

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

CASE NO. 17-60907-CIV-ALTONAGA/Goodman

**FEDERAL TRADE
COMMISSION, *et al.*,**

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

PRELIMINARY INJUNCTION ORDER

Plaintiffs, the Federal Trade Commission and the State of Florida, filed a Complaint for Permanent Injunction and Other Equitable Relief [ECF No. 1], pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b); the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108; and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016), Fla. Stat. § 501.201, *et seq.*, together with an *ex parte* Motion for a Temporary Restraining Order with Asset Freeze, Appointment of a Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue [ECF No. 6], pursuant to Federal Rule of Civil Procedure 65. The Motion seeks relief against Defendants Jeremy Lee Marcus; Craig Davis Smith; Yisbet Segrea; Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. Marine Career Institute Sea Frontiers, Inc. also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321 Loans,

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Inc. f/k/a 321 Loans, Inc. also d/b/a 321 Financial, Inc.; Instahelp America, Inc. f/k/a Helping America Team, Inc. also d/b/a Helping America Group; Helping America Group, LLC f/k/a Helping America Group, Inc.; Breeze Financial Solutions, Inc. also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. also d/b/a Guardian Legal Center; Guardian LG, LLC also d/b/a Guardian Legal Group; American Credit Security, LLC f/k/a American Credit Shield, LLC; Paralegal Support Group LLC f/k/a Paralegal Staff Support LLC; Associated Administrative Services, LLC also d/b/a Jobfax. Plaintiffs also seek relief from Relief Defendants JLMJP Pompano, LLC; 1609 Belmont Place LLC; 16 S H Street Lake Worth, LLC; 17866 Lake Azure Way Boca, LLC; 114 Southwest 2nd Street DBF, LLC; 110 Gloucester St., LLC; 72 SE 6th Ave., LLC; Fast Pace 69 LLC; Strategic Acquisitions Two, LLC; Halfpay International, LLC also d/b/a 16 H.S. Street 12Plex LLC, 311 SE 3rd St., LLC, 412 Bayfront Drive, LLC, 110 Gloucester St., LLC, 72 SE 6th Ave., LLC, 114 SW 2nd Street JM, LLC, 8209 Desmond Drive, LLC, and HLFP, LLC; Halfpay NV LLC also d/b/a Halfpay International LLC; and Nantucket Cove of Illinois, LLC.

On May 9, 2017, the Court entered a Temporary Restraining Order (“TRO”) [ECF No. 13], granting Plaintiffs’ Motion for a Temporary Restraining Order [ECF No. 6]. Upon consideration of the parties’ written submissions, the record, oral arguments (*see* Minute Entry [ECF No. 20]), and applicable law, the Court enters this Preliminary Injunction Order.

I. FINDINGS OF FACT

1. This Court has jurisdiction over the subject matter of this case, and there is good cause to believe it will have jurisdiction over all parties hereto;
2. Venue in this district is proper;

3. There is good cause to believe Defendants have engaged in and are likely to engage in acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a); the FTC's Trade Regulation Rule entitled the "Telemarketing Sales Rule" ("TSR"), 16 C.F.R. Part 310; and Section 501.204 of the FDUTPA, and that Plaintiffs are therefore likely to prevail on the merits of this action;

4. There is good cause to believe immediate and irreparable harm will result from Defendants' ongoing violations of the FTC Act, the TSR, and the FDUTPA, unless Defendants are restrained and enjoined by order of this Court;

5. There is good cause to believe Relief Defendants have received funds that can be traced directly to Defendants' deceptive acts or practices, and that they have no legitimate claim to those funds;

6. There is good cause to believe immediate and irreparable damage to the Court's ability to grant effective final relief for consumers (including monetary restitution, rescission, disgorgement, or refunds) will occur from the sale, transfer, assignment, destruction, or other disposition or concealment by Defendants or Relief Defendants of assets, documents, records, or other evidence unless Defendants and Relief Defendants are further restrained and enjoined by order of this Court. Therefore, there is good cause for the continuation of an asset freeze, the permanent appointment of a Receiver, and the ancillary relief ordered below.

7. There is good cause for issuing this Order pursuant to Federal Rule of Civil Procedure 65(b). Additionally, weighing the equities and considering Plaintiffs' likelihood of ultimate success on the merits, this Order is in the public interest.

8. No security is required of any agency of the United States for issuance of a preliminary injunction. *See* FED. R. CIV. P. 65(c). For the reasons stated in the State of Florida's *Ex Parte* Motion for Waiver of Security Requirement [ECF No. 9], the State of Florida is not required to give security before the issuance of this Order.

II. DEFINITIONS

For purposes of this Order, the following definitions 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. “**Assisting others**” includes, but is not limited to: (a) providing administrative services, including, but not limited to, filing business registrations with federal, state, or local government entities, establishing bank or merchant accounts, and/or handling banking transactions; (b) acting as an officer, director, or registered agent of a business entity; (c) establishing mail accounts or mail receiving boxes, and/or providing mailing or printing services; (d) performing customer service functions, including, but not limited to, forwarding mail received from consumers and/or receiving or responding to consumer complaints; (e) formulating or providing, or arranging for the formulation or provision of, any sales script or other marketing material; (f) providing names of, or assisting in the generation of, potential customers; and (g) performing or providing marketing or billing services of any kind, including, but not limited to, performing or providing telemarketing services.

3. **“Corporate Defendants”** or **“Receivership Defendants”** means Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321Loans, Inc. f/k/a 321 Loans, Inc. also d/b/a 321Financial, Inc.; Instahelp America, Inc. f/k/a Helping America Team, Inc. also d/b/a Helping America Group; Helping America Group, LLC f/k/a Helping America Group, Inc.; Breeze Financial Solutions, Inc. also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. also d/b/a Guardian Legal Center; Guardian LG, LLC also d/b/a Guardian Legal Group; American Credit Security, LLC f/k/a American Credit Shield, LLC; Paralegal Support Group LLC f/k/a Paralegal Staff Support LLC; and Associated Administrative Services, LLC also d/b/a Jobfax, and their divisions, subsidiaries, affiliates, predecessors, successors, assigns, and any fictitious business entities or business names created or used by these entities, or any of them.

4. **“Credit product or service”** means any product, service, plan, or program represented, expressly or by implication, to improve a consumer’s credit record, credit history, or credit rating; or to provide advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit record, credit history, or credit rating.

5. **“Debt relief product or service”** means any product, service, plan, or program represented, expressly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of a debt or obligation between a person and one or more creditors or

debt collectors, including a reduction in the balance, interest rate, or fees owed by a person to a creditor or debt collector.

6. “**Defendants**” means all of the Individual Defendants and Corporate Defendants, individually, collectively, or in any combination, and each of them by whatever names each might be known.

7. “**Document**” or “**documents**” means any materials listed in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

8. “**Financial institution**” means any bank, savings and loan institution, credit union, or any financial depository of any kind, including, but not limited to, any brokerage house, trustee, broker-dealer, escrow agent, title company, commodity trading company, or precious metal dealer.

9. “**Individual Defendants**” means Jeremy Lee Marcus, Craig Davis Smith, and Yisbet Segrea, and by whatever other names each may be known.

10. “**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.

11. “**Relief Defendant(s)**” means JLMJP Pompano, LLC; 1609 Belmont Place LLC; 16 S H Street Lake Worth, LLC; 17866 Lake Azure Way Boca, LLC; 114 Southwest 2nd Street DBF, LLC; 110 Gloucester St., LLC; 72 SE 6th Ave., LLC; Fast Pace 69 LLC; Strategic Acquisitions Two, LLC; Halfpay International, LLC also d/b/a 16 H.S. Street 12Plex LLC, 311

SE 3rd St., LLC, 412 Bayfront Drive, LLC, 110 Gloucester St., LLC, 72 SE 6th Ave., LLC, 114 SW 2nd Street JM, LLC, 8209 Desmond Drive, LLC, and HLFP, LLC; Halfpay NV LLC also d/b/a Halfpay International LLC; and Nantucket Cove of Illinois, LLC, as well as any successors, assigns, subsidiaries, fictitious business entities, or business names created or used by these entities, or any of them.

12. “**Telemarketer**” means any Person who, in connection with Telemarketing, initiates or receives telephone calls to or from a customer or donor.

13. “**Telemarketing**” means any plan, program, or campaign that is conducted to induce the purchase of goods or services or a charitable contribution by use of one or more telephones.

III. PROHIBITED BUSINESS ACTIVITIES

IT IS HEREBY ORDERED that Defendants, together with their officers, agents, directors, servants, employees, 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 through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale, or sale of any good or service, including any debt relief product or service or credit product or service, are hereby temporarily restrained and enjoined from:

A. Misrepresenting, or assisting others in misrepresenting, directly or indirectly, expressly or by implication, any material fact, including, but not limited to, that:

1. Defendants will provide consumers a low interest rate loan to pay off consumers’ unsecured debts;

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2. Defendants will negotiate, settle, or alter the terms of payment or other terms of consumers' unsecured debts to reduce the balance, interest rate, or fees owed to a creditor or debt collector;

3. Defendants will otherwise eliminate consumers' unsecured debts;

4. A debt relief program or service is offered or provided by a non-profit entity; or

5. A debt relief program or service will improve consumers' creditworthiness;

B. Violating, or assisting others in violating, any provision of the TSR, including, but not limited to:

1. Section 310.3(a)(2)(x) of the TSR, 16 C.F.R. § 310.3(a)(2)(x), by misrepresenting, directly or indirectly, expressly or by implication, any material aspect of a debt relief program or service, including but not limited to:

a. That Defendants will pay off or otherwise eliminate consumers' unsecured debts;

b. That Defendants will negotiate, settle, or alter the terms of payment or other terms of consumers' unsecured debts to reduce the balance, interest rate, or fees owed to a creditor or debt collector;

c. The effect of a service on a consumer's creditworthiness; or

d. That a debt relief service is offered or provided by a non-profit entity; or

2. Section 310.4(a)(5)(i) of the TSR, 16 C.F.R. § 310.4(a)(5)(i) by, in connection with the Telemarketing of a debt relief program or service, requesting or receiving payment of a fee or consideration for the debt relief program or service before:

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- a. renegotiating, settling, reducing, or otherwise altering the terms of at least one debt pursuant to a settlement agreement, debt management plan, or other such valid contractual agreement executed by the customer; and
- b. the customer has made at least one payment pursuant to that settlement agreement, debt management plan, or other valid contractual agreement between the customer and the creditor.

IV. ASSET FREEZE

IT IS FURTHER ORDERED that Defendants and Relief Defendants, together with their officers, agents, directors, servants, employees, 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 through any trust, corporation, subsidiary, division, or other device, except as provided herein, are hereby temporarily restrained and enjoined from:

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, shares of stock, lists of consumer names, or other assets, or any interest therein, wherever located, including outside the territorial United States, that are:

1. owned, controlled, or held, in whole or in part, by any Defendant or Relief Defendant;
2. held, in whole or in part, for the direct or indirect benefit of any Defendant or Relief Defendant;
3. in the actual or constructive possession of any Defendant or Relief Defendant;

4. held by an agent, including an attorney, of any Defendant or Relief Defendant as a retainer for the agent's provision of services to any Defendant or Relief Defendant; or

5. owned or controlled by, or in the actual or constructive possession of, or otherwise held for the benefit of any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed, or controlled by any Defendant or Relief Defendant, or of which any Defendant or Relief Defendant is an officer, director, manager or member. This includes, but is not limited to, any assets held by, for, or subject to access by any Defendant or Relief Defendant at any bank, credit union, or savings and loan institution, or at or with any broker-dealer, retirement fund custodian, money market or mutual fund, trustee, escrow agent, storage company, title company, insurance company, commodity trading company, precious metal dealer, payment processor, credit card processor, acquiring bank, merchant bank, independent sales organization, third party processor, payment gateway, automated clearing house processor, network transaction processor, bank debit processing agent, customer service agent, commercial mail receiving agency, mail holding or forwarding company, or other financial institution or depository of any kind, either within or outside the United States; or

6. held in any account for which any Defendant or Relief Defendant is, or was on the date that this Order was signed, an authorized signer;

B. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Defendant or Relief Defendant, subject to access by any Defendant or Relief Defendant, or under any Defendant or Relief Defendant's control;

C. Cashing any checks or depositing or processing any payments from customers or clients of Defendants;

D. Incurring charges or cash advances on any credit or bank card issued in the name, individually or jointly, of any Defendant or Relief Defendant or any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant or Relief Defendant or of which any Defendant or Relief Defendant is an officer, director, member or manager. This includes any corporate bank card or corporate credit card account for which any Defendant or Relief Defendant is or was on the date that this Order was signed, an authorized signor; or

E. Incurring liens or other encumbrances on real property, personal property, or other assets in the name, individually or jointly, of any Defendant or Relief Defendant or of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant or Relief Defendant.

PROVIDED that the funds, property, and assets affected by this Section shall include all assets existing as of the entry of the Court's TRO on May 9, 2017, and all assets acquired after that date that are derived from any activity that is the subject of Plaintiffs' Complaint or that is prohibited by this Order.

V. DUTIES OF HOLDERS OF ASSETS OF DEFENDANTS AND RELIEF DEFENDANTS

IT IS FURTHER ORDERED that any Person, including but not limited to, any financial or brokerage institution, automated clearing house processor, credit card processor, payment processor, merchant bank, acquiring bank, independent sales organization, third party processor, payment gateway, insurance company, or business entity that: (a) is served with a copy of this Order or otherwise has actual or constructive knowledge of this Order, and (b) holds, controls, or maintains custody of, or has held, controlled, or maintained custody of at any time since January 2013, any account or asset (including reserve funds held by any automated

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clearing house processor, credit card processor, payment processor, merchant bank, acquiring bank, independent sales organization, third party processor, payment gateway, insurance company, or other entity) of any Defendant, Relief Defendant, or of any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant or Relief Defendant or of which any Defendant or Relief Defendant is or was an officer, director, manager, or member shall:

A. Hold and retain within its control and prohibit the withdrawal, removal, assignment, transfer, pledge, hypothecation, encumbrance, disbursement, dissipation, relinquishment, conversion, sale, liquidation, or other disposal of any such account or assets, as well as all documents or other property related to such accounts or assets;

B. Deny any Person, except the Receiver, access to any safe deposit box or storage facility that is titled in the name of any Defendant or Relief Defendant either individually or jointly, or otherwise subject to access by any Defendant or Relief Defendant;

C. Provide Plaintiffs' counsel and the Receiver, within five (5) days of receiving a copy of this Order, a sworn statement setting forth:

1. the identification number of each account or asset;
2. the balance of each such account, or a description of the nature and value of each such asset as of the close of business on the day on which a copy of this Order was provided and, if the account or asset has been closed or removed, the date closed or removed, the total funds removed in order to close the account, and the name of the Person or entity to whom such account or asset was remitted; and

3. the identification and location of any safe deposit box or storage facility that is either titled in the name, individually or jointly, of any Defendant or Relief Defendant, or is otherwise subject to access or control by any Defendant or Relief Defendant; and

D. Within five (5) days of a request from a Plaintiff's counsel or the Receiver, provide Plaintiffs and the Receiver with copies of all records or other documents pertaining to each such account or asset, including, but not limited to, originals or copies of account applications, account statements, corporate resolutions, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, including wire transfers and wire transfer instructions, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and all logs and records pertaining to such safe deposit boxes and storage facilities;

E. Plaintiffs may properly serve this Order on any financial or brokerage institution, business entity or Person that holds, controls or maintains custody of any account or asset of any Defendant or Relief Defendant or has held, controlled or maintained custody of any account or asset of any Defendant or Relief Defendant at any time, by facsimile transmission, hand delivery, or overnight carrier; and

F. This Section shall apply to existing accounts and assets, assets deposited or accounts opened after the effective date of this Order, and any accounts or assets maintained, held, or controlled since January 2013. This Section shall not prohibit transfers in accordance with any provision of this Order, any further order of the Court, or by written agreement of the parties.

VI. FINANCIAL REPORTS

IT IS FURTHER ORDERED that each Defendant and Relief Defendant, to the extent that they have not already done so pursuant to the TRO, shall prepare and deliver to counsel for Plaintiffs and the Receiver, within five (5) days of service of this Order:

A. Completed financial statements on the forms served on the Defendants and Relief Defendants with this Order as Attachment A (Financial Statement of Individual Defendant) for themselves individually, and Attachment B (Financial Statement of Corporate Defendant) for each business entity under which they conduct business or of which they are an officer, director, member, or manager, and for each trust for which any Defendant or Relief Defendant is a trustee. The financial statement shall be accurate as of the date of entry of this Order and signed under penalty of perjury. Each Defendant and Relief Defendant shall include in the financial statements all information requested in the statements, including a full listing, verified under oath, of all accounts, funds and assets, whether located within or outside the territory of the United States, that are: (a) titled in the name of any such Defendant or Relief Defendant, individually or jointly; (b) held by any Person or entity for the benefit of such Defendant or Relief Defendant; or (c) under the direct or indirect control of any such Defendant or Relief Defendant. Defendants and Relief Defendants shall attach to these completed financial statements copies of all local, state, provincial, and federal income and property tax returns, with attachments and schedules, as called for by the instructions to the financial statements;

B. The name, address, and telephone number of each attorney, accountant, financial planner, investment advisor, stock broker or other individual, corporation, or partnership whom any of them have used for financial, business, trust, or tax advice or services since January 1, 2013; and

C. A completed IRS Form 4506, served on the Defendants and Relief Defendants with this Order as Attachment C, requesting tax returns for the past four years (2013-2016) and delivered to counsel for the FTC at the following address:

Valerie M. Verduce
Federal Trade Commission
225 Peachtree Street, NE, Suite 1500
Atlanta, Georgia 30303

VII. PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that Defendants, Relief Defendants, and their officers, agents, servants, employees, 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 through any trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from:

A. Failing to create and maintain books, records, accounts, bank statements, current accountants' reports, general ledgers, general journals, cash receipts ledgers, cash disbursements ledgers and source documents, documents indicating title to real or personal property, and any other documents or data which, in reasonable detail, accurately, fairly and completely reflect the Defendants' and Relief Defendants' incomes, disbursements, transactions, dispositions, and use of Defendants' and Relief Defendants' assets; and

B. Destroying, erasing, falsifying, writing over, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any documents, including electronically stored materials, that relate in any way to: (1) the business, business practices, assets, or business or personal finances of any Defendant, Relief Defendant, or any entity directly or indirectly under the control of any Defendant or Relief Defendant; (2) any

webpage or website operated, in whole or in part, on any Defendant's behalf; and (3) any electronic communication sent to or received by Defendants or Relief Defendants.

VIII. REPORT NEW BUSINESS ACTIVITY

IT IS FURTHER ORDERED that Defendants and their officers, agents, servants, employees, 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 through any trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from creating, operating, or exercising any control over any new business entity, whether newly formed or previously inactive, including any company, limited liability company, partnership, limited partnership, joint venture, sole proprietorship, or corporation, without first providing Plaintiffs with a written statement disclosing: (1) the name of the business entity; (2) the address, telephone number, e-mail address, and website address of the business entity; (3) the names of the business entity's officers, directors, principals, managers, and employees; and (4) a detailed description of the business entity's intended activities.

IX. PROHIBITION ON RELEASE OF CONSUMER INFORMATION

IT IS FURTHER ORDERED that Defendants and 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 personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, are hereby temporarily restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing, using, or benefitting from the name, address, birth date, telephone number, e-mail address, Social Security number, Social Insurance number, credit card number, bank account number, or other financial or identifying personal information of any person from whom or about

whom any Defendant obtained such information in connection with activities alleged in Plaintiffs' Complaint;

Provided, that Defendants may disclose such financial or identifying personal information to a law enforcement agency or as required by any law, regulation, or court order.

X. TEMPORARY RECEIVER

A. APPOINTMENT OF TEMPORARY RECEIVER

IT IS FURTHER ORDERED that Jonathan Perlman of Genovese Joblove & Battista, P.A., is appointed Permanent Receiver ("Receiver") for the Receivership Defendants and any of their affiliates, subsidiaries, divisions, or sales or customer service operations, wherever located, 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.

B. RECEIVERSHIP DUTIES

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

1. Assume full control of the Receivership Defendants by removing, as the Receiver deems necessary or advisable, any director, officer, employee, independent contractor, or agent of the Receivership Defendants, including any Individual Defendant, from control of, management of, or participation in, the affairs of the Receivership Defendants;

2. Take exclusive custody, control, and possession of all assets and documents of, or in the possession, custody, or under the control of, the Receivership Defendants, 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 Defendants and other

persons or entities whose interests are now held by or under the direction, possession, custody, or control of the Receivership Defendants. *Provided, however*, that the Receiver shall not attempt to collect any amount from a consumer or to allow the Receivership Defendants to continue to debit or otherwise charge a consumer's account, if the Receiver believes the consumer was a victim of the deceptive acts or practices alleged in the Complaint in this matter;

3. Use any means necessary to take possession of and to secure all areas of the business premises of the Receivership Defendants. Such steps may include, but are not limited to, the following as the Receiver deems necessary or advisable: (a) serving this Order; (b) completing a written inventory of all receivership assets; (c) obtaining pertinent information from all employees and other agents of the Receivership Defendants, 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; (d) videotaping all portions of the locations; (e) securing the locations by changing the locks and disconnecting any computer modems or other means of access to the computer or other records maintained at the locations; (f) 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, or to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises documents or assets of the Receivership Defendants; and/or (g) employ the assistance of law enforcement officers as the Receiver deems necessary to implement the provisions of this Order;

4. 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 Defendants, including, but not

limited to, obtaining an accounting of the assets and preventing transfer, withdrawal, or misapplication of assets, and including the authority to liquidate or close out any open securities or commodity futures positions of the Receivership Defendants;

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

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

7. Manage and administer the business of the Receivership Defendants until further order of the 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;

8. 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;

9. 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 Defendants prior to the date of entry of this Order, except payments that the Receiver deems necessary or advisable to secure assets of the Receivership Defendants, such as rental payments;

10. Determine and implement the manner in which the Receivership Defendants will comply with, and prevent violations of, this Order and all other applicable laws;

11. 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 Defendants or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;

12. 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 or her role as Receiver, or against the Receivership Defendants that the Receiver deems necessary and advisable to preserve the assets of the Receivership Defendants or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;

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

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

15. Maintain accurate records of all receipts and expenditures that he or she makes as Receiver;

16. Cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency, including Plaintiffs; and

17. File reports with the Court on a timely and reasonable basis.

C. COOPERATION AND NON-INTERFERENCE WITH THE RECEIVER

IT IS FURTHER ORDERED that:

1. Defendants and Relief 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, and any other Person served with a copy of this Order, by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, shall fully cooperate with and assist the Receiver. Entities obligated to cooperate with the Receiver under this provision include, but are not limited to, banks, broker-dealers, savings and loans institutions, escrow agents, title companies, commodity trading companies, precious metals dealers, automated clearing house processors, credit card processors, payment processors, merchant banks, acquiring banks, independent sales organizations, third party processors, payment gateways, insurance companies, and other financial institutions and depositories of any kind, as well as common carriers, telecommunication companies, and third-party billing agents. This 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;

b. Providing any password required to access any computer, electronic file, or telephonic data in any medium; or

c. Advising all Persons who owe money to the Receivership Defendants that all debts should be paid directly to the Receiver.

2. Defendants, Relief 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 through any trust, corporation, subsidiary, division, or other device, are restrained and enjoined from directly or indirectly:

- a. Transacting any of the business of the Receivership Defendants;
- b. Destroying, secreting, defacing, transferring, or otherwise altering or disposing of any documents of the Receivership Defendants, including, but not limited to, books, records, accounts, writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations, electronically-stored records, or any other records of any kind or nature;
- c. Transferring, receiving, altering, selling, encumbering, pledging, assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in the possession or custody of, or in which an interest is held or claimed by, the Receivership Defendants, or the Receiver;
- d. Excusing debts owed to the Receivership Defendants;
- e. Failing to notify the Receiver of any asset, including accounts, of the Receivership Defendants held in any name other than the name of the Receivership Defendants, or by any Person or entity other than the Receivership Defendants, or failing to provide any assistance or information requested by the Receiver in connection with obtaining possession, custody, or control of such assets;
- f. Doing any act or refraining from any act whatsoever to interfere with the Receiver's taking custody, control, possession, or managing of the assets or documents subject to this receivership; to harass or interfere with the Receiver in any way; to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership

Defendants; or to refuse to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any Order of this Court; or

g. Filing, or causing to be filed, any petition on behalf of the Receivership Defendants for relief under the United States Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, without prior permission from this Court.

D. DELIVERY OF RECEIVERSHIP PROPERTY

IT IS FURTHER ORDERED that:

1. Defendants, Relief 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, and any other Person with possession, custody or control of property or of records relating to the Receivership Defendants shall immediately notify the Receiver of, and, upon receiving a request from the Receiver, immediately transfer or deliver to the Receiver possession, custody, and control of the following:

a. All assets of the Receivership Defendants, including assets subject to repatriation;

b. All documents of the Receivership Defendants, 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, and check registers), client lists, title documents, and other papers;

c. All computers, electronic devices, machines, and data in whatever form used to conduct the business of the Receivership Defendants; and

d. All keys, codes, user names, and passwords necessary to gain or to secure access to any assets or documents of the Receivership Defendants, including, but not limited to,

access to their business premises, means of communication, accounts, computer systems, mail boxes, or other property. This includes providing the necessary means to gain access to commercial mail boxes.

2. In the event any Person or entity fails to deliver or transfer any asset or document, or otherwise fails to comply with any provision of this Section, the Receiver may file *ex parte* 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, or any other federal or state law enforcement officer, to seize the asset, document, or other thing and to deliver it to the Receiver.

E. PROVISION OF INFORMATION TO RECEIVER

IT IS FURTHER ORDERED that Defendants shall provide to the Receiver, immediately upon request, the following:

1. A list of all assets and property, including accounts, of the Corporate Defendants that are held in any name other than the name of a Corporate Defendant, or by any Person other than a Corporate Defendant; and

2. A list of all agents, employees, officers, directors, managers, members, or those Persons in active concert and participation with Defendants, who have been associated or done business with the Corporate Defendants.

F. STAY OF ACTIONS

IT IS FURTHER ORDERED that:

1. Except by leave of the Court, during pendency of the receivership ordered herein, Defendants and Relief Defendants, together with their officers, agents, directors, servants,

employees, 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, and all other Persons are hereby 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 Defendants, 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:

a. Commencing, prosecuting, continuing, entering, or enforcing any suit or proceeding, except that such actions may be filed to toll any applicable statute of limitations; or

b. Accelerating the due date of any obligation or claimed obligation; filing, perfecting 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, or setoff of any debt owing to the Receivership Defendants that arose before the date of this Order against any claim against the Receivership Defendants; or

c. Using self-help or 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.

2. This Order does not stay:

a. The commencement or continuation of a criminal action or proceeding;

b. The commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power; or

c. 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.

F. COMPENSATION OF 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 Defendants. 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.

G. RECEIVER'S BOND

IT IS FURTHER ORDERED that pursuant to Fed. R. Civ. P. 65(c), the Receiver is not required to post a bond with the Clerk of Court.

XI. REPATRIATION OF ASSETS AND DOCUMENTS

IT IS FURTHER ORDERED that each Defendant and Relief Defendant shall:

A. Unless previously completed in full compliance with the TRO, within three (3) business days following service of this Order, take such steps as are necessary to repatriate to the territory of the United States of America all documents and assets that are located outside such territory and are held by or for a Defendant or Relief Defendant or are under a Defendant or Relief Defendant's direct or indirect control, jointly, severally, or individually;

B. Unless previously completed in full compliance with the TRO, within three (3) business days following service of this Order, provide Plaintiffs with a full accounting of all documents and assets that are located outside of the territory of the United States of America or that have been transferred to the territory of the United States of America pursuant to Subsection A above and are held by or for any Defendant or Relief Defendant or are under any Defendant or Relief Defendant's direct or indirect control, jointly, severally, or individually, including the names and addresses of any foreign or domestic financial institution or other entity holding the documents and assets, along with the account numbers and balances;

C. Hold and retain all such documents and assets and prevent any transfer, disposition, or dissipation whatsoever of any such documents or assets; and

D. Unless previously completed in full compliance with the TRO, within three (3) business days following service of this Order, provide Plaintiffs access to Defendants' or Relief Defendants' records and documents held by financial institutions or other entities, whether located outside the territorial United States of America or otherwise, by signing and delivering to Plaintiffs' counsel the Consent to Release of Financial Records served along with this Order as Attachment D.

XII. INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that Defendants and Relief 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 personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, are hereby temporarily 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 the preceding Section XI of this Order, including, but not limited to:

A. Sending any statement, letter, facsimile, e-mail or wire transmission, or 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 assets have been fully repatriated pursuant to the preceding Section XI 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 as assets have been fully repatriated pursuant to the preceding Section XI of this Order.

XII. CONSUMER REPORTING AGENCIES

IT IS FURTHER ORDERED that Plaintiffs may obtain credit reports concerning any Defendant or Relief Defendant 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 Plaintiffs.

XIV. DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that:

A. Within five (5) days following service of this Order, Defendants shall provide a copy of this Order to each of their Telemarketers, customer service agents, sales agents, corporations, subsidiaries, affiliates, partners, divisions, sales entities, successors, assigns, members, officers, directors, employees, independent contractors, agents, servants, attorneys, spouses, representatives, and all other Persons in active concert or participation with Defendants

in the marketing, advertising, promotion, distribution, offer for sale, or sale of debt relief products or services or credit product or services;

B. Within seven (7) days following service of this Order, Defendants shall provide Plaintiffs and the Receiver a sworn statement that this Section has been satisfied and that identifies the name, title, physical addresses, telephone numbers, and email addresses of each such person who received a copy of the Order and the date which such Person received it; and

C. Defendants shall not take any action that would encourage officers, agents, members, managers, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns, or other Persons or entities in active concert or participation with Defendants to disregard this Order or believe that they are not bound by its provisions.

XV. SERVICE OF THIS ORDER


IT IS FURTHER ORDERED that copies of this Order may be served by United States First Class Mail, overnight delivery, facsimile, electronic mail, or personally, by agents or employees of Plaintiffs, by agents or employees of the Receiver, by any law enforcement agency, or by private process server, upon any person, financial institution, or other entity that may have possession or control of any property, property right, document, or asset of any Defendant, or 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.

XVI. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that the Court retains jurisdiction of this matter for all purposes.

CASE NO. 17-60907-CIV-ALTONAGA/Goodman

DONE AND ORDERED in Miami, Florida, this 17th day of May, 2017.



CECILIA M. ALTONAGA
UNITED STATES DISTRICT JUDGE

cc: counsel of record