



UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

FEDERAL TRADE COMMISSION,  
Plaintiff,

v.

LUCASLAWCENTER "INCORPORATED",  
a corporation, also d/b/a Lucas Law Center;

FUTURE FINANCIAL SERVICES, LLC,  
a limited liability company, also  
d/b/a Lucas Law Center;

PAUL JEFFREY LUCAS,  
an individual;

CHRISTOPHER FRANCIS BETTS,  
an individual; and

FRANK SULLIVAN,  
an individual,

Defendants.

Case No. SACV 09-0770  
DOC (ANx)

~~proposed~~ PRELIMINARY  
INJUNCTION ORDER  
FREEZING ASSETS,  
APPOINTMENT OF  
PERMANENT RECEIVER  
AND OTHER EQUITABLE  
RELIEF

Date: August 24 2009

Time: 8:30 A.M.

Courtroom 9D

Plaintiff, the Federal Trade Commission ("FTC" or "Plaintiff"), having filed its Complaint for Injunctive and Other Equitable Relief pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), and having filed its *Ex Parte* Motion and Incorporated Supporting Memorandum for a Temporary Restraining Order with Asset Freeze, Temporary Receiver and Immediate Business Access, and Order to Show Cause why a Preliminary

1 Injunction Should not Issue (“Motion for TRO”), pursuant to Rule 65(b) of the  
2 Federal Rules of Civil Procedure, and the Court, having considered the Complaint,  
3 the Motion for TRO, memorandum in support thereof, declarations, and  
4 appendices, filed in support thereof, and now being advised in the premises, finds  
5 that:

6 1. This Court has jurisdiction over the subject matter of this case, and  
7 over all the parties, and venue in this district is proper;

8 2. There is good cause to believe that Defendants LucasLawCenter  
9 “incorporated” (“Lucas Law Center”), Future Financial Services, LLC  
10 (“Future Financial Services”), Paul Jeffrey Lucas (“Lucas”), Christopher  
11 Francis Betts (“Betts”), and Frank Sullivan (“Sullivan”) have engaged in and  
12 are likely to engage in acts that violate Section 5(a) of the FTC Act, 15  
13 U.S.C. § 45(a), and that Plaintiff is likely to prevail on the merits of this  
14 action;

15 3. There is good cause to believe that immediate and irreparable harm  
16 will result from Defendants’ ongoing violations of the FTC Act unless  
17 Defendants are restrained and enjoined by Order of this Court;

18 4. There is good cause to believe that immediate and irreparable damage  
19 to the Court’s ability to grant effective final relief for consumers – including  
20 rescission or reformation of contracts, restitution, the refund of monies paid,  
21 and the disgorgement of ill-gotten monies – will occur from the sale,  
22 transfer, or other disposition or concealment by Defendants of assets or  
23 records, and that therefore in accordance with Fed. R. Civ. P. 65(b), the  
24 interests of justice require that this Order be granted;

25 5. Good cause exists for the appointment of a Permanent Receiver over  
26 corporate Defendants Lucas Law Center and Future Financial Services;

27 6. Weighing the equities and considering Plaintiff’s likelihood of  
28 ultimate success on the merits, a Preliminary Injunction with asset freeze,

1 the appointment of a Permanent Receiver, and other equitable relief is in the  
2 public interest;

3 7. There is good cause for issuing this Preliminary Injunction pursuant to  
4 Rule 65(b) of the Federal Rules of Civil Procedure; and

5 8. No security is required of any agency of the United States for issuance  
6 of a restraining order. Fed. R. Civ. P. 65(c).

7 **DEFINITIONS**

8 For purposes of this Preliminary Injunction (“Order”), the following  
9 definitions shall apply:

10 A. “**Asset**” means any legal or equitable interest in, right to, or claim to,  
11 any real and personal property, including, but not limited to, “goods,”  
12 “instruments,” “equipment,” “fixtures,” “general intangibles,” “inventory,”  
13 “checks,” “notes” (as these terms are defined in the Uniform Commercial Code),  
14 and all chattel, leaseholds, contracts, mail or other deliveries, shares of stock, lists  
15 of consumer names, accounts, credits, premises, receivables, funds, cash, cashier’s  
16 checks, teller’s checks, money orders, and merchant accounts wherever located.

17 B. “**Assisting others**” means knowingly providing any of the following  
18 goods or services to another entity: (1) performing customer service functions,  
19 including, but not limited to, receiving or responding to consumer complaints; (2)  
20 formulating or providing, or arranging for the formulation or provision of, any  
21 marketing material; (3) providing names of, or assisting in the generation of,  
22 potential customers; or (4) performing marketing or billing services of any kind.

23 C. “**Defendants**” means LucasLawCenter “incorporated,” Future  
24 Financial Services, LLC, Paul Jeffrey Lucas, Christopher Francis Betts, and Frank  
25 Sullivan, and each of them, by whatever names each might be known by, as well as  
26 their successors and assigns, whether acting directly or through any corporation,  
27 subsidiary, division, or other device, including, but not limited to, fictitious  
28 business names.

1 D. **“Document”** is synonymous in meaning and equal in scope to the  
2 usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings,  
3 drawings, graphs, charts, photographs, audio and video recordings, computer  
4 records, and other data compilations from which the information can be obtained  
5 and translated, if necessary, through detection devices into reasonably usable form.  
6 A draft or non-identical copy is a separate document within the meaning of the  
7 term.

8 E. **“Individual Defendants”** refers to Defendants Paul Jeffrey Lucas,  
9 Christopher Francis Betts, and Frank Sullivan .

10 F. **“Material fact”** means any fact that is likely to affect a person’s  
11 choice of, or conduct regarding, goods or services.

12 G. **“Mortgage loan modification service”** means any service, product,  
13 or program that is represented, expressly or by implication, to assist a consumer in  
14 any manner to: (A) obtain or arrange a modification of any term of a home loan,  
15 deed of trust, or mortgage; (B) obtain or arrange a refinancing, recapitalization, or  
16 reinstatement of a home loan, deed of trust, or mortgage; (C) obtain or arrange a  
17 pre-foreclosure sale, short sale, or deed-in-lieu of foreclosure; (D) stop, prevent, or  
18 postpone any home mortgage or deed of trust foreclosure sale; (E) obtain any  
19 forbearance from any beneficiary or mortgagee; (F) obtain a loan or advance of  
20 funds that is connected to the consumer’s home ownership; (G) avoid or ameliorate  
21 the impairment of the consumer’s credit standing, credit rating, or credit profile;  
22 (H) examine, audit, or evaluate any term of a home loan, deed of trust, or  
23 mortgage; or (I) save the consumer’s residence from foreclosure.

24 H. **“Person”** means a natural person, organization, or other legal entity,  
25 including a corporation, partnership, proprietorship, association, cooperative, or  
26 any other group or combination acting as an entity.

27 I. **“Plaintiff”** means the Federal Trade Commission.  
28

1 J. “**Receivership Defendants**” refers to Defendants LucasLawCenter  
2 “incorporated” and Future Financial Services, LLC, as well as any successors,  
3 assigns, affiliates, and subsidiaries that conduct any business related to Lucas Law  
4 Center’s or Future Financial Services’s mortgage loan modification and which the  
5 Permanent Receiver has reason to believe are owned or controlled in whole or in  
6 part by any of the Defendants.

7 K. “**Permanent Receiver**” refers to Robb Evans & Associates, LLC.

8 L. “**Confidential Records**” means all client files of any of the  
9 Receivership Defendants, and all other documents and electronic records which  
10 disclose the name of any client of any of the Receivership Defendants or any  
11 personal data identifiers, as defined in Local Rule 79-5.4.

12 **ORDER**

13 **PROHIBITIONS AND CONDUCT REQUIREMENTS**

14 **I. INJUNCTION AGAINST MISREPRESENTATIONS**

15 **IT IS THEREFORE ORDERED** that Defendants and their successors,  
16 assigns, members, officers, agents, servants, employees, and attorneys, and those  
17 persons or entities in active concert or participation with them who receive actual  
18 notice of this Order by personal service, facsimile transmission, email, or  
19 otherwise, whether acting directly or through any corporation, subsidiary, division,  
20 or other device, in connection with the advertising, marketing, promotion, offering  
21 for sale, or sale of any mortgage loan modification service, are restrained and  
22 enjoined from falsely representing, or from assisting others who are falsely  
23 representing, expressly or by implication, any of the following:

24 A. That any Defendant or any other person will

- 25 1. Obtain or arrange a modification of any term of a consumer’s  
26 home loan, deed of trust, or mortgage, including any  
27 recapitalization or reinstatement agreement;  
28

2. Obtain or arrange a pre-foreclosure sale, short sale, or deed-in-lieu of foreclosure;
3. Stop, prevent, or postpone any home mortgage foreclosure sale;
4. Save any consumer's residence from foreclosure;
5. Obtain or arrange lower or affordable monthly mortgage payments for any consumer;
6. Obtain or arrange lower interest rates on any home loan, deed of trust, or mortgage for any consumer;
7. Obtain or arrange a reduction of the principle balance on any home loan, deed of trust, or mortgage for any consumer;
8. Give a full or partial refund of any fees paid if the Defendant or any other person fails to provide a mortgage loan modification service;

B. The terms that any beneficiary, mortgagee, or other home loan holder will or is likely to offer or accept to cure any delinquency or default on, or to reinstate or modify, any mortgage, deed of trust, or other home loan;

C. The amount of time it will take or is likely to take for any Defendant or any other person to obtain or arrange a modification of any term of a consumer's home loan, deed of trust, or mortgage, including any recapitalization or reinstatement agreement;

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

E. Any other material fact.

## II. RESTRICTION ON COLLECTION OF ADVANCE FEES

**IT IS FURTHER ORDERED** that Defendants and their successors, assigns, members, officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with them who receive actual

1 notice of this Order by personal service, facsimile transmission, email, or  
2 otherwise, whether acting directly or through any corporation, subsidiary, division,  
3 or other device, in connection with the advertising, marketing, promotion, offering  
4 for sale, or sale of any mortgage loan modification service, are restrained and  
5 enjoined from requesting or receiving payment of any fee or consideration in  
6 advance of performing each and every mortgage loan modification or foreclosure  
7 relief service that Defendants contracted to perform or represented would be  
8 performed.

### 9 **III. DISABLEMENT OF DEFENDANTS' WEB SITES**

10 **IT IS FURTHER ORDERED** that, immediately upon service of this Order  
11 upon them, Defendants and each of their successors, assigns, members, officers,  
12 agents, servants, employees, attorneys, and those persons in active concert or  
13 participation with them who receive actual notice of this Order by personal service  
14 or otherwise, whether acting directly or through any entity, corporation, subsidiary,  
15 division, affiliate, or other device, and any other person or entity served with a  
16 copy of this Order, shall:

17 A. Immediately do whatever is necessary to ensure that any Web site  
18 used by Defendants for the advertising, marketing, promotion, offering for sale,  
19 sale, or provision of any mortgage loan modification services, and containing  
20 statements or representations prohibited by Paragraph I. of this Order, including,  
21 but not limited to, **www.lucaslawcenter.com** or **www.oclawoffices.us**, cannot be  
22 accessed by the public;

23 B. Prevent the destruction or erasure of any Web site used by Defendants  
24 for the advertising, marketing, promotion, offering for sale, sale, or provision of  
25 any mortgage loan modification services, including, but not limited to,  
26 **www.lucaslawcenter.com** or **www.oclawoffices.us**, by preserving such Web sites  
27 in the format in which they are maintained currently; and  
28



1 C. Immediately notify counsel for the FTC of any other Web sites  
2 operated or controlled by Defendants.

3 **IV. POSTING NOTICE OF LAWSUIT ON WEB SITES**

4 **IT IS FURTHER ORDERED** that, immediately upon service of this Order  
5 upon them, Defendants and each of their successors, assigns, members, officers,  
6 agents, servants, employees, attorneys, and those persons in active concert or  
7 participation with them who receive actual notice of this Order by personal service  
8 or otherwise, whether acting directly or through any entity, corporation, subsidiary,  
9 division, affiliate, or other device, and any other person or entity served with a  
10 copy of this Order, shall immediately take whatever action is necessary to ensure  
11 that any Web site disabled as ordered by Paragraph IV.A. of this Order, shall  
12 prominently display only the following statement:

13 The Federal Trade Commission (“FTC”) has filed a lawsuit against  
14 LucasLawCenter “incorporated”, Future Financial Services, LLC,  
15 Paul Jeffrey Lucas, Christopher Francis Betts, and Frank Sullivan,  
16 doing business as **Lucas Law Center**, alleging that they have engaged  
17 in deceptive practices relating to the advertising, marketing,  
18 promotion, offering for sale, sale, or provision of mortgage loan  
19 modification services. The United States District Court for the  
20 Central District of California has issued a Preliminary Injunction  
21 Order prohibiting the alleged practices. You may obtain additional  
22 information directly from the Permanent Receiver, Robb Evans &  
23 Associates, LLC, or the Federal Trade Commission.

24 Each Web site carrying this message shall also provide a hypertext link to  
25 the FTC’s Web page at [www.ftc.gov](http://www.ftc.gov), or other Web page designated by counsel for  
26 the FTC.

27 **V. FREEZING DOMAIN NAME REGISTRATION**

28 **IT IS FURTHER ORDERED** that pending determination of Plaintiff’s  
request for a Permanent Injunction, Register.com, Inc., headquartered in New  
York, New York, and GoDaddy.com, Inc., headquartered in Scottsdale, Arizona,  
and any other domain name registrar shall:

A. Immediately freeze and place a hold on, to prevent the change,  
modification, assignment, sale, lapse, or expiration of, the domain name



1 registration of www.lucaslawcenter.com or www.oclawoffices.us, and any other  
2 domain name registered to Defendants that is used for the marketing, advertising,  
3 promotion, offering for sale, sale, or provision of mortgage loan modification  
4 services; and

5 B. Immediately notify counsel for the FTC of any other domain name  
6 registrations or Web sites operated or controlled by Defendants.

7 **ASSET AND RECORD RETENTION**

8 **VI. ASSET FREEZE**

9 **IT IS FURTHER ORDERED** that Defendants and their successors,  
10 assigns, members, officers, agents, servants, employees, and attorneys, and those  
11 persons or entities in active concert or participation with them who receive actual  
12 notice of this Order by personal service, facsimile transmission, email, or  
13 otherwise, whether acting directly or through any corporation, subsidiary, division,  
14 or other device, are restrained and enjoined from:

15 A. Transferring, converting, encumbering, selling, concealing,  
16 dissipating, disbursing, assigning, spending, withdrawing, perfecting a security  
17 interest in, or otherwise disposing of any funds, real or personal property, accounts,  
18 contracts, shares of stock, lists of consumer names, or other assets, wherever  
19 located, including outside the United States, that are:

- 20 1. owned or controlled by, or held for the benefit of, directly or  
21 indirectly, any of the Defendants, in whole or in part;
- 22 2. in the actual or constructive possession of Defendant;
- 23 3. held by an agent of any of the Defendants as a retainer for the  
24 agent's provision of services to Defendants; or
- 25 4. owned or controlled by, or in the actual or constructive  
26 possession of or otherwise held for the benefit of, any corporation,  
27 partnership, or other entity directly or indirectly owned, managed, or  
28 controlled by any of the Defendants, including, but not limited to, any

1 assets held by, for, or subject to access by, any of the Defendants at  
2 any bank or savings and loan institution, or with any broker-dealer,  
3 escrow agent, title company, commodity trading company, precious  
4 metal dealer, or other financial institution or depository of any kind;

5 B. 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;

7 C. Obtaining a personal or secured loan encumbering the assets of any of  
8 the Defendants, or subject to access by any of the Defendants;

9 D. Incurring liens or other encumbrances on real property, personal  
10 property, or other assets in the name, singly or jointly, of any of the Defendants or  
11 of any corporation, partnership, or other entity directly or indirectly owned,  
12 managed, or controlled by any of the Defendants;

13 E. Incurring charges or cash advances on any credit card or prepaid  
14 debit, credit or other bank card, issued in the name, singly or jointly, of any of the  
15 Defendants or any corporation, partnership, or other entity directly or indirectly  
16 owned, managed, or controlled by any of the Defendants; and

17 F. Failing to disclose to Plaintiff, immediately upon service of this  
18 Order, information that fully identifies each asset of the Defendants, and each  
19 entity holding such asset, including, without limitation, the entity's name, address,  
20 and telephone number, the number of the account, and the name under which the  
21 account is held.

22 **IT IS FURTHER ORDERED** that the assets affected by this Paragraph  
23 shall include both existing assets and assets acquired after the effective date of this  
24 Order.

25 **VII. DUTIES OF ASSET HOLDERS**

26 **IT IS FURTHER ORDERED** that any financial or brokerage institution,  
27 business entity, or person served with a copy of this Order that holds, controls, or  
28 maintains custody of any account or asset of any of the Defendants, or has held,

1 controlled, or maintained custody of any such account or asset at any time **since**  
2 **May 1, 2008**, shall:

3 A. Hold and retain within its control and prohibit the withdrawal,  
4 removal, assignment, transfer, pledge, encumbrance, disbursement, dissipation,  
5 conversion, sale, or other disposal of any such asset except by further order of this  
6 Court;

7 B. Deny Defendants access to any safe deposit box that is:

8 1. titled in the name of any of the Defendants, either individually,  
9 jointly, or doing business as Lucas Law Center or Future Financial  
10 Services; or

11 2. otherwise subject to access by any of the Defendants;

12 C. Provide the FTC counsel, and the Permanent Receiver with respect to  
13 assets held on behalf of any of the Receivership Defendants, within three (3)  
14 business days of receiving a copy of this Order, a sworn statement setting forth:

15 1. the identification number of each account or asset titled in the  
16 name of any of the Defendants, individually, jointly, or doing business  
17 as Lucas Law Center or Future Financial Services, or held on behalf  
18 of, or for the benefit of, any of the Defendants;

19 2. the balance of each account, or a description of the nature and  
20 value of each asset as of the close of business on the day on which this  
21 Order is served, and, if the account or other asset has been closed or  
22 removed, the date closed or removed, the total funds removed in order  
23 to close the account, and the name of the person or entity to whom the  
24 account or other asset was remitted; and

25 3. the identification of any safe deposit box that is either titled in  
26 the name, individually or jointly, of any of the Defendants,  
27 individually, jointly, or doing business as Lucas Law Center or Future  
28

1 Financial Services, or is otherwise subject to access by any of the  
2 Defendants; and

3 D. Upon the request of the FTC, or by the Permanent Receiver with  
4 respect to assets held on behalf of any of the Receivership Defendants, promptly  
5 provide FTC counsel with copies of all records or other documentation pertaining  
6 to the account or asset, including, but not limited to, originals or copies of account  
7 applications, account statements, signature cards, checks, drafts, deposit tickets,  
8 transfers to and from the accounts, all other debit and credit instruments or slips,  
9 currency transaction reports, 1099 forms, and safe deposit box logs. Any financial  
10 institution, account custodian, or other aforementioned entity may arrange for the  
11 FTC to obtain copies of any records which the FTC seeks.

12 **VIII. REPATRIATION OF ASSETS AND**  
13 **DOCUMENTS LOCATED IN FOREIGN COUNTRIES**

14 **IT IS FURTHER ORDERED** that Defendants and their successors,  
15 assigns, members, officers, agents, servants, employees, and attorneys, and those  
16 persons or entities in active concert or participation with them who receive actual  
17 notice of this Order by personal service, facsimile transmission, email, or  
18 otherwise, whether acting directly or through any corporation, subsidiary, division,  
19 or other device, shall:

20 A. Immediately and continually take steps as are necessary to transfer to  
21 the territory of the United States of America all documents and assets that are  
22 located outside of territory and are held by or for Defendants or are under  
23 Defendants' direct or indirect control, jointly, severally, or individually;

24 B. Unless already completed pursuant to the Temporary Restraining  
25 Order entered by this Court, within three (3) business days following entry of this  
26 Order, provide Plaintiff and the Permanent Receiver with respect to assets held on  
27 behalf of any of the Receivership Defendants, with a full accounting of all  
28 documents and assets that are located outside of the territory of the United States of

1 America and are held by or for Defendants or are under Defendants' direct or  
2 indirect control, jointly, severally, or individually; and

3 C. Hold and retain all transferred documents and assets and prevent any  
4 transfer, disposition, or dissipation whatsoever of any assets or funds.

5 **IX. INTERFERENCE WITH REPATRIATION**

6 **IT IS FURTHER ORDERED** that Defendants and each of their successors,  
7 assigns, members, officers, agents, servants, employees, attorneys, and those  
8 persons in active concert or participation with them who receive actual notice of  
9 this Order by personal service or otherwise, whether acting directly or through any  
10 entity, corporation, subsidiary, division, affiliate, or other device, are restrained  
11 and enjoined from taking any action, directly or indirectly, which may result in the  
12 encumbrance or dissipation of foreign assets, or in the hindrance of the repatriation  
13 required by Paragraph VIII. of this Order, including, but not limited to:

14 A. Sending any statement, letter, fax, email or wire transmission,  
15 telephoning, or engaging in any other act, directly or indirectly, that results in a  
16 determination by a foreign trustee or other entity that a "duress" event has occurred  
17 under the terms of a foreign trust agreement until such time as all assets have been  
18 fully repatriated pursuant to Paragraph VIII. of this Order; or

19 B. Notifying any trustee, protector, or other agent of any of the  
20 Defendants of the existence of this Order, or of the fact that repatriation is required  
21 pursuant to a Court Order, until such time as all assets have been fully repatriated  
22 pursuant to Paragraph VIII. of this Order.

23 **X. FINANCIAL STATEMENTS**

24 **IT IS FURTHER ORDERED** that Defendants shall, within forty-eight (48)  
25 hours after entry of this Order, provide the FTC and the Permanent Receiver with:

26 (1) completed financial statements, on the forms attached to this Order as  
27 Attachments A and B, for each of the Defendants individually and for each  
28 corporation, limited liability company, or other entity of which any of the

1 Defendants is an officer, member, or otherwise directs or controls, as of the date of  
2 service of this Order upon the Defendants; and (2) access to records and documents  
3 pertaining to assets of any of the Defendants that are held by financial institutions  
4 outside the territory of the United States of America by signing the "Consent to  
5 Release of Financial Records," on the form attached to this Order as Attachment C,  
6 if requested by Plaintiff or the Permanent Receiver.

#### 7 **XI. CONSUMER CREDIT REPORTS**

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

#### 11 **XII. PRESERVATION OF EXISTING RECORDS**

12 **IT IS FURTHER ORDERED** that Defendants and each of their successors,  
13 assigns, members, officers, agents, servants, employees, and those persons in  
14 active concert or participation with them who receive actual notice of this Order by  
15 personal service or otherwise, whether acting directly or through any entity,  
16 corporation, subsidiary, division, affiliate, or other device, are restrained and  
17 enjoined from destroying, erasing, mutilating, concealing, altering, transferring, or  
18 otherwise disposing of, in any manner, directly or indirectly, any contracts,  
19 accounting data, correspondence, email, advertisements, computer tapes, discs, or  
20 other computerized storage media, books, written or printed records, handwritten  
21 notes, telephone logs, telephone scripts, recordings, receipt books, ledgers,  
22 personal and business cancelled checks and check registers, bank statements,  
23 appointment books, copies of federal, state or local business or personal income or  
24 property tax returns, and other documents or records of any kind related to the  
25 business practices or business or personal finances of Defendants, individually and  
26 jointly.

27 This Paragraph specifically applies to all documents that have been or are  
28 displayed on or have been or are accessible from any and all Internet Web sites

1 owned or controlled by any Defendant, including but not limited to any of the Web  
2 sites with the following domain names: **www.lucaslawcenter.com** or  
3 **www.oclawoffices.us**.

#### 4 **XIII. MAINTENANCE OF CURRENT BUSINESS RECORDS**

5 **IT IS FURTHER ORDERED** that Defendants and each of their successors,  
6 assigns, members, officers, agents, servants, employees, and those persons in  
7 active concert or participation with them who receive actual notice of this Order by  
8 personal service or otherwise, whether acting directly or through any entity,  
9 corporation, subsidiary, division, affiliate, or other device, are restrained and  
10 enjoined from failing to create and maintain documents that, in reasonable detail,  
11 accurately, fairly, and completely reflect Defendants' incomes, disbursements,  
12 transactions, and use of money.

#### 13 **XIV. DUTIES OF HOSTS OF DEFENDANTS' COMPUTER EQUIPMENT**

14 **IT IS FURTHER ORDERED** that pending determination of Plaintiff's  
15 request for a Permanent Injunction, any person who owns or controls any business  
16 premises or other location on which any computer equipment owned or leased by  
17 any of the Defendants is located shall:

18 A. Disconnect any such computer equipment from the Internet and from  
19 any other means of remote access by Defendants or any other person, and take no  
20 step to reconnect the computer equipment except as authorized by further order of  
21 this Court;

22 B. Deny Defendants and any other person access to the computer  
23 equipment except as authorized by further order of this Court;

24 C. Prevent the removal of the computer equipment from its present  
25 location except as authorized by further order of this Court; and

26 D. Provide counsel for the FTC, within five (5) business days of receipt  
27 of a copy of this Order, with a sworn statement disclosing the location of the  
28 computer equipment, and describing, to the extent known, the make(s) and



1 model(s) of the computer equipment, as well as the operating system(s) in use, and  
2 the number, size, and capacity of any mass storage arrays or devices, in order that  
3 the FTC may arrange for imaging of the contents of any such mass storage arrays  
4 or devices.

5 **XV. NOTIFICATION OF BUSINESS ACTIVITIES**

6 **IT IS FURTHER ORDERED** that:

7 A. Each of the Individual Defendants is restrained and enjoined from  
8 directly or indirectly creating, operating, or exercising any control over any  
9 business entity, including any partnership, limited partnership, joint venture, sole  
10 proprietorship or corporation, without first serving on counsel for Plaintiff a  
11 written statement disclosing the following: (1) the name of the business entity; (2)  
12 the address and telephone number of the business entity; (3) the names of the  
13 business entity's officers, directors, principals, managers and employees; and (4) a  
14 detailed description of the business entity's intended or actual activities.

15 B. Each of the Individual Defendants shall notify Plaintiff at least seven  
16 (7) days prior to affiliating with, becoming employed by, or performing any work  
17 for any business that is not a named Defendant in this action. Each notice shall  
18 include the Defendant's new business address and a statement of the nature of the  
19 business or employment and the nature of his or her duties and responsibilities in  
20 connection with that business or employment.

21 **XVI. PROHIBITION ON RELEASE OF CUSTOMER**  
22 **INFORMATION OR CUSTOMER LISTS**

23 **IT IS FURTHER ORDERED** that Defendants, and officers, agents,  
24 directors, servants, employees, salespersons, and attorneys of Defendants, as well  
25 as all other persons or entities in active concert or participation with them, who  
26 receive actual notice of this Order by personal service or otherwise, whether acting  
27 directly or through any trust, corporation, subsidiary, division, or other device, or  
28 any of them, are restrained and enjoined from selling, renting, leasing, transferring,

1 or otherwise disclosing the name, address, telephone number, social security  
2 number, credit card number, bank account number, e-mail address, or other  
3 identifying information of any person who paid money to any of the Defendants  
4 for the purchase of any good or service or who were contacted or are on a list to be  
5 contacted by any of the Defendants; provided that Defendants may disclose such  
6 identifying information to a law enforcement agency or as required by any law,  
7 regulation, or court order.

## 8 RECEIVERSHIP

### 9 **XVII. PERMANENT RECEIVER**

10 **IT IS FURTHER ORDERED** that Robb Evans & Associates, LLC shall  
11 continue as permanent receiver (“Permanent Receiver”), with the full power of an  
12 equity receiver, for Receivership Defendants Lucas Law Center and Future  
13 Financial Services, as well as for any successors, assigns, affiliates, and  
14 subsidiaries that conduct any business related to the Defendants’ mortgage loan  
15 modification services and of all the funds, properties, premises, accounts, and other  
16 assets directly or indirectly owned, beneficially or otherwise, by the Receivership  
17 Defendants. The Permanent Receiver shall be the agent of this Court and solely  
18 the agent of this Court in acting as Receiver under this Order. The Permanent  
19 Receiver shall be accountable directly to this Court. The Permanent Receiver shall  
20 comply with all Local Rules of this Court governing receivers.

### 21 **XVIII. RECEIVERSHIP DUTIES**

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

24 A. Assume full control of the Receivership Defendants by removing  
25 Defendants Paul Jeffrey Lucas, Christopher Francis Betts, Frank Sullivan, and any  
26 other officer, independent contractor, employee, or agent of the Receivership  
27 Defendants from control and management of the affairs of the Receivership  
28 Defendants;

1 B. Collect, marshal, and take custody, control, and possession of all the  
2 funds, property, premises, accounts, mail, and other assets of, or in the possession  
3 or under the control of, the Receivership Defendants, wherever situated, the  
4 income and profits, and all sums of money now or hereafter due or owing to the  
5 Receivership Defendants with full power to: collect, receive, and take possession  
6 of all goods, chattels, rights, credits, monies, effects, lands, leases, books and  
7 records, work papers, records of accounts, including computer-maintained  
8 information, contracts, financial records, monies on hand in banks and other  
9 financial institutions, and other papers and documents of the Receivership  
10 Defendants and other individuals or corporations whose interests are now held by  
11 or under the direction, possession, custody, or control of the Receivership  
12 Defendants;

13 C. Perform all acts necessary to conserve, hold, manage, and preserve the  
14 value of those assets in order to prevent any irreparable loss, damage, and injury to  
15 business venture purchasers, and all acts incidental thereto, including the  
16 suspension of operations;

17 D. Perform all acts necessary to ensure that the Receivership Defendants  
18 are in compliance with the provisions of this Order, including ceasing all  
19 advertising, marketing, offering, or providing mortgage loan modification services,  
20 or assisting others in doing the same, which contains any false or misleading  
21 statements of material fact or which fail to disclose all information material to a  
22 consumer's decision to seek the services of the Defendants;

23 E. Make best efforts to notify the Receivership Defendants' customers  
24 about this Order, such efforts can include posting this Order on the Receivership  
25 Defendants' Web sites;

26 F. Enter into agreements in connection with administration of the  
27 receivership, including, but not limited to: (1) the retention and employment of  
28 investigators, attorneys or accountants of the Permanent Receiver's choice,

1 including, without limitation, members and employees of the Permanent  
2 Receiver's firm, to assist, advise, and represent the receiver; and (2) the movement  
3 and storage of any equipment, furniture, records, files or other physical property of  
4 the Receivership Defendants; and

5 G. Institute, prosecute, compromise, adjust, intervene in, or become party  
6 to such actions or proceedings in state, federal, or foreign courts that the Permanent  
7 Receiver deems necessary and advisable to preserve the value of the properties of  
8 the Receivership Defendants or that the Permanent Receiver deems necessary and  
9 advisable to carry out the Permanent Receiver's mandate under this Order, and  
10 likewise to defend, compromise, or adjust or otherwise dispose of any or all actions  
11 or proceedings instituted against the Permanent Receiver or the Receivership  
12 Defendants that the Permanent Receiver deems necessary and advisable to preserve  
13 the properties of the Receivership Defendants or that the Permanent Receiver  
14 deems necessary and advisable to carry out the Permanent Receiver's mandate  
15 under this Order.

#### 16 **XIX. RECEIVER'S BOND**

17 **IT IS FURTHER ORDERED** that the Permanent Receiver shall file with  
18 the Clerk of this Court a bond in the sum of FIVE THOUSAND DOLLARS, with  
19 sureties to be approved by the Court, conditioned that the Permanent Receiver will  
20 well and truly perform the duties of the office and abide by and perform all acts the  
21 Court directs.

#### 22 **XX. COOPERATION WITH THE PERMANENT RECEIVER**

23 **IT IS FURTHER ORDERED** that Defendants, and their agents, servants,  
24 employees, and attorneys, and all persons or entities directly or indirectly under the  
25 control of any of them, and all other persons or entities in active concert or  
26 participation with any of them who receive actual notice of this Order by personal  
27 service or otherwise, and each such person, shall fully cooperate with and assist the  
28 Permanent Receiver. Such cooperation and assistance shall include, but not be

1 limited to, providing any information to the Permanent Receiver that the  
2 Permanent Receiver deems necessary to exercising the authority and discharging  
3 the responsibilities of the Permanent Receiver under this Order; providing any  
4 password required to access any computer or electronic files in any medium; or  
5 advising all persons who owe money to the Receivership Defendants that all debts  
6 should be paid directly to the Permanent Receiver.

7 Defendants are restrained and enjoined from directly or indirectly:

8 A. Transacting any of the business of the Receivership Defendants, or  
9 transacting business under the name Lucas Law Center or Future Financial  
10 Services, or any substantially similar name;

11 B. Destroying, concealing, defacing, transferring, or otherwise altering or  
12 disposing of any documents of the Receivership Defendants, including, but not  
13 limited to, books, records, accounts, or any other papers of any kind or nature;

14 C. Transferring, receiving, altering, selling, encumbering, pledging,  
15 assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in  
16 the possession or custody of, or in which an interest is held or claimed by, the  
17 Receivership Defendants, or the Permanent Receiver;

18 D. Excusing debts owed to the Receivership Defendants;

19 E. Failing to notify the Permanent Receiver of any asset, including  
20 accounts, of any Receivership Defendant held in any name other than the name of  
21 any Receivership Defendant, or by any person or entity other than the Receivership  
22 Defendants, or failing to provide any assistance or information requested by the  
23 Permanent Receiver in connection with obtaining possession, custody, or control  
24 of such assets; or

25 F. Doing any act or refraining from any act whatsoever to interfere with  
26 the Permanent Receiver's taking custody, control, possession, or managing of the  
27 assets or documents subject to this receivership; or to harass or interfere with the  
28 Permanent Receiver in any way; or to interfere in any manner with the exclusive

1 jurisdiction of this Court over the assets or documents of the Receivership  
2 Defendants; or to refuse to cooperate with the Permanent Receiver or the  
3 Permanent Receiver's duly authorized agents in the exercise of their duties or  
4 authority under any Order of this Court.

5 **XXI. DELIVERY OF RECEIVERSHIP PROPERTY**

6 **IT IS FURTHER ORDERED** that:

7 A. Immediately upon service of this Order upon them, or within a period  
8 permitted by the Permanent Receiver, Defendants and all other persons in  
9 possession, custody, and control of assets or documents of the Receivership  
10 Defendants shall transfer or deliver possession, custody, and control of the  
11 following to the Permanent Receiver:

- 12 1. All assets of the Receivership Defendants;
- 13 2. All documents of the Receivership Defendants, including, but  
14 not limited to, books and records of accounts, all financial and  
15 accounting records, balance sheets, income statements, bank records  
16 (including monthly statements, canceled checks, records of wire  
17 transfers, and check registers), client lists, title documents, and other  
18 papers;
- 19 3. All assets belonging to members of the public now held by the  
20 Receivership Defendants; and
- 21 4. Information identifying the accounts, employees, properties, or  
22 other assets or obligations of the Receivership Defendants.

23 B. In the event any person or entity fails to deliver or transfer any asset  
24 or otherwise fails to comply with any provision of this Paragraph, the Permanent  
25 Receiver may file, on an *ex parte* basis, an Affidavit of Non-Compliance regarding  
26 the failure. Upon filing of the affidavit, the Court may authorize, without  
27 additional process or demand, Writs of Possession or Sequestration or other  
28 equitable writs requested by the Permanent Receiver. The writs shall authorize and



1 direct the United States Marshal or any sheriff or deputy sheriff of any county to  
2 seize the asset, document, or other thing and to deliver it to the Permanent  
3 Receiver.

4 **XXII. BANKRUPTCY PETITIONS**

5 **IT IS FURTHER ORDERED** that, in light of the asset freeze and  
6 appointment of the Permanent Receiver, Defendants are prohibited from filing, or  
7 causing to be filed, on behalf of any Receivership Defendant, a petition for relief  
8 under the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, without prior  
9 permission from this Court.

10 **IT IS FURTHER ORDERED** that, in light of the asset freeze, Individual  
11 Defendants must give twenty-one (21) days' notice to Plaintiff prior to filing, or  
12 causing to be filed, on behalf of the Individual Defendants, a petition for relief  
13 under the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*

14 **XXIII. TRANSFER OF FUNDS TO THE PERMANENT RECEIVER**

15 **IT IS FURTHER ORDERED** that, upon service of a copy of this Order, all  
16 banks, broker-dealers, savings and loans, escrow agents, title companies,  
17 commodity trading companies, or other financial institutions shall cooperate with  
18 all reasonable requests of the Permanent Receiver relating to implementation of  
19 this Order, including producing records related to the assets of the Receivership  
20 Defendants.

21 **XXIV. STAY OF ACTIONS**

22 **IT IS FURTHER ORDERED** that:

23 A. Except by leave of this Court, during pendency of the receivership  
24 ordered herein, Defendants and all other persons and entities (except for Plaintiff)  
25 are stayed from taking any action to establish or enforce any claim, right, or  
26 interest for, against, on behalf of, in, or in the name of: a) the Receivership  
27 Defendants, or b) any of assets of Receivership Defendants, or c) the Permanent  
28



1 Receiver or the Permanent Receiver's duly authorized agents acting in their  
2 capacities as such, including, but not limited to, the following actions:

- 3 1. Commencing, prosecuting, continuing, entering, or enforcing  
4 any suit or proceeding, except that such actions may be filed to toll  
5 any applicable statute of limitations;
- 6 2. Accelerating the due date of any obligation or claimed  
7 obligation; filing or enforcing any lien; taking or attempting to take  
8 possession, custody, or control of any asset; attempting to foreclose,  
9 forfeit, alter, or terminate any interest in any asset, whether such acts  
10 are part of a judicial proceeding, are acts of self-help, or otherwise;
- 11 3. Executing, issuing, serving, or causing the execution, issuance  
12 or service of, any legal process, including, but not limited to,  
13 attachments, garnishments, subpoenas, writs of replevin, writs of  
14 execution, or any other form of process whether specified in this  
15 Order or not; or
- 16 4. Doing any act or thing whatsoever to interfere with the  
17 Permanent Receiver taking custody, control, possession, or  
18 management of the assets or documents subject to this receivership, or  
19 to harass or interfere with the Permanent Receiver in any way, or to  
20 interfere in any manner with the exclusive jurisdiction of this Court  
21 over the assets or documents of the Receivership Defendants.

22 B. Paragraph (A) of this Paragraph does not stay:

- 23 1. The commencement or continuation of a criminal action or  
24 proceeding;
- 25 2. The commencement or continuation of an action or proceeding  
26 by a governmental unit to enforce such governmental unit's police or  
27 regulatory power;

28

1           3.     The enforcement of a judgment, other than a money judgment,  
2           obtained in an action or proceeding by a governmental unit to enforce  
3           such governmental unit's police or regulatory power;

4           4.     The commencement of any action by the Secretary of the  
5           United States Department of Housing and Urban Development to  
6           foreclose a mortgage or deed of trust in any case in which the  
7           mortgage or deed of trust held by the Secretary is insured or was  
8           formerly insured under the National Housing Act and covers property,  
9           or combinations of property, consisting of five or more living units; or

10          5.     The issuance to the Receivership Defendants of a notice of tax  
11          deficiency.

12          C.     Except as otherwise provided in this Order, all persons and entities in  
13          need of documentation from the Permanent Receiver shall in all instances first  
14          attempt to secure the information by submitting a formal written request to the  
15          Permanent Receiver, and, if the request has not been responded to within thirty  
16          (30) days of receipt by the Permanent Receiver, any such person or entity may  
17          thereafter seek an order of this Court with regard to the relief requested.

## 18 **XXV. COMPENSATION OF PERMANENT RECEIVER**

19           **IT IS FURTHER ORDERED** that the Permanent Receiver and all  
20          personnel hired by the Permanent Receiver as herein authorized, including counsel  
21          to the Permanent Receiver and accountants, are entitled to reasonable  
22          compensation for the performance of duties pursuant to this Order and for the cost  
23          of actual out-of-pocket expenses incurred by them, from the assets now held by or  
24          in the possession or control of or which may be received by the Receivership  
25          Defendants. The Permanent Receiver shall file with the Court and serve on the  
26          parties periodic requests for the payment of such reasonable compensation, with  
27          the first request filed no more than sixty (60) days after the date of this Order. The  
28

1 Permanent Receiver shall not increase the hourly rates used as the bases for the fee  
2 applications without prior approval of the Court.

3 **XXVI. RECEIVER'S ACCESS TO BUSINESS PREMISES AND RECORDS**

4 **IT IS FURTHER ORDERED** that

5 A. The Permanent Receiver, and its respective representatives, agents,  
6 contractors, or assistants, are permitted, and the Defendants shall allow, immediate  
7 access to any business premises and storage facilities of the Receivership  
8 Defendants. The locations include, but are not limited to, the offices and facilities  
9 of the Receivership Defendants at or in the vicinity of 65 Enterprise, Suite 450, and  
10 75 Enterprise, Suite 180, Aliso Viejo, California.

11 B. The Permanent Receiver is authorized to employ the assistance of law  
12 enforcement officers, including but not limited to the United States Marshals  
13 Service, to effect service, to implement peacefully the provisions of this Order, and  
14 keep the peace. The Permanent Receiver may exclude Defendants and their  
15 agents and employees from the business premises and facilities.

16 C. Defendants and all agents or employees of Defendants shall provide  
17 the Permanent Receiver with any necessary means of access to documents,  
18 including, without limitation, the locations of Receivership Defendants' business  
19 premises, keys and combinations to business premises locks, computer access  
20 codes of all computers used to conduct Receivership Defendants' business, and  
21 storage area access information.

22 D. The Permanent Receiver is authorized to copy any documents related  
23 to Defendants' business practices, including by forensic imaging of electronically  
24 stored information. The Permanent Receiver is authorized to remove any  
25 documents related to Defendants' business practices from the premises in order  
26 that they may be inspected, inventoried, and copied.

27 E. If any property, records, documents, or computer files relating to the  
28 Receivership Defendants' finances or business practices are located in the

1 residence of any Defendant or are otherwise in the custody or control of any  
2 Defendant, then such Defendant shall produce them to the Permanent Receiver  
3 within twenty-four (24) hours of service of this Order. In order to prevent the  
4 destruction of computer data, upon service of this Order, any such computers shall  
5 be powered down (turned off) in the normal course for the operating systems used  
6 on such computers and shall not be powered up or used again until produced for  
7 copying and inspection, along with any codes needed for access.

8 F. The Permanent Receiver is authorized, at its discretion, to remove the  
9 Defendants' business documents and electronic records to a secure offsite location  
10 for the purposes of storage.

11 G. The Permanent Receiver is authorized to give Counsel for Plaintiff,  
12 and their respective representatives, agents, contractors, or assistants, and  
13 Defendants' counsel access to all client files and all other documents and electronic  
14 records of the Receivership Defendants to inspect, inventory and copy the  
15 documents and electronic records, at the parties' expense, subject to the  
16 requirement that each party comply with the terms of the Protective Order  
17 Regarding Receivership Defendants' Documents and Electronic Records provision  
18 below.

19 **PROTECTIVE ORDER**

20 **XXVII. PROTECTIVE ORDER REGARDING RECEIVERSHIP**  
21 **DEFENDANTS' DOCUMENTS AND ELECTRONIC RECORDS**

22 **IT IS FURTHER ORDERED** that the use and dissemination by the  
23 Receiver, Plaintiff and the Defendants of the Receivership Defendants' documents  
24 and electronic records made available for inspection, inventorying, or copying  
25 shall be subject to the following:

26 A. Confidential Records shall not be disclosed by the Parties or the  
27 Permanent Receiver, or made available by the Parties or the permanent Receiver to  
28 any other person or entity, except to the following:

- 1 1. Attorneys in this action and their legal staff who have a need for  
2 access to the Confidential Records;
- 3 2. Any expert or consultant retained by an attorney in this action  
4 for the purpose of consulting or testifying in this action, who has a  
5 need for access to the Confidential Records;
- 6 3. Persons whom attorneys in this action depose in connection  
7 with their preparation to testify or during their depositions;
- 8 4. Persons whom attorneys in this action expect to call as a  
9 witness in this action, in connection with their preparation to testify;
- 10 5. The Court, staff, and personnel;
- 11 6. Attorneys representing any of the Defendants in connection  
12 with any pending or threatened criminal proceeding or investigation  
13 or State Bar proceedings related to the allegations in this action and  
14 their legal staff who have a need for access to the Confidential  
15 Records;
- 16 7. Law enforcement personnel, attorneys for law enforcement  
17 personnel and State Bar personnel who are provided the Confidential  
18 Records in connection with any pending or threatened criminal  
19 investigation or proceeding or State Bar proceedings related to the  
20 allegations in this action; and
- 21 8. Any other person who is designated by stipulation of the Parties  
22 and the permanent Receiver, or by order of the Court.

23 The Parties and persons set out at paragraph A (1) through (8) are collectively  
24 referred to as the "Recipients."

25 B. Recipients shall be subject to the following restrictions:

- 26 1. Recipients shall not disclose, reveal, or transmit the  
27 Confidential Records, in whole or in part, to any other individual or  
28 entity, now or in the future, except as otherwise provided herein;

1           2.     Recipients shall take all steps necessary and appropriate to keep  
2           the Confidential Records in full and complete confidence, including  
3           storing and maintaining any Confidential Records in a manner that  
4           will prevent access to that information by unauthorized persons; and

5           3.     Recipients shall not copy, duplicate, transfer or reproduce, in  
6           whole or in part, the Confidential Records, except as necessary for  
7           purposes consistent with this Protective Order.

8           C.     Recipients other than Parties shall be advised of the Protective Order  
9           provisions of this Order and given a copy of this Order concurrently with their  
10          receipt of Confidential Records by the Permanent Receiver or the Parties providing  
11          the Confidential Records.

12          D.     Recipients shall use the Confidential Records solely in connection  
13          with this action, or as otherwise expressly provided in this Protective Order, and  
14          shall not use or reproduce any Confidential Records or any information derived  
15          therefrom for any other purpose.

16          E.     In the event any Confidential Records are used in this action, or in any  
17          other action or proceeding, they shall not lose their protected status under this  
18          Stipulation for Protective Order through such use. Parties and the Receiver  
19          submitting filings in this action or in any other action or proceeding that makes use  
20          of Confidential Records shall file such Confidential Records under seal provided,  
21          however, that nothing in this Stipulation for Protective Order shall be construed to  
22          restrict or limit the liability of the Parties to use any of the Confidential Records  
23          when the Party:

- 24                 1.     Obtains written permission from the client and the submission  
25                 conforms with Local Rule 79-5.4;
- 26                 2.     Files a redacted version of the document with unique identifiers  
27                 (e.g., 1, 2, 3 or A, B, C) used in place of the client's name and personal  
28                 data identifiers, along with a reference list, filed under seal, indicating

1 the client's name, complete personal data identifiers and unique  
2 identifiers used in their place; or

3 3. Obtains an order of the Court finding the documents are not  
4 subject to this Stipulation for Protective Order.

5 F. All Confidential Records shall be returned to the Receiver within sixty  
6 (60) days of a final resolution of this action or any other action or proceeding for  
7 which the Confidential Records were made available, as applicable, or the Plaintiff,  
8 at its discretion, shall maintain the Confidential Records pursuant to Federal Trade  
9 Commission regulations. In the alternative, the Recipient shall certify that it has  
10 destroyed all Confidential Records within its possession or control.

11 G. The restrictions on the use of the Confidential Records and all  
12 information derived therefrom set forth in this Stipulation for Protective Order  
13 shall survive the conclusion of this action.

14 **NOTIFICATION AND MONITORING PROVISIONS**

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

16 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a  
17 copy of this Order to each affiliate, sales entity, successor, assign, member, officer,  
18 employee, agent, servant, attorney, subsidiary, division, and representative of any  
19 of the Defendants, and shall, within three (3) days from the date of entry of this  
20 Order, provide the FTC with a sworn statement that Defendants have complied  
21 with this provision of the Order, which statement shall include the names and  
22 addresses of each such person or entity who received a copy of this Order.

23 **XXIX. SERVICE OF ORDER**

24 **IT IS FURTHER ORDERED** that copies of this Order may be served by  
25 any means, including facsimile transmission, email, and overnight delivery service,  
26 upon any financial institution or other entity or person that may have possession,  
27 custody, or control of any documents or assets of any Defendant, or that may be  
28 subject to any provision of this Order. Pursuant to Fed. R. Civ. P. 4(c)(2), this



1 Order and the initial papers filed in this matter may be served on Defendants, upon  
2 the business premises of Defendants, and upon any financial institution or other  
3 entity or person that may have possession, custody, or control of any documents or  
4 assets of any of the Defendants, or that may be subject to any provision of this  
5 Order, by employees of the FTC, by employees of any other law enforcement  
6 agency, by any agent of Plaintiff, or by any agent of any process service retained  
7 by Plaintiff.

8 **XXX. MONITORING**

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

13 **XXXI. CORRESPONDENCE**

14 For the purposes of this Order, all correspondence and service of pleadings  
15 on plaintiff shall be addressed to:

16 James E. Elliott  
17 James E. Hunnicutt  
18 Federal Trade Commission  
19 Southwest Region  
20 1999 Bryan Street, Suite 2150  
21 Dallas, Texas 75201-6808  
22 214 979-9373 (Elliott)  
23 214 979-9381 (Hunnicutt)  
24 Fax: 214 953-3079  
25 E-mail: jelliott@ftc.gov; jhunnicutt@ftc.gov.

26 **XXXII. RETENTION OF JURISDICTION**

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

1 **IT IS SO ORDERED:**

2  
3 **ENTERED:** this 24 day of August, 2009, at 11:00 o'clock a.m./~~p.m.~~<sup>D.C.</sup>, at Santa  
4 Ana, California.

5  
6  
7 *David O. Carter*  
8 **DAVID O. CARTER**  
9 **UNITED STATES DISTRICT JUDGE**

10  
11  
12 *J. E. Elliott*  
13 *Fox Plaintiff FIC*

14  
15  
16 *R*  
17  
18 ~~Declaratory~~  
19 ~~except no Records to be turned over~~  
20 ~~to FIC without court order by stipulation~~  
21 ~~It is ordered by court that FIC~~  
22 ~~may examine Records~~

# **ATTACHMENT A**

**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</u> (Itemize)	
Deferred Income Arrangements (Item 19)	\$ _____	_____	\$ _____
Personal Property (Item 20)	\$ _____	_____	\$ _____
Motor Vehicles (Item 21)	\$ _____	_____	\$ _____
Real Property (Item 22)	\$ _____	_____	\$ _____
<u>Other Assets</u> (Itemize)		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
<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>



# **ATTACHMENT B**

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.*

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

**FINANCIAL INFORMATION**

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

**Item 17. Tax Returns**

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

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

**Item 18. Financial Statements**



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

<u>Year</u>	<u>Balance Sheet</u>	<u>Profit &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>	\$ _____	[REDACTED]		[REDACTED]
<u>Receivables</u>	\$ _____	[REDACTED]		[REDACTED]

**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>
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# **ATTACHMENT C**

### Consent to Release of Financial Records

I, \_\_\_\_\_, of the State of \_\_\_\_\_ in the United States of America, do 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 v. LucasLawCenter, "incorporated", et al.*, Civ. Action No. SACV 09-0770 DOC (ANx), now 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 which 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: August \_\_\_\_\_, 2009

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

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