Housing and Urban Development to  
21 foreclose a mortgage or deed of trust in any case in which the  
22 mortgage or deed of trust held by the Secretary is insured or was  
23 formerly insured under the National Housing Act and covers  
24 property, or combinations of property, consisting of five or more  
25 living units.

26 **DISTRIBUTION OF ORDER**

27 **XXI. IT IS FURTHER ORDERED** that the Individual Defendants shall  
28 immediately provide a copy of this Order to each affiliate, subsidiary, division, sales

1 entity, successor, assign, officer, director, employee, independent contractor, client  
2 company, agent, attorney, spouse and representative of the Defendants, and shall,  
3 within ten (10) days from the date of service of this Order, provide the Plaintiffs with  
4 a sworn statement that the Individual Defendants have complied with this provision  
5 of the Order, which statement shall include the names, titles, addresses, and  
6 telephone numbers of each such person who received a copy of the Order. The  
7 Temporary Receiver has no obligation under this provision.

8 **ORDER TO SHOW CAUSE**

9 **XXII. IT IS FURTHER ORDERED**, pursuant to Fed. R. Civ. P. 65(b), that  
10 Defendants shall appear on the 17<sup>th</sup> day of July, 2009, at  
11 3:00 P.m. at the United States Courthouse, Courtroom 10C, Santa Ana,  
12 California, to show cause, if any there be, why this Court should not enter a  
13 preliminary injunction, pending final ruling on the complaint, against Defendants  
14 enjoining them from further violations of the FTC Act, the TSR, the California  
15 Business and Professions Code, and the Missouri Merchandising Practices Act, and  
16 imposing such additional relief as may be appropriate against Defendants.

JOS  
7.7.09

17 **SERVICE OF PLEADINGS, EVIDENCE & WITNESS LISTS**

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

19 A. Defendants shall file any answering affidavits, pleadings, or legal  
20 memoranda with the Court and serve the same on counsel for the Plaintiffs no later  
21 than ~~five (5)~~ <sup>three (3)</sup> business days prior to the preliminary injunction hearing in this matter.  
22 The Plaintiffs may file responsive or supplemental pleadings, materials, affidavits, or  
23 memoranda with the Court and serve the same on counsel for Defendants, or on  
24 Defendants if Defendants have not designated counsel to represent them in this  
25 action, no later than one (1) business day prior to the preliminary injunction hearing  
26 in this matter; provided that service shall be performed by personal or overnight  
27 delivery or by facsimile, and documents shall be delivered so that they shall be

JOS  
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1 received by the other parties no later than 4 p.m. (EST) on the appropriate dates  
2 listed in this sub-section A; and

3 B. The question of whether this Court should enter a preliminary injunction  
4 pursuant to Rule 65 of the Federal Rules of Civil Procedure and Local Civil Rule  
5 65.1 enjoining the Defendants during the pendency of this action shall be resolved on  
6 the pleadings, declarations, exhibits, and memoranda filed by, and oral argument of,  
7 the parties. Live testimony shall be heard only on further order of this Court on  
8 motion filed with the Court and served on counsel for the other parties at least five  
9 (5) business days prior to the preliminary injunction hearing in this matter. Such  
10 motion shall set forth the name, address, and telephone number of each proposed  
11 witness, a detailed summary or affidavit revealing the substance of each proposed  
12 witness' expected testimony, and an explanation of why the taking of live testimony  
13 would be helpful to this Court. Any papers opposing a timely motion to present live  
14 testimony or to present live testimony in response to live testimony to be presented  
15 by another party shall be filed with this Court and served on the other parties at least  
16 three (3) business days prior to the preliminary injunction hearing in this matter;  
17 provided that service shall be performed by personal or overnight delivery or by  
18 facsimile, and documents shall be delivered so that they shall be received by the  
19 other parties no later than 4 p.m. (EST) on the appropriate dates listed in this  
20 sub-section B.

21 **CORRESPONDENCE WITH PLAINTIFFS**

22 **XXIV. IT IS FURTHER ORDERED** that for the purposes of this Order, all  
23 service on and correspondence to the Plaintiffs shall be addressed to:

24 A. Sarah Schroeder, Federal Trade Commission, 901 Market Street, Ste.  
25 570, San Francisco, CA 94102. Telephone: (415) 848-5186; Facsimile: (415) 848-  
26 5184;

1 B. Daniel A. Olivas, Deputy Attorney General of the State of California,  
2 300 South Spring Street, Suite 1702, Los Angeles, CA 90013. Telephone: (213)  
3 897-2707; Facsimile: (213) 897-4951; and

4 C. Stewart Freilich, Assistant Attorney General of the State of Missouri,  
5 1530 Rax Court, Jefferson City, MO 65109. Telephone: (573) 751-7007; Facsimile:  
6 (573) 751-2041.

7 **EXPIRATION OF THIS ORDER**

8 **XXV. IT IS FURTHER ORDERED** that the Temporary Restraining Order  
9 granted herein shall expire on July 17, 2009, at 11:59 PM, unless  
10 within such time the Order, for good cause shown, is extended for a like period, or  
11 unless, as to any Defendant, the Defendant consents that it should be extended for a  
12 longer period of time.

*SR*  
*7.7.09*

13 **SERVICE OF THIS ORDER**

14 **XXVI. IT IS FURTHER ORDERED** that copies of this Order may be by any  
15 means, including facsimile transmission, upon any financial institution or other  
16 person that may have possession, custody, or control of any documents or assets of  
17 any Defendant, or that may be subject to any provision of this Order.


18  
19 IT IS SO ORDERED, this 7th day of July, 2009.

20  
21  
22   
23  
24 UNITED STATES DISTRICT JUDGE

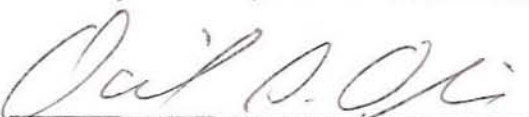
1 Presented by:

2  
3 Dated: July 7, 2009


4 WILLARD K. TOM  
General Counsel

5  
6   
7 SARAH SCHROEDER  
8 KERRY O'BRIEN  
9 LAURA FREMONT  
Attorneys for Plaintiff  
Federal Trade Commission

10 EDMUND G. BROWN JR.  
11 Attorney General, State of California

12   
13 DANIEL A. OLIVAS  
14 Attorney for Plaintiff  
15 The People of the State of California

16  
17 CHRIS KOSTER  
18 Attorney General of Missouri

19   
20 STEWART FREILICH  
21 JOHN PHILLIPS  
22 Attorneys for Plaintiff  
23 State of Missouri

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

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**Instructions:**

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. "Dependents" include your 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 elsewhere, whether held individually or jointly.
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 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. Information About You**

Your Full Name \_\_\_\_\_ Social Security No. \_\_\_\_\_

Place of Birth \_\_\_\_\_ Date of Birth \_\_\_\_\_ Drivers License No. \_\_\_\_\_

Current Address \_\_\_\_\_ From (Date) \_\_\_\_\_

Rent or Own? \_\_\_\_\_ Telephone No. \_\_\_\_\_ Facsimile No. \_\_\_\_\_

E-Mail Address \_\_\_\_\_ Internet Home Page \_\_\_\_\_

Previous Addresses for past five years:

Address \_\_\_\_\_ Rent or Own? \_\_\_\_\_ From/Until \_\_\_\_\_

Address \_\_\_\_\_ Rent or Own? \_\_\_\_\_ From/Until \_\_\_\_\_

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. \_\_\_\_\_

Place of Birth \_\_\_\_\_ Date of Birth \_\_\_\_\_

Identify any other name(s) and/or social security number(s) your spouse/companion has used, and the time period(s) during which they were used \_\_\_\_\_

Address (if different from yours) \_\_\_\_\_

From (Date) \_\_\_\_\_ Rent or Own? \_\_\_\_\_ Telephone No. \_\_\_\_\_

Employer's Name and Address \_\_\_\_\_

Job Title \_\_\_\_\_ Years in Present Job \_\_\_\_\_ Annual Gross Salary/Wages \$ \_\_\_\_\_

**Item 3. Information About Your Previous Spouse**

Previous Spouse's Name & Address \_\_\_\_\_

\_\_\_\_\_ Social Security No. \_\_\_\_\_ Date of Birth \_\_\_\_\_

**Item 4. Contact Information**

Name & Address of Nearest Living Relative or Friend \_\_\_\_\_  
\_\_\_\_\_  
Telephone No. \_\_\_\_\_

**Item 5. Information About Dependents Who Live With You**

▶Name \_\_\_\_\_ Date of Birth \_\_\_\_\_  
Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_  
▶Name \_\_\_\_\_ Date of Birth \_\_\_\_\_  
Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_  
▶Name \_\_\_\_\_ Date of Birth \_\_\_\_\_  
Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

**Item 6. Information About Dependents Who Do Not Live With You**

▶Name & Address \_\_\_\_\_  
Date of Birth \_\_\_\_\_ Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_  
▶Name Address \_\_\_\_\_  
Date of Birth \_\_\_\_\_ Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_  
▶Name & Address \_\_\_\_\_  
Date of Birth \_\_\_\_\_ Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

**Item 7. Employment Information**

Provide the following information for this year-to-date and for each of the previous five full years, for each company of which you were a director, officer, employee, agent, contractor, participant or consultant at any time during that period. "Income" includes, but is not limited to, any salary, commissions, draws, consulting fees, loans, loan payments, dividends, royalties or other 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 & Address \_\_\_\_\_  
Dates Employed: From (Month/Year) \_\_\_\_\_ To (Month/Year) \_\_\_\_\_  
Positions Held with Beginning and Ending Dates \_\_\_\_\_  
\_\_\_\_\_

**Item 7. continued**



Income Received: This year-to-date: \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
20\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
\_\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_

►Company Name & Address \_\_\_\_\_

Dates Employed: From (Month/Year) \_\_\_\_\_ To (Month/Year) \_\_\_\_\_

Positions Held with Beginning and Ending Dates \_\_\_\_\_

Income Received: This year-to-date: \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
20\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
\_\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_

►Company Name & Address \_\_\_\_\_

Dates Employed: From (Month/Year) \_\_\_\_\_ To (Month/Year) \_\_\_\_\_

Positions Held with Beginning and Ending Dates \_\_\_\_\_

Income Received: This year-to-date: \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
20\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
\_\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_

**Item 8. Pending Lawsuits Filed by You or Your Spouse**

List all pending lawsuits that have been filed by you or your spouse in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in Items 16 and 25).

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 9. Pending Lawsuits Filed Against You or Your Spouse**

List all pending lawsuits that have been filed against you or your spouse in court or before an administrative agency. (List

lawsuits that resulted in final judgments or settlements in Items 16 and 25).

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 10. Safe Deposit Boxes**

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

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

**Item 11. Business Interests**

List all businesses for which you, your spouse, or your dependents are an officer or director.

►Business' Name & Address \_\_\_\_\_

Business Format (e.g., corporation) \_\_\_\_\_ Description of Business \_\_\_\_\_

\_\_\_\_\_ Position(s) Held, and By Whom \_\_\_\_\_

►Business' Name & Address \_\_\_\_\_

Business Format (e.g., corporation) \_\_\_\_\_ Description of Business \_\_\_\_\_

\_\_\_\_\_ Position(s) Held, and By Whom \_\_\_\_\_

►Business' Name & Address \_\_\_\_\_

Business Format (e.g., corporation) \_\_\_\_\_ Description of Business \_\_\_\_\_

\_\_\_\_\_ Position(s) Held, and By Whom \_\_\_\_\_

**FINANCIAL INFORMATION: ASSETS AND LIABILITIES**

**REMINDER: "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or elsewhere, whether held individually or jointly.**

**Item 12.                    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 you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents. The term "cash" includes currency and uncashed checks.

Cash on Hand \$ \_\_\_\_\_ Cash Held For Your Benefit \$ \_\_\_\_\_

<u>Name on Account</u>	<u>Name &amp; Address of Financial Institution</u>	<u>Account No.</u>	<u>Current Balance</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

**Item 13.                    U.S. Government Securities**

List all U.S. Government securities, including but not limited to, savings bonds, treasury bills, and treasury notes, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

<u>Name on Account</u>	<u>Type of Obligation</u>	<u>Security Amount</u>	<u>Maturity Date</u>
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

**Item 14.                    Publicly Traded Securities and Loans Secured by Them**

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 you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Issuer \_\_\_\_\_ Type of Security \_\_\_\_\_ No. of Units Owned \_\_\_\_\_

Name on Security \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_ Loan(s) Against Security \$ \_\_\_\_\_

Broker House, Address \_\_\_\_\_ Broker Account No. \_\_\_\_\_

► Issuer \_\_\_\_\_ Type of Security \_\_\_\_\_ No. of Units Owned \_\_\_\_\_

Name on Security \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_ Loan(s) Against Security \$ \_\_\_\_\_

Broker House, Address \_\_\_\_\_ Broker Account No. \_\_\_\_\_

**Item 15. Other Business Interests**

List all other business interests, including but not limited to, non-public corporations, subchapter-S corporations, limited liability corporations ("LLCs"), general or limited partnership interests, joint ventures, sole proprietorships, and oil and mineral leases, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Business Format \_\_\_\_\_ Business' Name & Address \_\_\_\_\_

\_\_\_\_\_ Ownership % \_\_\_\_\_

Owner (e.g., self, spouse) \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_

► Business Format \_\_\_\_\_ Business' Name & Address \_\_\_\_\_

\_\_\_\_\_ Ownership % \_\_\_\_\_

Owner (e.g., self, spouse) \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_

**Item 16. Monetary Judgments or Settlements Owed to You, Your Spouse, or Your Dependents**

List all monetary judgments or settlements owed to you, your spouse, or your dependents.

► 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 17. Other Amounts Owed to You, Your Spouse, or Your Dependents**

List all other amounts owed to you, your spouse, or your dependents.

Debtor's Name, Address, & Telephone No. \_\_\_\_\_

Original Amount Owed \$ \_\_\_\_\_ Current Amount Owed \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

**Item 18. Life Insurance Policies**

List all life insurance policies held by you, your spouse, or your dependents.

►Insurance Company's Name, Address, & Telephone No. \_\_\_\_\_

Insured \_\_\_\_\_ Beneficiary \_\_\_\_\_ Face Value \$ \_\_\_\_\_

Policy No. \_\_\_\_\_ Loans Against Policy \$ \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

►Insurance Company's Name, Address, & Telephone No. \_\_\_\_\_

Insured \_\_\_\_\_ Beneficiary \_\_\_\_\_ Face Value \$ \_\_\_\_\_

Policy No. \_\_\_\_\_ Loans Against Policy \$ \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

**Item 19. 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, and other retirement accounts, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

►Name on Account \_\_\_\_\_ Type of Plan \_\_\_\_\_ Date Established \_\_\_\_\_

Trustee or Administrator's Name, Address & Telephone No. \_\_\_\_\_

Account No. \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

►Name on Account \_\_\_\_\_ Type of Plan \_\_\_\_\_ Date Established \_\_\_\_\_

Trustee or Administrator's Name, Address & Telephone No. \_\_\_\_\_

Account No. \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

**Item 20. Personal Property**

List all personal property, by category, whether held for personal use or for investment, including but not limited to,

furniture and household goods of value, computer equipment, electronics, coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

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

**Item 21. Cars, Trucks, Motorcycles, Boats, Airplanes, and Other Vehicles**

List all cars, trucks, motorcycles, boats, airplanes, and other vehicles owned or operated by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

▶ Vehicle Type \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_

Registered Owner's Name \_\_\_\_\_ Registration State & No. \_\_\_\_\_

Address of Vehicle's Location \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_ Account/Loan No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Original Loan Amount \$ \_\_\_\_\_ Current Loan Balance \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

▶ Vehicle Type \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_

Registered Owner's Name \_\_\_\_\_ Registration State & No. \_\_\_\_\_

Address of Vehicle's Location \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_ Account/Loan No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Original Loan Amount \$ \_\_\_\_\_ Current Loan Balance \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

**Item 21. Continued**

▶ Vehicle Type \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_

Registered Owner's Name \_\_\_\_\_ Registration State & No. \_\_\_\_\_

Address of Vehicle's Location \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_ Account/Loan No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Original Loan Amount \$ \_\_\_\_\_ Current Loan Balance \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

**Item 22. Real Property**

List all real estate held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

▶Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Acquisition Date \_\_\_\_\_ Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_

Basis of Valuation \_\_\_\_\_ 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 \_\_\_\_\_

Acquisition Date \_\_\_\_\_ Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_

Basis of Valuation \_\_\_\_\_ 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. Credit Cards**

List each credit card held by you, your spouse, or your dependents. Also list any other credit cards that you, your spouse, or your dependents use.

<u>Name of Credit Card (e.g., Visa, MasterCard, Department Store)</u>	<u>Account No.</u>	<u>Name(s) on Account</u>	<u>Current Balance</u>	<u>Minimum Monthly Payment</u>
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____

**Item 24. Taxes Payable**

List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependants.

<u>Type of Tax</u>	<u>Amount Owed</u>	<u>Year Incurred</u>
	\$ _____	
	\$ _____	
	\$ _____	
	\$ _____	

**Item 25. Judgments or Settlements Owed**

List all judgments or settlements owed by you, your spouse, or your dependants.

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date \_\_\_\_\_ Amount \$ \_\_\_\_\_



**Item 26. Other Loans and Liabilities**

List all other loans or liabilities in your, your spouse's, or your dependents' names.

Name & Address of Lender/Creditor \_\_\_\_\_

Nature of Liability \_\_\_\_\_ Name(s) on Liability \_\_\_\_\_

Date of Liability \_\_\_\_\_ Amount Borrowed \$ \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Payment Amount \$ \_\_\_\_\_ Frequency of Payment \_\_\_\_\_

Name & Address of Lender/Creditor \_\_\_\_\_

Nature of Liability \_\_\_\_\_ Name(s) on Liability \_\_\_\_\_

Date of Liability \_\_\_\_\_ Amount Borrowed \$ \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Payment Amount \$ \_\_\_\_\_ Frequency of Payment \_\_\_\_\_

**OTHER FINANCIAL INFORMATION**

**Item 27. Tax Returns**

List all federal tax returns that were filed during the last three years by or on behalf of you, your spouse, or your dependents. Provide a copy of each signed tax return that was filed during the last three years.

<u>Tax Year</u>	<u>Name(s) on Return</u>	<u>Refund Expected</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

**Item 28. Applications for Credit**

List all applications for bank loans or other extensions of credit that you, your spouse, or your dependents have submitted within the last two years. Provide a copy of each application, including all attachments.

<u>Name(s) on Application</u>	<u>Name &amp; Address of Lender</u>
_____	_____
_____	_____
_____	_____

**Item 29. Trusts and Escrows**

List all funds or other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. 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. *Provide copies of all executed trust documents.*

<u>Trustee or Escrow Agent's Name &amp; Address</u>	<u>Date Established</u>	<u>Grantor</u>	<u>Beneficiaries</u>	<u>Present Market Value of Assets</u>
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____

**Item 30. Transfers of Assets**

List each person to whom you have transferred, in the aggregate, more than \$2,500 in funds or other assets during the previous three years by loan, gift, sale, or other transfer. For each such person, state the total amount transferred during that period.

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

SUMMARY FINANCIAL SCHEDULES

**Item 31. Combined Balance Sheet for You, Your Spouse, and Your Dependents**

<u>ASSETS</u>		<u>LIABILITIES</u>	
Cash on Hand (Item 12)	\$ _____	Credit Cards (Item 23)	\$ _____
Cash in Financial Institutions (Item 12)	\$ _____	Motor Vehicles - Liens (Item 21)	\$ _____
U.S. Government Securities (Item 13)	\$ _____	Real Property - Encumbrances (Item 22)	\$ _____
Publicly Traded Securities (Item 14)	\$ _____	Loans Against Publicly Traded Securities (Item 14)	\$ _____
Other Business Interests (Item 15)	\$ _____	Taxes Payable (Item 24)	\$ _____
Judgments or Settlements Owed to You (Item 16)	\$ _____	Judgments or Settlements Owed (Item 25)	\$ _____
Other Amounts Owed to You (Item 17)	\$ _____	Other Loans and Liabilities (Item 26)	\$ _____
Surrender Value of Life Insurance (Item 18)	\$ _____	<u>Other Liabilities (Itemize)</u>	
Deferred Income Arrangements (Item 19)	\$ _____	_____	\$ _____
Personal Property (Item 20)	\$ _____	_____	\$ _____
Motor Vehicles (Item 21)	\$ _____	_____	\$ _____
Real Property (Item 22)	\$ _____	_____	\$ _____
<u>Other Assets (Itemize)</u>		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
<b>Total Assets</b>	<b>\$ _____</b>	<b>Total Liabilities</b>	<b>\$ _____</b>

**Item 32. Combined Average Monthly Income and Expenses for You, Your Spouse, and Your Dependents for the Last 6 Months**

Provide the average monthly income and expenses for you, your spouse, and your dependents for the last 6 months. Do not include credit card payments separately; rather, include credit card expenditures in the appropriate categories.

<u>INCOME</u>		<u>EXPENSES</u>	
Salary - After Taxes	\$ _____	Mortgage Payments for Residence(s)	\$ _____
Fees, Commissions, and Royalties	\$ _____	Property Taxes for Residence(s)	\$ _____
Interest	\$ _____	Rental Property Expenses, Including Mortgage Payments, Taxes, and Insurance	\$ _____
Dividends and Capital Gains	\$ _____	Car or Other Vehicle Lease or Loan Payments	\$ _____
Gross Rental Income	\$ _____	Food Expenses	\$ _____
Profits from Sole Proprietorships	\$ _____	Clothing Expenses	\$ _____
Distributions from Partnerships, S-Corporations, and LLCs	\$ _____	Utilities	\$ _____
Distributions from Trusts and Estates	\$ _____	Medical Expenses, Including Insurance	\$ _____
Distributions from Deferred Income Arrangements	\$ _____	Other Insurance Premiums	\$ _____
Social Security Payments	\$ _____	Other Transportation Expenses	\$ _____
Alimony/Child Support Received	\$ _____	Other Household Expenses	\$ _____
Gambling Income	\$ _____	<u>Other Expenses (Itemize)</u>	
<u>Other Income (Itemize)</u>		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
<b>Total Income</b>	<b>\$ _____</b>	<b>Total Expenses</b>	<b>\$ _____</b>

ATTACHMENTS

**Item 33. Documents Attached to this Financial Statement**

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

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

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

Executed on:

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Signature

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

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**Instructions:**

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. 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.
3. 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.
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 being continued.
5. Type or print legibly.
6. 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.

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**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 &amp; Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____

**Item 5. Board Members**

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

<u>Name &amp; 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 &amp; 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 &amp; 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 &amp; 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, &amp; 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.*

Owner's Name                      Name & Address of Depository Institution                      Box No.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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 &amp; 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 17 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 &amp; 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 &amp; 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, &amp; 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 Relates To</u>	<u>Description of Document</u>



**ATTACHMENT C**

**Form of Consent to Release of Financial Records**

I, \_\_\_\_\_, of the State of \_\_\_\_\_ in the United States of America, do hereby direct any bank or trust company at which I have a bank account of any kind or at which a corporation or other entity has a bank 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 your possession or control which relate to the said bank accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of the *Federal Trade Commission, et. al. v. U.S. Foreclosure Relief, et al.*, pending in the United States District Court for the Central District of California, 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 that restrict or prohibit the disclosure of bank information without the consent of the holder of the account, and shall be construed as consent with respect thereto, and the same shall apply to any of the bank accounts for which I may be a relevant principal.

Dated: \_\_\_\_\_, 2009

Signature: \_\_\_\_\_

Printed full name: \_\_\_\_\_