

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 14-CIV-62491-BLOOM

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

**CONSUMER COLLECTION ADVOCATES
CORP.**, a Florida corporation, and
MICHAEL ROBERT ETTUS, individually
and as an officer of Consumer Collection
Advocates, Corp.,

Defendants.

STIPULATED PRELIMINARY INJUNCTION

Plaintiff, the Federal Trade Commission (“FTC” or the “Commission”), commenced this action by filing its Complaint for Permanent Injunction and Other Equitable Relief pursuant to Section 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, and by filing a motion for *ex parte* temporary restraining order, asset freeze, appointment of a receiver, other equitable relief, and an order to show cause why a preliminary injunction should not issue. On November 4, 2014, the Court granted Plaintiff’s motion and entered a temporary restraining order with an asset freeze, appointment of a receiver, other equitable relief, and set a show cause hearing why a preliminary injunction should not issue for November 17, 2014 (Dkt. 10).

The Commission and the Defendants, Consumer Collection Advocates, Corp. and Michael Ettus, have consented to the entry of this Stipulated Preliminary Injunction. Now, therefore, it is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

FINDINGS OF FACT

1. This Court has jurisdiction over the subject matter of this case, there is good cause to believe it will have jurisdiction over the parties.

2. This Court is a proper venue for this case.

3. There is good cause to believe that Consumer Collection Advocates, Corp. and Michael Ettus (collectively “Defendants”) have engaged in and are likely to continue to engage in acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the Commission’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and that the FTC is likely to prevail on the merits of this action.

4. There is good cause to believe that consumers will suffer continuing harm unless Defendants are immediately restrained by an order of this Court. The FTC’s memorandum in support of its Motion for a Temporary Restraining Order and the accompanying declarations and exhibits demonstrate that it is likely that Defendants have engaged in illegal activity in connection with the deceptive telemarketing and sale of recovery services.

5. There is good cause to believe that immediate and irreparable damage to the Court’s ability to grant effective final relief for consumers in the form of monetary restitution will occur from the sale, transfer, or other disposition or concealment by Defendants of their assets or documents unless Defendants are further restrained and enjoined from doing so by Order of this Court. There is thus good cause for the Court to continue the asset freeze,

immediate access to Defendants' business premises, and permanent appointment of the Receiver, as set forth herein.

6. Weighing the equities and considering the Commission's likelihood of ultimate success, a preliminary injunction continuing a freeze as to all of the Defendants' assets and an accounting of assets, preserving business records, and providing other equitable relief is in the public interest;

7. Fed. R. Civ. P. 65(c) does not require security of the United States or an officer or agency thereof for the issuance of a preliminary injunction; and

8. Defendants, by agreeing to this Order, make no admission as to the truth of Plaintiff's allegations recited above, in the TRO, or in the Complaint, or as to the relief that should be granted in this action.

DEFINITIONS

For purposes of this Order, the following definitions shall apply:

1. **"Asset"** or **"assets"** means any legal or equitable interest in, right to, or claim to, any real or personal property, including, but not limited to, "goods," "instruments," "equipment," "fixtures," "general intangibles," "inventory," "checks," or "notes," (as these terms are defined in the Uniform Commercial Code), lines of credit, chattels, leaseholds, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, and all cash, wherever located.

2. **"Defendants"** means the "Individual Defendants" and the "Corporate Defendants," individually, collectively, or in any combination.

A. **“Corporate Defendant”** means Consumer Collection Advocates, Corp. and its successors, affiliates, subsidiaries, and assigns, and any fictitious business entities or business names under which it does business.

B. **“Individual Defendant”** means Michael Ettus and his successors and assigns, by whatever names known.

3. **“Document”** and **“Electronically Stored Information”** are synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes, but are not limited to:

A. The original or true copy of any written, typed, printed, electronically stored, transcribed, taped, recorded, filmed, punched, or graphic matter or other data compilations of any kind, including, but not limited to, letters, email or other correspondence, messages, memoranda, interoffice communications, notes, reports, summaries, manuals, magnetic tapes or discs, tabulations, books, records, checks, invoices, work papers, journals, ledgers, statements, returns, reports, schedules, or files; and

B. Any electronically stored information stored on any computers (including, but not limited to, any server, workstation, or desktop, laptop, notebook or tablet), mobile communications device (including, but not limited to, Blackberrys, i-Phones, and Smart Phones of any type or brand), flash drives, personal digital assistants, or any other electronic storage media, whether assigned to individuals or in pools of computers available for shared use, or personally owned but used for work-related purposes; back-up discs and tapes, archive disks and tapes, and other forms of offline storage, whether stored onsite with the computer used to

generate them, stored offsite in another company facility, or stored, hosted, or otherwise maintained offsite by a third-party; and computers and related offline storage used by Defendants or Defendants' participating associates, which may include people who are not employees of the company or who do not work on company premises.

4. **"Financial Institution"** means any insured bank, commercial bank or trust company, private banker, agency or branch of a foreign bank whether located within or outside the United States, credit union, thrift institution, broker or dealer registered with the Securities and Exchange Commission, broker or dealer in securities or commodities, whether or not registered with the Securities and Exchange Commission, investment banker or investment company, currency exchange, issuer, redeemer, or cashier of travelers' checks, checks, money orders, or similar instruments, operator of a credit card system, insurance company, dealer in precious metals, stones, or jewels, pawnbroker, loan or finance company, licensed sender of money or other person who engages as a business in the transmission of funds, telegraph company, persons involved in real estate closings and settlements, casino, gambling casino, or gaming establishment.

5. **"Material"** means likely to affect a person's choice of, or conduct regarding, products or services.

6. **"Person"** means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

7. **"Personally Identifiable Information"** means any information about an individual that can be used to distinguish or trace an individual's identity, such as their name,

address, telephone number, Social Security number, date of birth, or any other personal information which is linked or linkable to an individual.

8. **“Receivership Defendant”** means the “Corporate Defendant.”

9. **“Recovery Services”** means any business activity represented to recover or otherwise assist in the return of money or any other item of value paid for by, or promised to, a person in a previous transaction.

10. **“Telemarketing”** means any plan, program or campaign that is conducted to induce the purchase of goods or services by means of the use of one or more telephone whether or not covered by the TSR, 16 C.F.R. Part 310.

11. **“Receiver”** means **Melanie E. Damian** and includes any deputy receivers or agents that shall be named by the Receiver.

12. The words **“and”** and **“or”** shall be understood to have both conjunctive and disjunctive meanings.

I.

PROHIBITED BUSINESS ACTIVITIES

IT IS THEREFORE ORDERED that, in connection with the advertising, marketing, promotion, offering for sale or sale of recovery services, Defendants, their officers, agents, servants, employees, and attorneys, and all other persons 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 indirectly, are hereby restrained and enjoined from:

A. Misrepresenting, directly or indirectly, expressly or by implication, that, as a result of purchasing Defendants’ services, consumers will recover, or are highly likely to

recover, a substantial portion of the monies that the consumers previously lost to telemarketers typically within 30 to 180 days;

B. Violating, or assisting others in violating, any provision of the TSR, 16 C.F.R. Part 310, as presently promulgated or as it may hereinafter be amended, including, but not limited to:

1. 16 C.F.R. § 310.4(a)(3) by requesting or receiving payment of any fee or consideration from a person for goods or services represented to recover or otherwise assist in the return of money or any other item of value paid for by, or promised to, that person in a previous telemarketing transaction, until seven (7) business days after such money or other item is delivered to that person; or
2. 16 C.F.R. § 310.3(a)(2)(iii) by misrepresenting, directly or by implication, in the sale of goods or services, any material aspect of the performance, efficacy, nature, or central characteristics of the service that is the subject of their sales offer, including, but not limited to, that, as a result of purchasing Defendants' services, consumers will recover, or are highly likely to recover, a substantial portion of the monies that the consumers previously lost to telemarketers typically within 30 to 180 days.

II.

PRESERVATION OF RECORDS AND TANGIBLE THINGS

IT IS FURTHER ORDERED that Defendants, their officers, agents, servants, employees, and attorneys, and all other persons 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 indirectly in connection with the telemarketing, advertising, marketing, promotion, offering for sale or sale of any recovery service, are restrained and enjoined from destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of or rendering inaccessible, in any manner, directly or indirectly, any documents or records that relate to the business practices of or business or personal finances of any Defendant or a person directly or indirectly under the control of a Defendant.

III.

PROHIBITION ON RELEASE OF CONSUMER INFORMATION

IT IS FURTHER ORDERED that, except as required by a law enforcement agency, law, regulation or court order, Defendants, their 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 indirectly, in connection with the telemarketing, advertising, marketing, promotion, offering for sale or sale of any recovery service, are restrained and enjoined from disclosing, using, or benefitting from consumer information, including name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a consumer's account (including a credit card, bank, or other financial account), of any person which any Defendant obtained prior to entry of this Order.

IV.

ASSET FREEZE

IT IS FURTHER ORDERED that Defendants, their officers, agents, servants, employees, attorneys, and all other persons or entities in active concert or participation with any

of them who receive actual notice of this Order by service or otherwise, are hereby restrained and enjoined from directly or indirectly:

- A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any funds, real or personal property, accounts, contracts, consumer lists, or any other assets, or any interest therein, wherever located, including outside the United States, that are: (1) owned or controlled, directly or indirectly, by any Defendant(s), in whole or in part, or held, in whole or in part for the benefit of any Defendant(s); (2) in the actual or constructive possession of any Defendant(s); or (3) owned, controlled by, or in the actual or constructive possession of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by, or under common control with any Defendant(s), and any assets held by, for, or under the name of any Defendant(s) at any bank, savings and loan institution, or bank of any Defendant(s), or with any broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, or other financial institution or depository of any kind;
- B. Opening or causing to be opened any safe deposit boxes titled in the name of any Defendant(s), or subject to access by any Defendant(s);
- C. Incurring charges or cash advances on any credit card, debit card, or checking card issued in the name, singly or jointly, of any Defendant(s);
- D. Obtaining a personal or other loan;

- E. Incurring liens or encumbrances on real property, personal property or other assets in the name, singly or jointly, of any Defendant(s); and
- F. Cashing any checks from consumers, clients, or customers of any Defendant(s).

V.

**RETENTION OF ASSETS AND RECORDS BY
FINANCIAL INSTITUTIONS AND OTHER THIRD PARTIES**

IT IS FURTHER ORDERED that any financial or brokerage institution or depository, escrow agent, title company, commodity trading company, trust, entity, or person that holds, controls, or maintains custody of any account or asset owned or controlled, directly or indirectly, by any Defendant(s), or has held, controlled, or maintained any account or asset of, or on behalf of, any Defendant(s), or possesses any financial information relating to any financial account of any Defendant, upon service with a copy of this Order, shall:

- A. Hold and retain within its control and prohibit Defendants from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling, gifting, or otherwise disposing of any accounts, assets, funds, or other property that are owned by, held in the name of, for the benefit of, or otherwise controlled by, directly or indirectly, any Defendant(s), in whole or in part, except as directed by further order of the Court or as directed in writing by the Receiver regarding accounts, documents, or assets owned by, held in the name of, for the benefit of, or otherwise controlled by, any Receivership Defendant;
- B. Deny the Defendants access to any safe deposit box titled in the name of any Defendant(s), individually or jointly, or subject to access by any Defendant(s), whether directly or indirectly; and

- C. Provide counsel for Plaintiff and the Receiver, within three (3) business days after being served with a copy of this Order, a sworn statement setting forth:
1. the identification number of each such account or asset titled (1) in the name, individually or jointly, of any Defendant(s); (2) held on behalf of, or for the benefit of, any Defendant(s); (3) owned or controlled by any Defendant(s); or (4) otherwise subject to access by any Defendant(s), directly or indirectly;
 2. the balance of each such account, or a description of the nature and value of such asset as of the close of business on the day on which this Order is served;
 3. the identification of any safe deposit box that is either titled in the name of any Defendant(s), or is otherwise subject to access by any Defendant(s); and
 4. if an account, safe deposit box, or other asset has been closed or removed, the date closed or removed, the balance on such date, and the manner in which such account or asset was closed or removed.
- D. Provide counsel for Plaintiff and the Receiver, within three (3) business days after being served with a request, copies of all documents pertaining to such account or asset, including but not limited to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs; provided that such institution or custodian may charge a reasonable fee.

VI.

FINANCIAL STATEMENTS AND ACCOUNTING

IT IS FURTHER ORDERED that each Defendant, to the extent not previously completed and provided, within three (3) business days of service of this Order, shall prepare and deliver to counsel for the FTC:

- A. For the Individual Defendant, a completed financial statement accurate as of the date of service of this Order upon such Defendant (unless otherwise agreed upon with FTC counsel) on the form of **Attachment A** to this Order captioned, “Form Re: Financial Statement for Individual Defendant.”
- B. For the Corporate Defendant, a completed financial statement accurate as of the date of service of this Order upon such Defendant (unless otherwise agreed upon with FTC counsel) in the form of **Attachment B** to this Order captioned, “Form Re: Financial Statement for Business Entity Defendant.”
- C. For each Defendant, a completed statement, verified under oath, of all payments, transfers or assignments of funds, assets, or property worth \$1,000 or more since January 1, 2011. Such statement shall include: (a) the amount transferred or assigned; (b) the name of each transferee or assignee; (c) the date of the transfer or assignment; and (d) the type and amount of consideration paid the Defendant. Each statement shall specify the name and address of each financial institution and brokerage firm at which the Defendant has accounts or safe deposit boxes. Said statements shall include assets held in foreign as well as domestic accounts.

VII.

CONSUMER CREDIT REPORTS

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

VIII.

REPATRIATION OF FOREIGN ASSETS

IT IS FURTHER ORDERED that, within five (5) business days of receiving notice of this Order, to the extent not already done, each Defendant shall:

- A. Provide counsel for the FTC with a full accounting of all assets, accounts, funds, and documents outside of the territory of the United States that are held either: (1) by them; (2) for their benefit; (3) in trust by or for them, individually or jointly; or (4) under their direct or indirect control, individually or jointly;
- B. Transfer to the territory of the United States all assets, accounts, funds, and documents in foreign countries held either: (1) by them; (2) for their benefit; (3) in trust by or for them, individually or jointly; or (4) under their direct or indirect control, individually or jointly;
- C. Hold and retain all repatriated assets, accounts, funds, and documents, and prevent any transfer, disposition, or dissipation whatsoever of any such assets, accounts, funds, or documents; and
- D. Provide the FTC access to all records of accounts or assets of the Corporate Defendant and the Individual Defendant held by financial institutions located

outside the territorial United States by signing the Consent to Release of Financial Records attached to this Order as **Attachment C**.

IX.

NON-INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that Defendants and their 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 indirectly, are hereby restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign assets, or in the hindrance of the repatriation required by Section VIII of this Order, including but not limited to:

- A. Sending any statement, letter, fax, e-mail or wire transmission, telephoning or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a “duress” event has occurred under the terms of a foreign trust agreement, until such time that all assets have been fully repatriated pursuant to Section VIII of this Order; and
- B. Notifying any trustee, protector or other agent of any foreign trust or other related entities of either the existence of this Order, or of the fact that repatriation is required pursuant to a Court Order, until such time that all assets have been fully repatriated pursuant to Section VIII.

X.

APPOINTMENT OF PERMANENT RECEIVER

IT IS FURTHER ORDERED that **Melanie E. Damian** is appointed Permanent Receiver for the business activities of the Receivership Defendant with the full power of an

equity receiver. The Receiver shall be the agent of this Court and solely the agent of this Court in acting as Receiver under this Order. The Receiver shall be accountable directly to this Court. The Receiver shall comply with any laws and Local Rules of this Court governing receivers.

XI.

DUTIES AND AUTHORITY OF PERMANENT RECEIVER

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

- A. Assume full control of the Receivership Defendant by removing, as the Receiver deems necessary or advisable, any director, officer, independent contractor, employee, or agent of any of the Receivership Defendant, including any named Defendant, from control of, management of, or participation in, the affairs of the Receivership Defendant;
- B. Take exclusive custody, control, and possession of all assets, documents, and electronically stored information of, or in the possession, custody, or under the control of, the Receivership Defendant, wherever situated. The Receiver shall have full power to divert mail and to sue for, collect, receive, take in possession, hold, and manage all assets and documents of the Receivership Defendant and other persons or entities whose interests are now held by or under the direction, possession, custody, or control of the Receivership Defendant. *Provided, however,* that the Receiver shall not attempt to collect or receive any amount from a consumer if the Receiver believes the consumer was a victim of the unlawful conduct alleged in the complaint in this matter;

C. Take all steps necessary to secure the business premises of the Receivership Defendant. Such steps may include, but are not limited to, the following, as the Receiver deems necessary or advisable:

1. serving this Order;
2. completing a written inventory of all Receivership assets;
3. obtaining pertinent information from all employees and other agents of the Receivership Defendant, including, but not limited to, the name, home address, social security number, job description, method of compensation, and all accrued and unpaid commissions and compensation of each such employee or agent, and all computer hardware and software passwords;
4. videotaping and photographing all portions of the location;
5. securing the location by changing the locks and disconnecting any computer modems or other means of access to the computer or other records maintained at that location;
6. requiring any persons present on the premises at the time this Order is served to leave the premises, to provide the Receiver with proof of identification, and to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises documents or assets of the Receivership Defendant; and
7. requiring all employees, independent contractors, and consultants of the Receivership Defendant to complete a questionnaire submitted by the Receiver;

- D. Conserve, hold, and manage all Receivership assets, and perform all acts necessary or advisable to preserve the value of those assets, in order to prevent any irreparable loss, damage, or injury to consumers or to creditors of the Receivership Defendant, including, but not limited to, obtaining an accounting of the assets and preventing transfer, withdrawal, or misapplication of assets;
- E. Liquidate any and all assets owned by or for the benefit of the Receivership Defendant that the Receiver deems to be advisable or necessary;
- F. Enter into or break contracts and purchase insurance as the Receiver deems to be advisable or necessary;
- G. Prevent the inequitable distribution of assets and determine, adjust, and protect the interests of consumers who have transacted business with the Receivership Defendant;
- H. Manage and administer the business of the Receivership Defendant until further order of this Court by performing all incidental acts that the Receiver deems to be advisable or necessary, which includes retaining, hiring, or dismissing any employees, independent contractors, or agents;
- I. Choose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order;
- J. Make payments and disbursements from the Receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order. The Receiver shall apply to the Court for prior

approval of any payment of any debt or obligation incurred by the Receivership Defendant prior to the date of entry of this Order, except payments that the Receiver deems necessary or advisable to secure assets of the Receivership Defendant, such as rental payments;

- K. Determine and implement the manner in which the Receivership Defendant will comply with, and prevent violations of, this Order and all other applicable laws, including, but not limited to, revising sales materials and implementing monitoring procedures;
- L. Institute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings in state, federal, or foreign courts that the Receiver deems necessary and advisable to preserve or recover the assets of the Receivership Defendant, or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;
- M. Defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings instituted in the past or in the future against the Receiver in his role as Receiver, or against the Receivership Defendant, that the Receiver deems necessary and advisable to preserve the assets of the Receivership Defendant or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;
- N. Continue and conduct the business of the Receivership Defendant in such manner, to such extent, and for such duration as the Receiver may in good faith deem to be necessary or appropriate to operate the business profitably and lawfully, if at all; *provided, however*, that the continuation and conduct of the business, if done at

all, shall be conditioned upon the Receiver's good faith determination that the business can be lawfully operated at a profit using the assets of the receivership estate;

- O. Take depositions and issue subpoenas to obtain documents and records pertaining to the receivership estate and compliance with this Order. Subpoenas may be served by agents or attorneys of the Receiver and by agents of any process server retained by the Receiver;
- P. Open one or more bank accounts in the Southern District of Florida as designated depositories for funds of the Receivership Defendant. The Receiver shall deposit all funds of the Receivership Defendant in such a designated account and shall make all payments and disbursements from the receivership estate from such account(s);
- Q. Maintain accurate records of all receipts and expenditures that the Receiver makes as Receiver; and
- R. Cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency.

XII.

RECEIVER AND FTC IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS

IT IS FURTHER ORDERED that:

- A. Defendants, their 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 indirectly, shall, to the extent not already done:

1. Immediately identify to FTC's counsel and the Receiver:
 - a. All of Receivership Defendant's premises, whether residential or non-residential, including all locations from which Receivership Defendant conduct business, maintain sales operations, or maintain customer service operations;
 - b. All locations of documents or electronically stored information related to Receivership Defendant, including but not limited to the name and location of any electronic data hosts; and
 - c. All locations where assets belonging to any Receivership Defendant are stored or maintained;
2. Allow the FTC and the Receiver, and their respective representatives, immediate access to:
 - a. All of the Defendants' business premises, including but not limited to, those located at (1) 1001 W. Cypress Creek Road, Fort Lauderdale, Florida 33309; (ii) 1001 NW 62nd Street, Fort Lauderdale, Florida 33309; and (iii) such other business locations that are wholly or partially owned, rented, leased, or under the temporary or permanent control of any Defendant;
 - b. Any other non-residence premises where the Defendants conduct business, collections operations, or customer service operations;
 - c. Any non-residence premises where documents related to the Defendants' businesses are stored or maintained;

- d. Any non-residence premises where assets belonging to any Defendant are stored or maintained; and
 - e. Any documents located at any of the locations described in this Section; and
 - 3. Provide the FTC and the Receiver, and their respective representatives, with any necessary means of access to, copying of, and forensic imaging of documents or electronically stored information, including, without limitation, the locations of Receivership Defendant's business premises, keys and combinations to business premises locks, computer access codes of all computers used to conduct Receivership Defendant's business, access to (including but not limited to execution of any documents necessary for access to and forensic imaging of) any data stored, hosted or otherwise maintained by an electronic data host, and storage area access information.
- B. The FTC and the Receiver are authorized to employ the assistance of law enforcement officers to help effect service, to implement peacefully the provisions of this Order, and to keep the peace. The Receiver shall allow the FTC and its representatives, into the premises and facilities described in this Section to inspect, inventory, image, and copy documents or electronically stored information relevant to any matter contained in this Order. Counsel for the FTC and the Receiver may exclude Defendants and their agents and employees from the business premises and facilities during the immediate access. No one shall

interfere with the FTC's or Receiver's inspection of the Defendants' premises or documents.

- C. The FTC and the Receiver shall have the right to remove any documents related to Defendants' business practices from the premises in order that they may be inspected, inventoried, and copied. The materials so removed shall be returned within five (5) business days of completing said inventory and copying.
- D. If any property, records, documents, or computer files relating to the Receivership Defendant's finances or business practices are located in the residence of the Individual Defendant or are otherwise in the custody or control of the Individual Defendant, then such Defendant shall produce them to the Receiver within twenty-four (24) hours of service of this Order.
- E. The FTC's and the Receiver's representatives may also photograph or videotape the inside and outside of all premises to which they are permitted access by this Order, and all documents and other items found on such premises.

XIII.

DEFENDANTS' ACCESS TO PREMISES AND RECORDS

IT IS FURTHER ORDERED that the Receiver shall allow the Defendants and their representatives reasonable access to the premises of the Receivership Defendant. The purpose of this access shall be to inspect, inventory, and copy any and all documents and other property owned by or in the possession of the Receivership Defendant, provided that those documents and property are not removed from the premises. The Receiver shall have the discretion to determine the time, manner, and reasonable conditions of such access.

XIV.

COOPERATION WITH RECEIVER

IT IS FURTHER ORDERED that Defendants, their 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 indirectly, shall fully cooperate with and assist the Receiver. Defendants' cooperation and assistance shall include, but not be limited to:

- A. Providing any information to the Receiver that the Receiver deems necessary to exercising the authority and discharging the responsibilities of the Receiver under this Order, including but not limited to allowing the Receiver to inspect documents and assets and to partition office space;
- B. Providing any username or password and executing any documents required to access any computer or electronic files in any medium, including but not limited to electronically stored information stored, hosted or otherwise maintained by an electronic data host;
- C. Advising all persons who owe money to the Receivership Defendant that all debts should be paid directly to the Receiver;
- D. Refraining from advising any person who owes money to the Receivership Defendant to pay the debt to anyone other than to the Receiver; and
- E. Refraining from transacting any of the business of the Receivership Defendant except under the direction of the Receiver.

XV.

DELIVERY OF RECEIVERSHIP PROPERTY

IT IS FURTHER ORDERED that:

- A. Immediately upon service of this Order upon them or upon their otherwise obtaining actual notice of this Order, or within a period permitted by the Receiver, Defendants or any other person or entity, including but not limited to financial institutions and electronic data hosts, shall transfer or deliver access to, possession, custody, and control of the following to the Receiver:
1. All assets of the Receivership Defendant;
 2. All documents and electronically stored information of the Receivership Defendant, including, but not limited to, books and records of accounts, all financial and accounting records, balance sheets, income statements, bank records (including monthly statements, canceled checks, records of wire transfers, records of ACH transactions, and check registers), client or customer lists, title documents and other papers;
 3. All assets belonging to members of the public now held by the Receivership Defendant;
 4. All keys, computer and other passwords, entry codes, combinations to locks required to open or gain or secure access to any assets or documents of the Receivership Defendant, wherever located, including, but not limited to, access to their business premises, means of communication, accounts, computer systems, or other property; and
 5. Information identifying the accounts, employees, properties, or other

assets or obligations of the Receivership Defendant.

- B. In the event any person or entity fails to deliver or transfer immediately any asset or otherwise fails to comply with any provision of this Section, the Receiver may file *ex parte* with the Court an Affidavit of Non-Compliance regarding the failure. Upon filing of the affidavit, the Court may authorize, without additional process or demand, Writs of Possession or Sequestration or other equitable writs requested by the Receiver. The writs shall authorize and direct the United States Marshal or any sheriff or deputy sheriff of any county (pursuant to FED. R. CIV. P. 4(c)(1)) to seize the asset, document, or other thing and to deliver it to the Receiver.

XVI.

COMPENSATION FOR RECEIVER

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

XVII.

RECEIVER'S REPORTS

IT IS FURTHER ORDERED that the Receiver shall report to this Court periodically regarding: (1) the steps taken by the Receiver to implement the terms of this Order; (2) the value of all liquidated and unliquidated assets of the Receivership Defendant; (3) the sum of all liabilities of the Receivership Defendant; (4) the steps the Receiver intends to take in the future to: (a) prevent any diminution in the value of assets of the Receivership Defendant, (b) pursue receivership assets from third parties, and (c) adjust the liabilities of the Receivership Defendant, if appropriate; (5) whether the business of the Receivership Defendant can be operated lawfully and profitably; and (6) any other matters which the Receiver believes should be brought to the Court's attention.

XVIII.

STAY OF ACTIONS

IT IS FURTHER ORDERED that:

- A. Except by leave of this Court, during pendency of the Receivership ordered herein, Defendants and all other persons and entities be and hereby are stayed from taking any action to establish or enforce any claim, right, or interest for, against, on behalf of, in, or in the name of, the Receivership Defendant, any of their subsidiaries, affiliates, partnerships, assets, documents, or the Receiver or the Receiver's duly authorized agents acting in their capacities as such, including, but not limited to, the following actions:
1. Commencing, prosecuting, continuing, entering, or enforcing any suit or proceeding, except that such actions may be filed to toll any applicable

statute of limitations;

2. Accelerating the due date of any obligation or claimed obligation; filing or enforcing any lien; taking or attempting to take possession, custody, or control of any asset; attempting to foreclose, forfeit, alter, or terminate any interest in any asset, whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise;
3. Executing, issuing, serving, or causing the execution, issuance or service of, any legal process, including, but not limited to, attachments, garnishments, subpoenas, writs of replevin, writs of execution, or any other form of process whether specified in this Order or not; or
4. Doing any act or thing whatsoever to interfere with the Receiver taking custody, control, possession, or management of the assets or documents subject to this Receivership, or to harass or interfere with the Receiver in any way, or to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership Defendant;

B. This Section does not stay:

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

4. The issuance to a Receivership Defendant of a notice of tax deficiency;
and
- C. Except as otherwise provided in this Order, all persons and entities in need of documentation from the Receiver shall in all instances first attempt to secure such information by submitting a written request to the Receiver, and, if such request has not been responded to within thirty (30) days of receipt by the Receiver, any such person or entity may thereafter seek an Order of this Court with regard to the relief requested.

XIX.

SERVICE OF THIS ORDER

IT IS FURTHER ORDERED that copies of this Order may be served by facsimile transmission, personal or overnight delivery, first class mail, electronic mail, or personally, by agents and employees of the FTC or any state or federal law enforcement agency, or by private process server, on: (1) Defendants; (2) any Financial Institution or Person that holds, controls, or maintains custody of any Documents or Assets of any Defendant; or (3) any other Financial Institution or Person that may be subject to any provision of this Order. Service upon any branch or office of any Financial Institution or entity shall effect service upon the entire Financial Institution or entity.

XX.

DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that Defendants shall immediately provide a copy of this Order to each of their agents, employees, directors, officers, subsidiaries, affiliates, attorneys, independent contractors, representatives, franchisees, and all persons in active concert or

participation with Defendants. Within five (5) calendar days following this Order, Defendants shall provide the FTC with an affidavit identifying the names, titles, addresses, and telephone numbers of the persons that Defendants have served with a copy of this Order in compliance with this provision.

XXI.

CORRESPONDENCE WITH PLAINTIFF

IT IS FURTHER ORDERED that, for the purposes of this Order, all correspondence and service of pleadings on Plaintiff shall be sent either via electronic transmission or via Federal Express to: Barbara E. Bolton, Federal Trade Commission, 225 Peachtree Street NE, Suite 1500, Atlanta, Georgia, 30303. Email: bbolton@ftc.gov; Telephone: (404) 656-1362; Facsimile: (404) 656-1379.

XXII.

RETENTION OF JURISDICTION

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

DONE AND ORDERED in Miami, Florida this 17th day of November 2014, at 1:00 p.m.



BETH BLOOM
UNITED STATES DISTRICT JUDGE

Copies to:
Counsel of Record

AGREED AS TO FORM AND CONTENT:

FOR PLAINTIFF:

Dated: 11/13/14

BARBARA E. BOLTON
Special Florida Bar No. A5500848
MARCELA C. MATEO
Special Florida Bar No. A5502036
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Email: BCPBriefBank@ftc.gov
Email: ecfatlanta@ftc.gov

**ATTORNEY FOR PLAINTIFF
FEDERAL TRADE COMMISSION**

FOR DEFENDANTS:

Dated: _____

**CONSUMER COLLECTION ADVOCATES,
CORP.** by Michael R. Ettus, President

Dated: _____

MICHAEL R. ETTUS, individually and as an
officer of Consumer Collection Advocates, Corp.

Dated: _____

BARRY E. WITLIN, Attorney for Defendants
Cornerstone One
1200 S. Pine Island Road
Plantation, FL 33324
(954) 473-4500 (Phone)
(954) 473-1970 (Fax)
Email: witref@bellsouth.net

AGREED AS TO FORM AND CONTENT:

FOR PLAINTIFF:

Dated: _____

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Email: ccfatlanta@ftc.gov


**ATTORNEY FOR PLAINTIFF
FEDERAL TRADE COMMISSION**

FOR DEFENDANTS:


Dated: 11/13/14


**CONSUMER COLLECTION ADVOCATES,
CORP.** by Michael R. Ettus, President

Dated: 11/13/14


MICHAEL R. ETTUS, individually and as an
officer of Consumer Collection Advocates, Corp.

Dated: 11/13/14


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