

FILED-SOUTHERN DIVISION
CLERK, U.S. DISTRICT COURT
AUG 1 | 2006
CENTRAL DISTRICT OF CALIFORNIA
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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

10 Case No. SACV-06-701 DOC (RNBx)

11 **Federal Trade Commission,**
12 Plaintiff,
13 v.
14 **Dennis Connelly, et al.,**
15 Defendants.

~~Proposed~~ **TEMPORARY
RESTRAINING ORDER WITH
ASSET FREEZE, APPOINTMENT
OF TEMPORARY RECEIVER
AND OTHER EQUITABLE
RELIEF, AND ORDER TO SHOW
CAUSE WHY A PRELIMINARY
INJUNCTION SHOULD NOT
ISSUE AND A PERMANENT
RECEIVER SHOULD NOT BE
APPOINTED**

16
17 Plaintiff Federal Trade Commission ("FTC" or "Commission"), pursuant to
18 Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b),
19 has filed a complaint for permanent injunction and other equitable relief, including
20 consumer redress, and applied ex parte for a temporary restraining order with asset
21 freeze and for an order to show cause why a preliminary injunction should not be
22 granted pursuant to Rule 65 of the Federal Rules of Civil Procedure, and why a
23 permanent receiver should not be appointed.

24
25 **FINDINGS OF FACT**

26 The Court has considered the Complaint, ex parte Application for Temporary
27 Restraining Order and Appointment of Temporary Receiver, Memorandum of Points
28 and Authorities with supporting Declarations, exhibits, attachments, and all other

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1 papers filed herein, and it appears to the satisfaction of the Court that:

2 1. This Court has jurisdiction over the subject matter of the case. There is
3 good cause to believe it will have jurisdiction over all parties and that venue in this
4 district is proper.

5 2. There is good cause to believe Defendants **DENNIS CONNELLY,**
6 **RICHARD WADE TORKELSON, a/k/a WADE TORKELSON, JOANNE**
7 **GARNEAU, a/k/a JOANNE TORKELSON, HOMELAND FINANCIAL**
8 **SERVICES, NATIONAL SUPPORT SERVICES, LLC, UNITED DEBT**
9 **RECOVERY, LLC, FREEDOM FIRST FINANCIAL, LLC, and USA DEBT**
10 **CO, LLC, a/k/a USADEBTCO.COM** (collectively, "Defendants") have engaged in
11 and are likely to continue to engage in acts and practices that violate Section 5(a) of
12 the FTC Act, 15 U.S.C. § 45(a) by making misrepresentations in the course of the
13 offer and sale of their debt negotiation services.

14 3. There is good cause to believe that the Commission is likely to prevail
15 on the merits of this action.

16 4. There is good cause to believe that immediate and irreparable harm will
17 result from Defendants' ongoing violations of Section 5(a) of the FTC Act, 15 unless
18 Defendants are restrained and enjoined by Order of this Court.

19 5. There is good cause to believe that immediate and irreparable damage
20 to the Court's ability to grant effective final relief for consumers—including
21 consumer redress, refunds, rescission, restitution, disgorgement and other equitable
22 monetary relief—will occur from the dissipation or concealment of assets or the
23 disposition, destruction, alteration or concealment by Defendants of their records
24 unless the Defendants are immediately restrained and enjoined by Order of this
25 Court.

26 6. Pursuant to Federal Rule of Civil Procedure 65(b) and Local Rule
27 7-19.2, there is thus good cause for issuing this Order without prior notice to the
28 Defendants of the Commission's application.

1 7. Good cause exists for the appointment of a Temporary Receiver over
2 Defendants **HOMELAND FINANCIAL SERVICES** ("Homeland"), **NATIONAL**
3 **SUPPORT SERVICES, LLC** ("NSS"), **UNITED DEBT RECOVERY, LLC**
4 ("United"), **FREEDOM FIRST FINANCIAL, LLC** ("Freedom First"), **USA**
5 **DEBT CO, LLC**, a/k/a **USADEBT.CO.COM** ("USA Debt") and over the business
6 assets and operations of **PROSPER FINANCIAL SOLUTIONS** ("Prosper").

7 8. Weighing the equities and considering the Commission's likelihood of
8 success in its causes of action, this Temporary Restraining Order is in the public
9 interest.

10 9. The Commission is an independent agency of the United States of
11 America and no security is required of any agency of the United States of America
12 for issuance of a restraining order under Fed. R. Civ. P. 65(c).

13 ORDER

14 Definitions

15 1. "Assets" means any legal or equitable interest in, right to, or claim to,
16 any real and personal property, including but not limited to chattel, goods,
17 instruments, equipment, fixtures, general intangibles, effects, leaseholds, mail or
18 other deliveries, inventory, checks, notes, accounts, credits, receivables, and all
19 cash, wherever located.

20 2. "Document" is synonymous in meaning and equal in scope to the usage
21 of the term in Federal Rule of Civil Procedure 34(a), and includes writings,
22 drawings, graphs, charts, photographs, audio and video recordings, electronic email
23 ("email"), computer records, and other data compilations from which information
24 can be obtained and translated, if necessary, through detection devices into
25 reasonably usable form. A draft or non-identical copy is a separate "document"
26 within the meaning of the term.

27 3. "Defendants" means Defendants **DENNIS CONNELLY, RICHARD**
28

1 WADE TORKELSON, a/k/a WADE TORKELSON, JOANNE GARNEAU,
2 a/k/a JOANNE TORKELSON dba PROSPER FINANCIAL SOLUTIONS,
3 HOMELAND FINANCIAL SERVICES, NATIONAL SUPPORT SERVICES,
4 LLC, UNITED DEBT RECOVERY, LLC, FREEDOM FIRST FINANCIAL,
5 LLC, and USA DEBT CO, LLC, a/k/a USADEBTCO.COM, and each of them.

6 4. "Individual Defendants" refers to DENNIS CONNELLY,
7 RICHARD WADE TORKELSON, a/k/a WADE TORKELSON, and JOANNE
8 GARNEAU a/k/a JOANNE TORKELSON.

9 5. "Corporate Defendants" means Defendants HOMELAND
10 FINANCIAL SERVICES, NATIONAL SUPPORT SERVICES, LLC, UNITED
11 DEBT RECOVERY, LLC, FREEDOM FIRST FINANCIAL, LLC, and USA
12 DEBT CO, LLC, a/k/a USADEBTCO.COM..

13 6. "Receivership Entities" means Corporate Defendants and PROSPER
14 FINANCIAL SOLUTIONS. *AND FINANCIAL LIBERTY SERVICES, LLC.*

15 7. "Debt Negotiation" means

16 a. the business or practice of receiving, in return for consideration, or the
17 scheduled receipt, of a debtor's monies, or evidences thereof, for the
18 purpose of distribution among certain specified creditors in payment, or
19 partial payment, of the debtor's obligations; or

20 b. the business or practice of acting or offering or attempting to act as an
21 intermediary between a debtor and his creditors for the purpose of
22 settling, negotiating, or in any way altering the terms of payment of any
23 debt of a debtor.

24 8. The terms "and" and "or" have both conjunctive and disjunctive
25 meanings.

26 9. "Assisting others" means knowingly providing any of the following
27 goods or services to another person or entity:

28 a. performing customer service functions, including, but not limited to,

- 1 receiving or responding to consumer complaints; or
2 b. formulating or providing, or arranging for the formulation or provision
3 of, any telephone sales script or any other marketing material; or
4 c. providing names of, or assisting in the generation of, potential
5 customers; or
6 d. performing marketing services of any kind.

7
8 **I.**

9 **PROHIBITED BUSINESS ACTIVITIES**

10 **IT IS THEREFORE ORDERED** that Defendants and their successors,
11 assigns, officers, agents, servants, employees, and attorneys, and those persons or
12 entities in active concert or participation with any of them who receive actual notice
13 of this Order by personal service or otherwise, whether acting directly or through
14 any corporation, subsidiary, division, or other device, in connection with the
15 advertising, marketing, promotion, offering for sale or sale of any service or
16 program providing debt negotiation, debt consolidation, debt reduction, debt
17 management, or credit repair, **are hereby temporarily restrained and enjoined**
18 from falsely representing, or from knowingly assisting others who are falsely
19 representing, any of the following:

- 20 A. That by enrolling in any debt-negotiation program, it is likely that
21 consumers will be able to pay off their credit-card or other unsecured
22 debts for a substantially reduced amount, such as 40 to 60 percent of
23 the total amount owed to their creditors; or
24 B. That consumers' creditors are likely to negotiate settlements under
25 which the creditors will agree to accept substantially less than the
26 amount the consumer owes on an account to settle the account; or
27 C. That any Defendant or any other person operating a debt-negotiation
28 program is able to negotiate more favorable settlements with

- 1 consumers' creditors than the consumer can negotiate himself; or
- 2 D. That any Defendant or any other person operating a debt-negotiation
- 3 program has an established relationship with any creditor that gives the
- 4 person an advantage in negotiating favorable settlements with the
- 5 creditor; or
- 6 E. That any negative information that appears on a consumer's credit
- 7 report as a result of participating in any debt-negotiation program will
- 8 be removed upon completion of the program or shortly thereafter; or
- 9 F. That any negative effect from participating in any debt-negotiation
- 10 program on a consumer's credit rating, credit score or credit report is
- 11 likely to be either minimal or short-term; or
- 12 G. That creditors are unlikely to sue consumers who participate in any
- 13 debt-negotiation program or who otherwise fail to make their minimum
- 14 monthly payments to their creditors; or
- 15 H. That participating in any debt-negotiation program is likely to end most
- 16 or all harassment or contact from creditors; or
- 17 I. That consumers' creditors will not contact the consumer after a
- 18 consumer sends the creditor a notice to cease contacting the consumer;
- 19 or
- 20 J. That consumers who participate in any debt-negotiation program do not
- 21 need to worry about balances on their credit accounts increasing while
- 22 they are in the program; or
- 23 K. That any Defendant or any other person will begin negotiating with all
- 24 of a consumer's creditors immediately upon the consumer's enrollment
- 25 in any debt-negotiation program; or
- 26 L. Any other fact material to a consumer's decision to participate in any
- 27 debt-negotiation, debt consolidation, debt reduction, debt management,
- 28 or credit repair program.

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II.

PROHIBITION AGAINST MATERIAL OMISSIONS

IT IS FURTHER ORDERED that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale or sale of any service or program providing debt negotiation, debt consolidation, debt reduction, or debt management, **are hereby temporarily restrained and enjoined** from failing to disclose, clearly and conspicuously, before consumers pay, or contract to pay, any fee for such service or program, all information material to a consumer's decision to participate in or purchase the service or program, including but not limited to the following:

- A. The likelihood that, if consumers stop paying their creditors, one or more of their creditors will sue the consumer;
- B. The fact that federal law prohibits creditors from misrepresenting a consumer's payment history to credit reporting agencies, and that creditors are permitted to report negative information such as delinquencies and charge-offs for seven years;

III.

ASSET FREEZE

IT IS FURTHER ORDERED that each of the Individual Defendants are hereby temporarily restrained and enjoined from:

- A. Transferring, converting, encumbering, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, or otherwise disposing of any funds, property, accounts, contracts, shares of stock or other assets, wherever located, that are:

- 1 1. Owned or controlled by any Individual Defendant, Receivership
2 Entity or their affiliates or subsidiaries (without limitation), in
3 whole or in part;
- 4 2. In the actual or constructive possession of any Individual
5 Defendant, Receivership Entity or their affiliates or subsidiaries
6 (without limitation); or
- 7 3. Owned, controlled by, or in the actual or constructive possession
8 of any corporation, partnership, or other entity directly or
9 indirectly owned, managed, or controlled by, or under common
10 control with, any Individual Defendant or Receivership Entity.

11 This section shall include, but not be limited to, any assets held for, on
12 behalf of, for the benefit of, or by any Individual Defendant,
13 Receivership Entity, or their affiliates or subsidiaries, at any bank or
14 savings and loan institution, or with any broker, dealer, escrow agent,
15 title company, commodity trading company, precious metal dealer, or
16 other financial institution or depository of any kind, including without
17 limitation the accounts listed on Attachment 1;

18 This section shall be construed to include, without limitation, assets or
19 accounts held in the name of or for the benefit of Financial Liberty Services, LLC,
20 TLT, DK Ventures, Robina Capital, Inc., Federal Reverse Mortgage, Inc., or any
21 similar name.

22 B. Opening or causing to be opened, unless accompanied by counsel for
23 the Commission, any safe deposit boxes titled in the name of any
24 Individual Defendant or Receivership Entity, or their companies,
25 affiliates or subsidiaries, or subject to access by any of these
26 Defendants or Receivership Entities.

27 C. Notwithstanding the provisions of this Paragraph, Defendants may
28 make transfers as otherwise ordered by this Court upon proper showing

1 and after notice to the Commission.

2 D. Provided further, that this Section shall apply to assets acquired by any
3 Individual Defendant or Receivership Entity following entry of this
4 Order only if such assets are derived from the operation of any activity
5 prohibited by this Order or derived from any other violation of Section
6 5(a) of the FTC Act, 15 U.S.C. § 45(a).

7 E. Provided further that the Individual Defendants Connelly and
8 Torkelson are ordered to return any funds they have withdrawn from
9 any bank or other financial institution, including without limitation
10 California Bank & Trust, and including without limitation any funds
11 withdrawn from any account held in the name of Financial Liberty
12 Services, LLC, and to provide documentation of such return.

13
14 **IV.**

15 **ORDER TO SHOW CAUSE RE ASSET FREEZE**
16 **AS TO DEFENDANTS TORKELSON AND GARNEAU**

17 IT IS FURTHER ORDERED that Individual Defendants Richard Wade
18 Torkelson a/k/a Wade Torkelson and Joanne Garneau a/k/a Joanne Torkelson shall
19 appear before this Court on the 14th day of August, 2006 at 3:00 p.m. before this
20 Honorable David O. Carter, Courtroom 9D, United States District Court, Central
21 District of California, Southern Division, Santa Ana Courthouse, 411 West 4th
22 Street, Santa Ana, California, and show cause, if any there be, why this Court should
23 not continue the asset freeze issued against each of them in Section III above. Until
24 such time of the hearing, Individual Defendants Torkelson and Garneau shall create
25 and maintain an accounting of all expenditures and receipts regardless of the
26 purpose or the source. The accounting shall be made available at the hearing re
27 asset freeze.

V.

FINANCIAL REPORTS

IT IS FURTHER ORDERED that Defendant shall each, within 48 hours after service of this Order, prepare and deliver a Financial Statement to counsel for the Commission and to the Temporary Receiver, as follows:

- A. Each Individual Defendant shall, for him or herself,
 - 1. Complete and deliver the “Financial Statement of Individual Defendant” for himself or herself that is attached to this Order as Attachment 1; and
 - 2. for each business entity he or she owns, controls, operates, or of which he is any officer, and for each trust of which he or she is a trustee, complete and deliver the “Financial Statement of Corporate Defendant” that is attached to this Order as Attachment 2.
- B. Each Corporate Defendant shall complete and deliver the “Financial Statement of Corporate Defendant” that is attached to this Order as Attachment 3, provided that any corporate Defendant need not separately complete this form if it is provided by an Individual Defendant pursuant to this section; and
- C. Each Defendant shall also file with the Court a Proof of Service certifying compliance with this paragraph. A Financial Statement shall be completed for each Defendant and for each business entity under which they conduct business, or of which they are an officer, and of each trust for which they are a trustee. The Financial Statements shall be accurate as of the date of the entry of this Order and shall be verified under oath. No obligation is imposed on the Temporary Receiver under this paragraph.

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VI.

REPATRIATION OF ASSETS

IT IS FURTHER ORDERED that within 48 hours of the service of this Order, Individual Defendants shall:

- A. Provide the Commission and the Temporary Receiver access to the Defendants' and Receivership Entities' financial records and any documents held by financial institutions outside the territory of the United States by signing the Consent to Release of Financial Records attached to this Order as Attachment 3;
- B. Transfer to the territory of the United States all funds, documents and assets in foreign countries held:
 - 1. by them,
 - 2. for their benefit, or
 - 3. under their direct or indirect control, jointly or singly;
- C. Hold and retain all such repatriated funds and prevent any transfer, disposition, or dissipation whatsoever of any such assets or funds in full compliance with **Section III (Asset Freeze)** of this Order until further Order of this Court;
- D. Provide the Commission and the Temporary Receiver with a full accounting of all funds, documents and assets outside of the territory of the United States which are held:
 - 1. by them,
 - 2. for their benefit, or
 - 3. under their direct or indirect control, jointly or singly; and
- E. Specifically notify the Court, the Commission and the Temporary Receiver of the location of the transferred funds within the United States.

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VII.

PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that Defendants and their officers, agents, servants, employees, attorneys, and all persons or entities directly or indirectly under their control or under common control with them, and all other persons in active concert or participation with them who receive actual notice of this Order, are hereby temporarily restrained and enjoined from destroying, erasing, mutilating, concealing, altering, transferring or otherwise disposing of, in any manner, directly or indirectly, any documents that relate to the business practices or business or finances of any of the Defendants or the Receivership Entities, and to the business practices of entities that are directly or indirectly under control of any of the Defendants or Receivership Entities, or under common control with any of the Defendants.

This section specifically applies to all documents displayed on or accessible from, all Internet websites owned or controlled by Defendants, including but not limited to any of the websites with the following domain names:
nationalsupportservices.net; homelandfinancial.net; uniteddebt recovery.com;
uniteddebt recovery.org; united-debt-recovery.com; freedomfirstfinancial.com;
prosperfinancial.org; prosperfinancial.net; uniteddebt services.com; usadebtco.com;
prosperfinancial.net/espanol; homelandfinancial.net/espanol, or
nationwidedebt services.com. For the purposes of this section, the Commission may provide third parties with notice of this Order by any means sufficient to provide actual notice, including by facsimile, email or other electronic transmission.

VIII.

RECORD KEEPING/BUSINESS OPERATIONS

IT IS FURTHER ORDERED that the Individual Defendants are hereby temporarily restrained and enjoined from:

- 1 A. Failing to make, keep, and provide, upon request, to the Commission
2 and the Temporary Receiver, an accurate accounting for themselves
3 (and for any business or entity owned or controlled, in whole or in part,
4 directly or indirectly, by them), which accounting shall include the
5 creation and retention of documents that, in reasonable detail,
6 accurately, fairly, and completely reflect all assets received (including,
7 but not limited to, income, loans, gifts and revenue), disbursements,
8 transfers, transactions, and expenditures, beginning immediately upon
9 service or actual notice of this Order;
- 10 B. Creating, operating, or exercising any control over any business entity,
11 including but not limited to any partnership, limited partnership, joint
12 venture, sole proprietorship or corporation, without first providing the
13 Commission and the Temporary Receiver with a written statement
14 disclosing:
- 15 1. the name of the business entity;
 - 16 2. the address and telephone number of the business entity;
 - 17 3. the names of the business entity's officers, directors, principals,
18 managers and employees; and
 - 19 4. a detailed description of the business entity's intended activities;
20 and
- 21 C. Each of the Individual Defendants shall notify the Commission at least
22 seven (7) days prior to affiliating with, becoming employed by, or
23 performing any work for any business that is not a named Defendant in
24 this action. Each notice shall include the Individual Defendant's new
25 business address and a statement of the nature of the business or
26 employment and the nature of his or her duties and responsibilities in
27 connection with that business or employment.
28

1 IX.

2 **REQUIRED DISTRIBUTION OF ORDER**

3 **BY INDIVIDUAL DEFENDANTS**

4 **IT IS FURTHER ORDERED** that the Individual Defendants shall
5 immediately provide a copy of this Order to each affiliate, subsidiary, division, sales
6 entity, successor, assign, officer, director, employee, independent contractor, agent,
7 attorney, and representative of the Defendants, and shall, within five calendar days
8 from the date from service of this Order, provide the Commission and the
9 Temporary Receiver with a sworn statement that the Individual Defendants have
10 complied with this provision of the Order. The statement shall include the names
11 and addresses of each such person or entity who received a copy of the Order. No
12 obligation is imposed on the Temporary Receiver under this paragraph.

13
14 X.

15 **APPOINTMENT OF TEMPORARY RECEIVER**

16 **IT IS HEREBY ORDERED** that Robb Evans and Robb Evans, ^{AND ASSOCIATES} LLC ^{DC}
17 (“Temporary Receiver”), is appointed Temporary Receiver for Corporate
18 Defendants **HOMELAND FINANCIAL SERVICES, NATIONAL SUPPORT**
19 **SERVICES, LLC, UNITED DEBT RECOVERY, LLC, FREEDOM FIRST**
20 **FINANCIAL, LLC, and USA DEBT CO, LLC, a/k/a USADEBT.CO.COM., and**
21 for the business assets and operations of **PROSPER FINANCIAL SOLUTIONS**
22 ^{AND FINANCIAL LIBERTY SERVICES, LLC.}
(all of the companies referred to in this paragraph referred to collectively as
23 “Receivership Entities”) their affiliates, subsidiaries, successors and assigns and any
24 other corporations or businesses under the control of any of them.

25 **IT IS FURTHER ORDERED** that:

- 26 A. The Temporary Receiver shall assume the full power, without
27 limitation, of an equity receiver, that he shall act as the agent of this
28 Court and solely the agent of this Court, that he shall be accountable

1 directly to this Court and that he shall comply with all Local Rules of
2 this Court governing receivers;

3 B. The Temporary Receiver shall have all the powers of the Receivership
4 Entities' officers, directors and managers, whose powers and authority
5 are hereby suspended;

6 C. The Temporary Receiver shall assume full control of the Receivership
7 Entities by removing, as the Temporary Receiver deems necessary or
8 advisable, any officer, director, manager, independent contractor,
9 employee, or agent of the Receivership Entities, including Defendants
10 **DENNIS CONNELLY, RICHARD WADE TORKELSON a/k/a**
11 **WADE TORKELSON** and **JOANNE GARNEAU a/k/a JOANNE**
12 **TORKELSON** from control of, management of, or participation in, the
13 affairs of the Receivership Entities;

14 D. The Temporary Receiver shall have full power to divert mail and to sue
15 for, collect, receive, take in possession, hold, and manage all assets and
16 documents of the Receivership Entities and other persons or entities
17 whose interests are now held by or under the direction, possession,
18 custody, or control of the Receivership Entities. The Temporary
19 Receiver is fully authorized to effect a change in the rights to use any
20 and all post office boxes or private mail facilities in use by the
21 Receivership Entities;

22 E. The Temporary Receiver shall allow representatives of the Commission
23 and the Defendants' attorneys access to inspect the premises of the
24 Receivership Entities, and to copy books, records, accounts and other
25 property of the Receivership Entities, wherever located, at such times
26 and in such manner as determined solely at the discretion of the
27 Temporary Receiver.

28 **IT IS FURTHER ORDERED** that the Temporary Receiver shall not attempt

1 to collect any amount from a consumer if the Temporary Receiver believes the
2 consumer was a victim of the deceptive acts or practices alleged in the Complaint in
3 this matter, without prior court approval.

4
5 **XI.**

6 **RECEIVERSHIP AUTHORITY AND DUTIES**

7 **IT IS FURTHER ORDERED** that the Temporary Receiver is directed and
8 authorized as follows:

- 9 A. To take exclusive custody, control and possession of all assets and
10 documents of, or in the possession, custody, or under the control of, the
11 Receivership Entities, wherever situated;
- 12 B. To immediately return to consumers, without further court order, any
13 funds that are identifiable as received from specific consumers
14 following the Temporary Receiver's appointment or that are received at
15 the Receivership Entities' premises or mailboxes or forwarded to the
16 Temporary Receiver after entry of this Order and that were, based upon
17 the Temporary Receiver's good faith determination, procured by use of
18 the unfair or deceptive acts or practices alleged in the Complaint in this
19 matter. Likewise, upon the Temporary Receiver's appointment, the
20 Temporary Receiver shall take all reasonable steps to halt immediately
21 the debit of consumer bank accounts or charges to consumer credit
22 cards that in the Temporary Receiver's good faith determination were
23 procured by use of the unfair or deceptive acts or practices alleged in
24 the Complaint in this matter;
- 25 C. To conserve, hold, and manage all receivership assets, and perform all
26 acts necessary or advisable to preserve the value of those assets, in
27 order to prevent any irreparable loss, damage, or injury to consumers or
28 to creditors of the Receivership Entities, including, but not limited to,

1 obtaining an accounting of the assets and preventing transfer,
2 withdrawal, or misapplication of assets;

3 D. To enter into contracts and purchase insurance as advisable or
4 necessary;

5 E. To prevent the inequitable distribution of assets and determine, adjust,
6 and protect the interests of consumers and creditors who have
7 transacted business with the Receivership Entities;

8 F. To manage and administer the business of the Receivership Entities
9 until further order of this Court by performing all incidental acts that
10 the Temporary Receiver deems to be advisable or necessary, which
11 includes retaining, hiring, or dismissing any attorneys, employees,
12 independent contractors, or agents;

13 G. To choose, engage, and employ attorneys, accountants, appraisers, and
14 other independent contractors and technical specialists, as the
15 Temporary Receiver deems advisable or necessary in the performance
16 of duties and responsibilities under the authority granted by this Order;

17 H. To request the assistance of Federal and State officers in the execution
18 of this Order;

19 I. To make payments and disbursements from the receivership estate that
20 are necessary or advisable for carrying out the directions of, or
21 exercising the authority granted by, this Order. The Temporary
22 Receiver shall apply to the Court for prior approval of any payment of
23 any debt or obligation incurred by the Receivership Entities prior to the
24 date of entry of this Order, except payments that the Temporary
25 Receiver deems necessary or advisable to secure assets of the
26 Receivership Entities, such as rental payments;

27 J. To determine and implement the manner in which the Receivership
28 Entities will comply with, and prevent violations of, this Order and all

