

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
JACKSONVILLE DIVISION**

	)	
<b>FEDERAL TRADE COMMISSION,</b>	)	
	)	
<b>Petitioner,</b>	)	
	)	<b>Misc. No.</b> _____
<b>v.</b>	)	
	)	
<b>AFR FINANCIAL LLC,</b>	)	
	)	
<b>Respondent.</b>	)	
	)	
	)	

**PETITION OF THE FEDERAL TRADE COMMISSION FOR AN ORDER  
ENFORCING ADMINISTRATIVE INVESTIGATIVE PROCESS  
AND MEMORANDUM OF LAW**

The Federal Trade Commission (FTC) petitions this Court under Section 20 of the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 57b-1, for an order requiring Respondent, AFR Financial LLC (AFR Financial), to comply with a Civil Investigative Demand (CID), a form of administrative compulsory process. The CID was issued in the course of a nonpublic investigation concerning possible violations by AFR Financial, a debt collection firm, of Section 5 of the FTC Act, 15 U.S.C. § 45(a), and provisions of the Fair Debt Collection Practices Act (FDCPA), 15 U.S.C. §§ 1692-1692p. The CID directs AFR Financial to respond to 14 interrogatories and 4 document requests concerning its purchase of debt portfolios from third parties, its attempts to collect on the consumer loans listed in those portfolios, and its efforts to verify the validity of those loans. The CID had a return date of April 8, 2016.

AFR Financial has not responded to the CID. FTC staff has repeatedly contacted the company, to no avail, regarding its non-compliance. The Commission therefore asks this Court to order AFR Financial to appear and show cause why it should not comply with the CID in full.

This proceeding is summary in nature and is properly instituted by a petition and order to show cause (rather than a complaint and summons). *See, e.g., United States v. Elmes*, 532 F.3d 1138, 1141-45 (11th Cir. 2008); *United States v. Markwood*, 48 F.3d 969, 981-82 (6th Cir. 1995); *Appeal of FTC Line of Bus. Report Litig.*, 595 F.2d 685, 704-05 (D.C. Cir. 1978). Discovery or evidentiary hearings are granted only in exceptional circumstances. *See, e.g., FTC v. Carter*, 636 F.2d 781, 789 (D.C. Cir. 1980); *FTC v. MacArthur*, 532 F.2d 1135, 1141-42 (7th Cir. 1976); *Genuine Parts Co. v. FTC*, 445 F.2d 1382, 1388 (5th Cir. 1971).

A declaration under penalty of perjury by FTC attorney Michael E. Tankersley, which verifies the allegations of this Petition, is attached hereto as Petition Exhibit (“Pet. Exh.”) 1. The Commission also submits the following additional exhibits:

- Pet. Exh. 2 Records of Florida Secretary of State, Division of Corporations (accessed July 27, 2016)
- Pet. Exh. 3 Records of Florida Office of Financial Regulation (accessed July 27, 2016)
- Pet. Exh. 4 Declaration of Michael Jared Marsh, *FTC v. Brace, et al.*, No. 1:15-cv-875 (W.D.N.Y. Oct. 5, 2015)
- Pet. Exh. 5 Civil Investigative Demand directed to AFR Financial LLC (FTC File No. 1523038) (Mar. 23, 2016)
- Pet. Exh. 6 FTC Resolution No. 992-3140 (Apr. 15, 1999)

- Pet. Exh. 7 Letter from Donald E. Pinaud, Jr., Kattman & Pinaud, P.A., to FTC attorney Michael Tankersley (Apr. 5, 2016)
- Pet. Exh. 8 Letter from Tankersley to Pinaud (Apr. 12, 2016)
- Pet. Exh. 9 Email exchange between Tankersley and Pinaud (Apr. 13, 2016)
- Pet. Exh. 10 Email from Tankersley to Pinaud (May 27, 2016)
- Pet. Exh. 11 Email from Tankersley to Pinaud (Jun. 7, 2016)
- Pet. Exh. 12 Email exchange between Tankersley and Pinaud (July 15, 2016)

### **The Parties**

1. The Commission is an administrative agency of the United States, organized and existing pursuant to the FTC Act, 15 U.S.C. § 41 *et seq.* It is empowered by Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), to prohibit, *inter alia*, “unfair or deceptive acts or practices in or affecting commerce.” The Commission is also authorized to enforce the FDCPA, 15 U.S.C. §§ 1692-1692p, violations of which “shall be deemed an unfair or deceptive act or practice” under Section 5, 15 U.S.C. § 1692l(a).

2. Respondent, AFR Financial, is a Florida limited liability company with its principal place of business at 8028 Lone Star Road in Jacksonville, Florida. Pet. Exh. 2. AFR Financial is licensed as a “Consumer Collection Agency” under Florida law, license number CCA9903708. Pet. Exh. 3. Under Florida law, “Consumer Collection Agency” refers to “any debt collector or business entity engaged in the business of soliciting consumer debts for collection or of collecting consumer debts,” unless otherwise exempted. Fla. Stat. § 559.55(3).

### **Jurisdiction and Venue**

3. Section 3 of the FTC Act, 15 U.S.C. § 43, authorizes the Commission to prosecute any inquiry necessary to its duties in any part of the United States. Section 6 of the FTC Act, 15 U.S.C. § 46, empowers the Commission to gather and compile information concerning, and to investigate from time to time, the business and practices of persons, partnerships, or corporations engaged in or whose business affects commerce, with certain exceptions not relevant here. Section 20 of the FTC Act, 15 U.S.C. § 57b-1, empowers the Commission to issue CIDs to require any person, *inter alia*, to produce documentary material, to file written reports or answers, and to give oral testimony relating to any Commission law enforcement investigation.

4. Section 20 of the FTC Act provides this Court with jurisdiction over AFR Financial and authorizes it to enforce the CID. Section 20(e) states as follows:

Whenever any person fails to comply with any civil investigative demand duly served upon him under this section, or whenever satisfactory copying or reproduction of material requested pursuant to the demand cannot be accomplished and such person refuses to surrender such material, the Commission, through such officers or attorneys as it may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person, a petition for an order of such court for the enforcement of this section.

15 U.S.C. § 57b-1(e). Section 20(h) authorizes the Court “to hear and determine the matter so presented, and to enter such order or orders as may be required to carry into effect the provisions of this section.” 15 U.S.C. § 57b-1(h). This Court also has jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

5. AFR Financial resides in and engages in commerce in this district, as the term “commerce” is defined under Section 4 of the FTC Act. 15 U.S.C. § 44. Because the Middle District of Florida is a jurisdiction within which AFR Financial “resides, is found, or transacts business,” venue is proper under Section 20 of the FTC Act. 15 U.S.C. § 57b-1(e).

### **The Commission’s Investigation**

6. This investigation concerns AFR Financial’s acquisition and use of debt portfolios, which are “pools of . . . payment obligations that the original lenders have been unable to collect.” *Dunham v. Portfolio Recovery Assocs., LLC*, 663 F.3d 997, 999 (8th Cir. 2011).

7. The FTC has received complaints from consumers and others that debt collectors are attempting to collect on short-term “payday” loans made under the name “500FastCash.” Pet. Exh. 1 ¶ 4. These loans were serviced by AMG Services, Inc. (AMG). AMG’s corporate representative has attested that neither AMG nor any of its clients have sold any customer account information or placed or sold any charged-off accounts to third parties. Pet. Exh. 1 ¶ 4; *see also* Pet. Exh. 4, Decl. of Michael Jared Marsh, *FTC v. Brace, et al.*, No. 1:15-cv-875 (W.D.N.Y. Oct. 5, 2015). Thus, according to AMG’s representative, any attempts by any third party to collect on 500FastCash or other AMG-serviced loans are unauthorized. *Id.*

8. The FTC has learned that collectors claiming to work for Respondent, AFR Financial, have contacted consumers and demanded repayment of 500FastCash loans. Pet. Exh. 1 ¶ 5.

9. Last year, the Commission initiated an enforcement action against certain other debt collectors, alleging that their demand that consumers repay the 500FastCash loans violated Section 5 of the FTC Act and various provisions of the FDCPA, which, *inter alia*, prohibits debt collectors from making false or deceptive representations, 15 U.S.C. § 1692e. *See* Complaint, *FTC v. Brace, et al.*, No. 1:15-cv-875 (W.D.N.Y. Oct. 5, 2015), *available at*

<https://www.ftc.gov/system/files/documents/cases/151104delawaresolcmpt.pdf>

**Authority for and Issuance of the CID**

10. On March 23, 2016, the Commission issued a CID to AFR Financial under the authority of FTC Resolution No. 992-3140, which authorizes the use of any and all compulsory process

to determine whether in the process of collecting debts, unnamed persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.*, and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

Pet. Exh. 1 ¶ 6; Pet. Exh. 5 (CID); Pet. Exh. 6 (Resolution).

11. The CID seeks information and documents from AFR Financial relating to debt portfolios containing 500FastCash and other AMG-serviced loans including, among other things, the source and sale of any such portfolios, and its efforts to collect on loans purportedly issued by clients of AMG. The CID also requests information and documents regarding AFR Financial's corporate structure, management, and debt

collection practices, including its practices for resolving consumer disputes and verifying the validity of purchased debt acquired from others. Pet. Exh. 1 ¶ 7; Pet. Exh. 5.

12. The CID required AFR Financial to respond to 14 interrogatories and 4 document requests by April 8, 2016. Pet. Exh. 5. The CID informed AFR Financial that it must raise any “factual or legal objections” to the CID by filing a petition to limit or quash the CID with the Commission within 20 days after service (*see* 16 C.F.R. § 2.10(a)).

**AFR Financial’s Failure to Respond to the CID**

13. On April 1, 2016, FTC attorney Michael Tankersley received a phone call from Kimona Fuartado, a manager of AFR Financial, who explained that she had received the CID. Pet. Exh. 1 ¶ 9. Ms. Fuartado stated that she was familiar with the 500FastCash loans and that she believed that AFR Financial had made some calls to collect on those loans. *Id.* Ms. Fuartado also stated that the company possessed responsive information. *Id.* She explained, however, that AFR Financial was unable to comply with CID’s April 8 production deadline because she was still seeking legal counsel to respond to the requests. *Id.*

14. On April 11, 2016, FTC staff received a letter (dated April 5) via U.S. Postal Service from Donald E. Pinaud, Jr., Esq. of Kattman & Pinaud, P.A., stating that he had been retained to represent AFR Financial and Ms. Fuartado. Pet. Exh. 1 ¶ 10; Pet. Exh. 7. Mr. Pinaud’s letter asked for written clarification of “exactly what or who you are investigating, and why exactly you want information from my clients.” *Id.*

15. On April 12, 2016, Mr. Tankersley sent a letter in response to Mr. Pinaud's letter via email and facsimile. Pet. Exh. 1 ¶ 11; Pet. Exh. 8. Mr. Tankersley explained that the CID seeks information regarding AFR Financial's collection of 500FastCash debt and that Ms. Fuartado had already informed him that the company possesses responsive material. *Id.* Mr. Tankersley also noted that the CID's production deadline had already passed and he requested that AFR Financial respond to the interrogatories and produce the responsive records as soon as possible. *Id.*

16. On April 13, 2016, Mr. Pinaud sent an email to Mr. Tankersley claiming that he "need[ed] to know" whether the FTC is "looking at or suggesting or investigating any wrongdoing by my clients . . . before we cooperate." Later that day, Mr. Tankersley responded to Mr. Pinaud's email by explaining that while the CID "does not accuse, suggest or presume any wrongdoing by AFR Financial," the CID seeks information to help FTC staff "evaluate whether any wrongdoing has occurred, and, if so, who may be responsible." *See* Pet. Exh. 1 ¶ 12; Pet. Exh. 9.

17. During early May 2016, Mr. Tankersley left several voicemail messages for Mr. Pinaud requesting that he return Mr. Tankersley's call regarding AFR Financial's response to the CID. Pet. Exh. 1 ¶ 13. Mr. Pinaud did not respond until May 16, 2016, when he called Mr. Tankersley and again asked whether his clients were targets of the FTC investigation. *Id.* Mr. Tankersley explained that the Commission had not made any decisions regarding wrongdoing or liability, and that it had issued the CID to gather information. *Id.* Mr. Pinaud said he would speak to his client and prepare a response to the CID that week. *Id.*



18. On May 25, 2016, Mr. Tankersley left another voicemail message for Mr. Pinaud regarding AFR Financial's response to the CID. Pet. Exh. 1 ¶ 14. Mr. Pinaud did not respond to that message. *Id.*

19. On May 27, 2016, Mr. Tankersley sent an email to Mr. Pinaud requesting that Mr. Pinaud call him about AFR Financial's "long overdue" response to the CID. *See* Pet. Exh. 1 ¶ 15; Pet. Exh. 10. Mr. Tankersley urged AFR Financial to provide at least "an interim response to show progress on complying with the Civil Investigative Demand." *Id.* Mr. Pinaud did not respond to the email. Pet. Exh. 1 ¶ 15.

20. On June 2, 2016, Mr. Tankersley called Mr. Pinaud's office and received an automated message stating that the voice mailbox was full. Pet. Exh. 1 ¶ 16. On June 6, 2016, Mr. Tankersley left another voicemail message for Mr. Pinaud. *Id.* Mr. Pinaud did not respond to the message. *Id.*

21. On June 7, 2016, Mr. Tankersley sent an email to Mr. Pinaud again requesting AFR Financial's response to the CID. Pet. Exh. 1 ¶ 17; Pet. Exh. 11. Mr. Tankersley requested that Mr. Pinaud return his call immediately and cautioned that should AFR Financial not provide a proper response to the CID, the "next step" would be to bring an enforcement action in federal district court. *Id.* Mr. Pinaud did not respond to the email. Pet. Exh. 1 ¶ 17.

22. On July 15, 2016, Mr. Tankersley sent an email notifying Mr. Pinaud that the matter had now been referred to the FTC's Office of the General Counsel to initiate an enforcement action in federal district court. Pet. Exh. 1 ¶ 18; Pet. Exh. 12. That same

day, Mr. Pinaud responded by stating that he had “an appointment with [his client] the week of August 1,” which was “the earliest our calendars could accommodate.” *Id.*

23. Although AFR Financial’s response to the CID was due on April 8, 2016, it has not produced any documents or answered any of the interrogatories. Pet. Exh. 1 ¶ 19.

24. AFR Financial has not filed a petition to limit or quash the CID. *Id.*; see 15 U.S.C. § 57b-1(f); 16 C.F.R. 2.10(a).

25. AFR Financial’s failure to comply with the CID greatly impedes the Commission’s ongoing investigation, and prevents the Commission from completing its investigation in a timely manner. Pet. Exh. 1 ¶ 20.

#### **Memorandum of Law**

The court’s role in a proceeding to enforce an administrative subpoena or CID is “sharply limited.” *United States v. Fla. Azalea Specialists*, 19 F.3d 620, 623 (11th Cir. 1994) (quoting *EEOC v. Kloster Cruise Ltd.*, 939 F.2d 920, 922 (11th Cir. 1991)). While “the court’s function is neither minor nor ministerial, the scope of issues which may be litigated in [a compulsory process] enforcement proceeding must be narrow, because of the important governmental interest in the expeditious investigation of possible unlawful activity.” *FTC v. Texaco, Inc.*, 555 F.2d 862, 872 (D.C. Cir. 1977) (*en banc*) (internal citation omitted). Thus, a district court must enforce agency process so long as (1) the inquiry is within the authority of the agency; (2) the demand is not too indefinite; and (3) the information sought is reasonably relevant. *EEOC v. Tire Kingdom, Inc.*, 80 F.3d 449, 450 (11th Cir. 1996) (*per curiam*) (citing *United States v. Morton Salt Co.*, 338 U.S. 632,

652 (1950)); *Fla. Azalea Specialists*, 19 F.3d at 623; *see also United States v. Lockheed Martin Corp.*, 995 F. Supp. 1460, 1462 (M.D. Fla. 1998).

The Commission has satisfied the requirements for judicial enforcement of the CID, as shown by the accompanying declaration of Michael Tankersley, the FTC's lead attorney in this investigation. *See* Pet. Exh. 1. The CID was duly issued in an investigation the Commission is authorized to conduct, and it seeks documents and information reasonably relevant to the investigation. Additionally, Section 20(f) of the FTC Act, 15 U.S.C. § 57b-1(f), precludes AFR Financial from raising objections to judicial enforcement, since it failed to exhaust its administrative remedies by presenting any such objections to the Commission in a petition to limit or quash the CID. *See supra* ¶¶ 12, 24; 16 C.F.R. § 2.10(a). The Commission, accordingly, respectfully requests that this Court direct AFR Financial to appear and show cause why it should not fully comply, and thereafter enter its own order enforcing the CID. *See, e.g., Fla. Azalea Specialists*, 19 F.3d at 623-24.

**I. The Commission Is Authorized To Conduct The Investigation.**

The FTC has ample authority to issue CIDs in its investigations (*see supra* ¶ 3), and it is unequivocally authorized to conduct the investigation at issue. The CID requests records and information in connection with debt portfolios purporting to list consumer loans issued under the name "500FastCash" or serviced by AMG Services, Inc. *See supra* ¶¶ 6-9. False representations regarding consumer debts may violate Section 5 of the FTC Act, 15 U.S.C. § 45(a),<sup>1</sup> which prohibits unfair or deceptive acts or practices,

---

<sup>1</sup> Section 5 provides, in relevant part:

and several provisions of the FDCPA, *e.g.*, 15 U.S.C. §§ 1692e, 1692g, which bars false, deceptive, or misleading debt collection practices and requires collectors to provide consumers with dispute resolution rights and verify the validity of debts acquired from third parties.<sup>2</sup> Accordingly, the investigation to which the CID pertains falls well within the FTC's statutory authority.

**II. The CID Was Duly Issued.**

The Commission's March 23, 2016 CID fully comports with the applicable procedural requirements of the authorizing statute and its implementing FTC Rules of Practice. *See* Pet. Exh. 5; 15 U.S.C. § 57b-1; 16 C.F.R. § 2.7.

---

(a)(1) [U]nfair or deceptive acts or practices in or affecting commerce, are hereby declared unlawful.

(2) The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations . . . from using . . . unfair or deceptive acts or practices in or affecting commerce.

15 U.S.C. § 45.

<sup>2</sup> Section 807 of the FDCPA provides, in relevant part, "A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt," including by falsely representing "the character, amount, or legal status of any debt" or "that accounts have been turned over to innocent purchasers for value." 15 U.S.C. § 1692e.

Section 809 of the FDCPA provides, *inter alia*, that if a consumer notifies a debt collector that he or she is disputing the alleged debt, "the debt collector shall cease collection of the debt, or any disputed portion thereof, until the debt collector obtains verification of the debt or a copy of a judgment, or the name and address of the original creditor, and a copy of such verification or judgment, or name and address of the original creditor, is mailed to the consumer by the debt collector." 15 U.S.C. § 1692g(b).

First, the CID satisfies the FTC Act’s requirements of “definiteness and certainty” because it specifies the kinds of documents and information to be produced. 15 U.S.C. § 57b-1(c)(3)(A), (c)(5)(A); *see also* Pet. Exh. 5 (CID). In this instance, the CID prescribed a return date of more than two weeks after issuance, giving AFR Financial a “reasonable period of time” to assemble the specified documents and prepare its responses to interrogatories—and AFR Financial did not ask for additional time.<sup>3</sup> 15 U.S.C. § 57b-1(c)(3)(B), (c)(5)(B). The CID also “identif[ied] the custodian[s]” (Michael B. Goldstein and Michael Tankersley) to whom the documents were to be produced and to whom the responses shall be directed. *See* 15 U.S.C. § 57b-1(c)(3)(C), (c)(5)(C). Moreover, the CID was validly “signed by a Commissioner,” in this case, Commissioner Maureen K. Ohlhausen, “acting pursuant to a Commission resolution.” 15 U.S.C. § 57b-1(i).

Finally, the CID included a copy of the Commission’s compulsory process resolution (*see supra* ¶ 10), thus giving AFR Financial adequate notice of “the nature of the conduct constituting the alleged violation which is under investigation and the provision of law applicable to such violation.” 15 U.S.C. § 57b-1(c)(2); 16 C.F.R. § 2.6; Pet. Exh. 5 & 6; *see FTC v. O’Connell Associates, Inc.*, 828 F. Supp. 165, 170-71 (E.D.N.Y. 1993) (notice requirement is met by “cit[ing] a resolution giving the FTC authority to use compulsory process”).

---

<sup>3</sup> The FTC’s Rules of Practice authorize certain FTC officials to extend a CID’s production deadline if the recipient demonstrates satisfactory progress towards compliance. 16 C.F.R. § 2.7(l).

**III. The Evidence Sought is Relevant and Material to the Investigation.**

The standard for judging relevancy in an investigation is a broad one. In an investigation, the Commission is not limited to seeking information that is necessary to prove specific charges. Rather, the objective of an investigation is to learn whether there is reason to believe that the law has been, or is being, violated and, if so, whether the issuance of a complaint would be in the public interest. *See Texaco*, 555 F.2d at 872; *see also Fla. Azalea Specialists*, 19 F.3d at 622-23 (an agency “can investigate merely on suspicion that the law is being violated, or even just because it wants assurance that it is not”) (quoting *Morton Salt*, 338 U.S. at 642-43). The required documents and information, therefore, need only be relevant to the investigation—the boundary of which may be defined by the agency quite generally. *See Carter*, 636 F.2d at 787-88; *Texaco*, 555 F.2d at 874 & n.26; *FTC v. Invention Submission Corp.*, 965 F.2d 1086, 1090 (D.C. Cir. 1992).

The CID seeks information central to the current investigation. It requires AFR Financial to produce documents and respond to interrogatories concerning its (1) corporate structure and management, (2) acquisition of debt portfolios containing 500FastCash and other AMG-serviced loans, (3) efforts to collect on those loans, (4) consumer dispute resolution practices, and (5) efforts to verify the validity of debt it purchases from others. Pet. Exh. 5; Pet. Exh. 1 ¶ 7. This information is directly relevant to the subjects identified in the Commission’s resolution, namely whether “in the process of collecting debts, unnamed persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Debt Collection

Practices Act, 15 U.S.C. § 1692 *et seq.*, and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45.” Pet. Exh. 6. The CID also seeks documents concerning AFR Financial’s revenues (Pet. Exh. 5), which the resolution plainly authorizes by directing FTC staff to “determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest” (Pet. Exh. 6). Thus, the CID seeks only information that is “reasonably relevant” to the investigation. *Fla. Azalea Specialists*, 19 F.3d at 624.

**IV. AFR Financial’s Failure To Exhaust Its Administrative Remedies Precludes It From Challenging Judicial Enforcement.**

As Magistrate Judge Thomas G. Wilson of this district recently concluded, a CID recipient’s “failure to exhaust administrative remedies” by filing a petition to limit or quash with the Commission “precludes [it] from raising objections to the judicial enforcement of the CID.” *See FTC v. Tracers Info. Specialists, Inc.*, No. 8:16-MC-18TGW, 2016 WL 3896840, at \*3 (M.D. Fla. June 10, 2016). AFR Financial did not file a petition to limit or quash (*supra* ¶ 24) and thus may not contest enforcement here.

Section 20(f) of the FTC Act provides that a CID recipient may file with the Commission a petition to “modify[] or set[] aside the demand” within 20 days, and “*shall comply* with any portions of the demand not sought to be modified or set aside.” 15 U.S.C. § 57b-1(f) (emphasis added). The Commission’s Rules of Practice implement this provision by requiring a CID recipient to file with the Commission a “petition to limit or quash any compulsory process,” which sets forth “all assertions of protected status or other factual and legal objections to the Commission compulsory process, including all appropriate arguments, affidavits, and other supporting documentation.” 16 C.F.R. §

2.10(a)(1). The petition is due 20 days after service of the CID, unless a designated FTC staff member extends the deadline. 16 C.F.R. § 2.10(a)(1), (5). The full Commission then considers the petition and issues a written ruling. 16 C.F.R. § 2.10(c).

Because AFR Financial did not file an administrative petition to limit or quash, it may not contest enforcement of the CID “for any reason short of objections based on constitutional grounds.” *EEOC v. Cuzzens of Ga., Inc.*, 608 F.2d 1062, 1064 (5th Cir. 1979) (per curiam).<sup>4</sup> *See also Morton Salt*, 338 U.S. at 653 (recipient of FTC process may not challenge the demands as “arbitrarily excessive” without first making “reasonable efforts before the Commission itself to obtain reasonable conditions”); *O’Connell Associates*, 828 F. Supp. at 168 (exhaustion requirement applies even if a process recipient “waits for the FTC to bring an action [rather] than if he himself institutes it. In either case, there was an administrative mechanism for him to utilize and he failed to do so.”). Thus, the Court should decline to consider any belated objections to the CID that AFR Financial may attempt to raise in this proceeding.

#### **Prayer for Relief**

WHEREFORE, the Commission invokes the aid of this Court and prays:

a. For the immediate issuance of an order, substantially in the form attached, directing AFR Financial to appear and show cause why it should not comply in full with the CID;

---

<sup>4</sup> Cases decided by the former Fifth Circuit prior to the close of business on September 30, 1981, are binding precedent. *Bonner v. City of Prichard*, 661 F.2d 1206, 1209 (11th Cir. 1981).



b. For a prompt determination of this matter and an order requiring AFR Financial to fully comply with the CID within ten (10) days of such order, or at such later date as may be established by the Commission;

c. For such other relief as this Court deems just and proper.

Respectfully submitted,

DAVID C. SHONKA  
Acting General Counsel

LESLIE RICE MELMAN  
Assistant General Counsel for Litigation



BRADLEY GROSSMAN, Litigation Counsel  
Office of the General Counsel  
Federal Trade Commission  
600 Pennsylvania Ave., N.W.  
Washington, D.C. 20580  
(202) 326-2994  
(202) 326-2477 (fax)  
bgrossman@ftc.gov

Of Counsel:

MICHAEL E. TANKERSLEY  
Division of Financial Practices

Dated: July 29, 2016

# **PETITION EXHIBIT 1**

Declaration of Michael E. Tankersley

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
JACKSONVILLE DIVISION**

<p><b>FEDERAL TRADE COMMISSION,</b></p> <p style="text-align: center;"><b>Petitioner,</b></p> <p style="text-align: center;"><b>v.</b></p> <p><b>AFR FINANCIAL LLC,</b></p> <p style="text-align: center;"><b>Respondent.</b></p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p><b>Misc. No.</b> _____</p>
---	---	-------------------------------

**DECLARATION OF MICHAEL E. TANKERSLEY**

Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am an attorney employed by the U.S. Federal Trade Commission (FTC or Commission) in Washington, D.C., in the Division of Financial Practices. I am assigned to an FTC investigation concerning debt portfolios purportedly issued under the name “500FastCash” or serviced by AMG Services, Inc., and the collection of such loans.
  
2. I am authorized to execute a declaration verifying the facts that are set forth in the Petition of the Federal Trade Commission for an Order Enforcing Administrative Investigative Process. I have read the petition and exhibits thereto (hereinafter referred to as Pet. Exh.), and verify that Pet. Exh. 1 through Pet. Exh. 12 are true and correct copies of the original documents. The facts set forth herein are based

on my personal knowledge or information made known to me in the course of my official duties.

3. Respondent, AFR Financial LLC (AFR Financial), is a Florida limited liability company with its principal place of business at 8028 Lone Star Road in Jacksonville, Florida. Pet. Exh. 2 (Records of Florida Secretary of State, Division of Corporations). AFR Financial is licensed as a “Consumer Collection Agency” under Florida law, license number CCA9903708. Pet. Exh. 3 (Records of Florida Office of Financial Regulation).
4. The FTC has received complaints from consumers and other sources about debt collectors who purport to be collecting on short-term consumer loans, often known as “payday loans,” made under the name “500FastCash.” 500FastCash is a trade name of Red Cedar Services, Inc. (Red Cedar), an online lender that made loans serviced by AMG Services, Inc. (AMG). AMG’s legal advisor and former general counsel, M. Jared Marsh, has attested that neither AMG, nor any of its clients, including Red Cedar, have sold any of their customer account information or placed or sold any of their charged-off accounts to third parties. *See* Pet. Exh. 4, Decl. of Michael Jared Marsh filed in *FTC v. Brace, et al.*, W.D.N.Y. Case No. 1:15-cv-875 (filed Oct. 5, 2015). According to Mr. Marsh, any third-party collection calls purporting to collect on 500FastCash or other AMG-serviced loans are unauthorized. *Id.*

5. Information obtained by the FTC indicates that consumers have received calls from collectors identifying themselves as representatives of Respondent AFR Financial, demanding repayment of 500FastCash loans.
6. The Commission issued a civil investigative demand (CID) to AFR Financial on March 23, 2016. Pet. Exh. 5. The CID is issued under the authority of FTC Resolution No. 992-3140 (Pet. Exh. 6), which authorizes the use of compulsory process  

to determine whether in the process of collecting debts, unnamed persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.*, and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.
7. The CID seeks information and documents from AFR Financial relating to purported 500FastCash and other AMG debt portfolios including, among other things, the source and sale of any such portfolios, and efforts to collect loans purportedly issued by clients of AMG. The CID also requests information and documents regarding AFR Financial's corporate structure, management, and debt collection practices, including its practices for resolving consumer disputes and verifying the validity of purchased debt acquired from others.
8. The CID directed AFR Financial to respond to document requests and interrogatories on or before April 8, 2016.
9. On April 1, 2016, I received a telephone call from a woman who identified herself as Kimona Fuartado, a manager of AFR Financial, explaining that she had

- received the CID. She stated that she was familiar with 500FastCash debt and that she believed that AFR Financial had made some calls to collect debts using portfolios listing 500FastCash loans. She also stated that the company had documents concerning the 500FastCash debts. She explained, however, that AFR Financial would not respond to the CID by the April 8 deadline because she was seeking legal counsel to represent the company in its response to the CID.
10. On April 11, 2016, I received, by regular mail, a letter dated April 5 from attorney Donald E. Pinaud, Jr. of Kattman & Pinaud P.A., stating that he represented AFR Financial and Kimona Fuartado. *See* Pet. Exh. 7. Mr. Pinaud's letter sought clarification of "exactly what or who you are investigating, and why exactly you want information from my clients."
  11. On April 12, 2016, I sent a letter responding to Mr. Pinaud by email and facsimile. *See* Pet. Exh. 8. My letter explained that the CID seeks information regarding AFR Financial's collection of 500FastCash debt and that Ms. Fuartado had already informed me that the company possesses responsive material. I explained that the CID's production deadline had already passed and requested that AFR Financial respond to the interrogatories and produce the responsive records as soon as possible.
  12. On April 13, 2016, I received an email from Mr. Pinaud in response, stating that he "need[ed] to know" whether the FTC is "looking at or suggesting or investigating any wrongdoing by my clients . . . before we cooperate" with the CID. Later that day, I responded to Mr. Pinaud's email by explaining that while

- the CID “does not accuse, suggest or presume any wrongdoing by AFR Financial,” the CID seeks information to help FTC staff “evaluate whether any wrongdoing has occurred, and, if so, who may be responsible.” *See* Pet. Exh. 9.
13. In early May 2016, I called the offices of Kattman & Pinaud on several occasions and each time was directed to an automated voice mail system to leave a message. I left messages requesting that Mr. Pinaud call me regarding AFR Financial’s response to the CID. I did not receive a response until Monday, May 16, 2016, when Mr. Pinaud called me and inquired whether the CID indicated that his clients were targets of the FTC investigation. I reiterated that the Commission had not made any decisions regarding wrongdoing or liability, and that it had issued the CID to gather information. Mr. Pinaud said he would speak to his client and prepare a response that week.
  14. On May 25, 2016, I called the offices of Kattman & Pinaud and was directed to an automated voice mail system to leave a message. I left a message requesting that Mr. Pinaud call me regarding AFR Financial’s response to the CID. Mr. Pinaud did not respond to my message.
  15. On May 27, 2016, I sent an email to Mr. Pinaud requesting that he call me regarding AFR Financial’s “long overdue” response to the CID, and stating, “Even if AFR Financial is still locating materials, we need an interim response to show progress on complying with the Civil Investigative Demand.” *See* Pet. Exh. 10. Mr. Pinaud did not respond to my email.

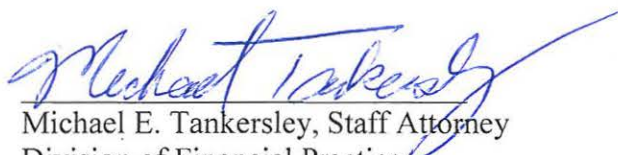
16. On June 2, 2016, I called the offices of Kattman & Pinaud and was directed to an automated voice mail system that stated that it could not store a message because the mailbox was full. On June 6, 2016, I called the offices of Kattman & Pinaud again and was directed to an automated voice mail system. I left a message requesting that Mr. Pinaud call me regarding AFR Financial's response to the CID. Mr. Pinaud did not respond to my message.
17. On June 7, 2016, I sent an email to Mr. Pinaud again requesting AFR Financial's response to the CID. I requested that Mr. Pinaud return my call immediately and explained that should AFR Financial not provide a proper response to the CID, the "next step" would involve bringing an enforcement action in federal district court. *See* Pet. Exh. 11. Mr. Pinaud did not respond to this email.
18. On July 15, 2016, I sent an email informing Mr. Pinaud that the matter had now been referred to the FTC's Office of the General Counsel to initiate an enforcement action in federal district court. That same day, Mr. Pinaud responded by stating that he had "an appointment with [his client] the week of August 1," which was "the earliest our calendars could accommodate." Pet. Exh. 12.



19. To date, AFR Financial has not provided any response to the CID issued March 23, 2016. Nor has AFR Financial filed a petition to limit or quash the CID with the Commission. *See* 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(a).
20. AFR's failure to respond to the CID has burdened, delayed, and impeded the Commission's investigation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 28, 2016

  
Michael E. Tankersley, Staff Attorney  
Division of Financial Practices  
Bureau of Consumer Protection  
Federal Trade Commission

## **PETITION EXHIBIT 2**

Records of Florida Secretary of State,  
Division of Corporations  
(accessed July 27, 2016)

FLORIDA DEPARTMENT OF STATE  
DIVISION OF CORPORATIONS**Detail by Entity Name****Florida Limited Liability Company**

AFR FINANCIAL LLC

**Filing Information**

<b>Document Number</b>	L15000109648
<b>FEI/EIN Number</b>	NONE
<b>Date Filed</b>	06/24/2015
<b>Effective Date</b>	06/24/2015
<b>State</b>	FL
<b>Status</b>	ACTIVE
<b>Last Event</b>	LC AMENDMENT
<b>Event Date Filed</b>	10/23/2015
<b>Event Effective Date</b>	NONE

**Principal Address**8028 LONE STAR RD  
JACKSONVILLE, FL 32211**Mailing Address**8028 LONE STAR RD  
JACKSONVILLE, FL 32211**Registered Agent Name & Address**FUARTADO, KIMONA  
8028 LONE STAR RD  
JACKSONVILLE, FL 32211**Authorized Person(s) Detail****Name & Address**

Title MGRM

AUSTIN, CARLA  
905 RISING MIST COURT  
JACKSONVILLE, FL 32221

Title MGRM

FUARTADO, KIMONA  
8028 LONE STAR ROAD  
JACKSONVILLE, FL 32211**Annual Reports****No Annual Reports Filed****Document Images**

[10/23/2015 -- LC Amendment](#)

[View image in PDF format](#)

[06/24/2015 -- Florida Limited Liability](#)

[View image in PDF format](#)

---

[Copyright ©](#) and [Privacy Policies](#)  
State of Florida, Department of State

## **PETITION EXHIBIT 3**

Records of Florida Office of  
Financial Regulation  
(accessed July 27, 2016)

# FLORIDA OFFICE of FINANCIAL REGULATION



[Home](#)
[About OFR](#)
[Apply for a License](#)
[Verify a License](#)
[File a Complaint](#)
[News](#)
[Research Resources](#)

## License Search Results Detail

---

**License Name:** AFR FINANCIAL LLC  
**DBA Name:** TRUST FINANCIAL

---

**License Type:** Consumer Collection Agency  
**Status:** Approved  
**Status Effective Date:** 12/31/2015  
**Original Date of License:** 11/3/2015  
**License Number:** CCA9903708  
**License Expiration Date:** 12/31/2016

---

**License Main Address:**  
**Street:** 8028 LONE STAR ROAD  
**City:** JACKSONVILLE  
**State:** FL  
**Zip Code:** 32211

**License Mailing Address:**  
**Street:** 8018 FOXDALE DRIVE  
**City:** JACKSONVILLE  
**State:** FL  
**Zip Code:** 32210

---

**Phone Number:**

[Search for Final Orders](#)

[Accessibility](#)

[Contact Us](#)  
 (850) 487-9687

[Site Map](#)

**PETITION EXHIBIT 4**

Declaration of Michael Jared Marsh  
filed in *FTC v. Brace, et al.*,  
W.D.N.Y. Case No. 1:15-cv-875  
(filed Oct. 5, 2015)

**DECLARATION OF MICHAEL JARED MARSH  
PURSUANT TO 28 U.S.C. §1746**

I, Michael Jared Marsh, hereby state that I have personal knowledge of the facts as set forth below. If called as a witness, I could and would testify as follows:

1. I am a citizen of the United States and am over eighteen (18) years of age. I live in Prairie Village, Kansas.
2. I am a practicing attorney, admitted in the States of Missouri and Kansas. From January 20, 2009 until February 28, 2015, I held the position of General Counsel at AMG Services, Inc. (“AMG”). Beginning on March 1, 2015 to the present I have provided legal counsel to AMG as an independent legal advisor.
3. AMG provided loan servicing for a number of entities, wholly owned by federally recognized Indian Tribes and engaged in extending online, short term, small dollar consumer loans. As General Counsel, I assisted management in monitoring and resolving customer complaints and human resources issues, as well as coordinating with outside legal counsel regarding regulatory compliance and pending litigation.
4. In early August 2014, a floor manager from one of the AMG customer service departments came to my office to bring to my attention that an increasing number of phone calls the customer service representatives were receiving were from non-customers and customers complaining about abusive collection calls from debt collectors claiming to be collecting on behalf of the tribally owned lenders that were serviced by AMG. AMG did not have any records of any collection attempts to these non-customers and customers.



5. The floor manager indicated that these calls began coming into the call center beginning in late July 2014. The floor manager told me that most of these callers were not customers of any of the tribally owned lenders serviced by AMG.
6. AMG does not have, and never had, the authority to sell or place any consumer or account information it obtains during the provision of services to its tribal lender clients. Since 2008, to the best of my knowledge, AMG's tribal lender clients have never sold any of their customer or account information or placed or sold any of their charged-off accounts to any third-party.
7. Once AMG management was alerted to this pattern of consumer calls, a system to collect and record the information was created. A form containing the name of the alleged lender and account number, company and agent calling, the phone number on the consumer's caller identification, any callback number, company address, and then notes about any other details given by the consumer was utilized by the customer service representative to collect this data. My assistant then transferred this data from the forms to a spreadsheet.
8. In late February 2015, I transferred a copy of this spreadsheet to the FTC via an encrypted file transfer protocol ("FTP") website. At that time there were 818 entries on the spreadsheet. Of these 818, 185 entries were about Delaware Solutions, Clear Credit Solutions, or some close permutation of those names.
9. In the vast majority of the Delaware Solutions and Clear Credit Solutions entries (166), the lender was identified as 500FastCash. 500FastCash is a trade name of Red Cedar Services, Inc. ("RCS"). Delaware Solutions and Clear Credit Solutions also claimed to be collecting on behalf of AdvantageCashServices, Ameriloan, OneClickCash, StarCashProcessing, UnitedCashLoans, and USFastCash.

10. OneClickCash is a trade name of SFS, Inc. ("SFS"). Ameriloan, AdvantageCashServices, StarCashProcessing, UnitedCashLoans, and USFastCash are trade names of MNE Services, Inc. ("MNE").
11. Red Cedar Services, Inc. is a wholly owned governmental instrumentality of the Modoc Tribe of Oklahoma, a federally recognized Indian Tribe located on Indian lands in the State of Oklahoma. SFS, Inc. is a wholly owned governmental instrumentality of the Santee Sioux Nation, Nebraska, a federally recognized Indian Tribe located on Indian lands in the State of Nebraska. MNE Services, Inc. is a wholly owned governmental instrumentality of the Miami Tribe of Oklahoma, a federally recognized Indian Tribe located on Indian lands in the State of Oklahoma. AMG provided loan servicing on behalf of RCS, SFS and MNE.
12. Some consumers also reported that a company called Braclair Management was processing the consumer payments for Delaware Solutions.
13. On September 29, 2014, I sent a Cease and Desist letter on behalf of Red Cedar Services, Inc. d/b/a 500FastCash to Clear Credit Solutions by facsimile and U.S. Mail. I sent the letter to facsimile number 888-491-0608 and the address 300 Delaware Avenue, Suite 210, Wilmington, DE 19801. A true and correct copy of the Cease and Desist letter to Clear Credit Solutions is appended hereto as *Attachment A*.
14. On October 9, 2014, I sent a Cease and Desist letter on behalf of Red Cedar Services, Inc. d/b/a 500FastCast to Delaware Solutions. I sent the letter via U.S. Mail to the address 300 Delaware Avenue, Suite 210, Wilmington, DE 19801. A true and correct copy of the Cease and Desist letter to Delaware Solutions is appended hereto as *Attachment B*.

15. Both letters stated that, "500FastCash has not authorized any third-party to sell, broker, market or collect any debt owed to 500FastCash." The letters instructed Clear Credit Solutions and Delaware Solutions that any collection activity undertaken by them that identified 500FastCash as a creditor was unauthorized and unlawful, and that all such activity be immediately ceased.
16. The letters I sent were not returned to me. The letter that I faxed to Clear Credit Solutions was transmitted.
17. In late September 2014 I was informed by a customer service manager that a man named Mark Rush with Clear Credit Solutions called the customer service line for 500FastCash attempting to validate the debt that Clear Credit Solutions claimed to have acquired from a third-party debt broker. The manager informed Mr. Rush that 500FastCash did not sell any of its debt to be collected by any third-party and asked Mr. Rush to provide the name and contact information of the third-party debt broker that had sold the debt. Mr. Rush stated he could not provide that information.
18. Shortly thereafter, I called one of the callback numbers for Clear Credit Solutions that was provided to a customer service representative by a complaining consumer. I spoke to an individual who identified himself as a manager. I do not recall if he gave me his name. I informed him that any attempt to collect in the name of 500FastCash or other trade names used by AMG's tribal lender clients was unlawful.
19. The manager claimed that a rogue agent named Mark Rush had placed the accounts into their system. The manager told me that Rush had been fired, and the accounts had been deleted off their system.

20. After this telephone call, customer service representatives for the tribal lenders continued to receive calls from consumers who stated that they were being contacted by Delaware Solutions and Clear Credit Solutions about debts owed to AMG's tribal lender clients. The spreadsheet of complaints contains 106 entries in November and December 2014, and January 2015 from Delaware Solutions and Clear Credit Solutions.
21. Because we continued to receive complaints, I tried calling management for Delaware Solutions and Clear Credit Solutions to again order them to cease and desist. On October 17, 2014, I spoke with a manager identifying himself as Mike Mathis. Mr. Mathis told me to speak to Clear Credit Solutions' attorney, but refused to give me the contact information of that attorney and disconnected the call. When I called back that day, Mr. Mathis again refused to give me any attorney contact information and stated that if I continued to call he would consider it harassment and report me to law enforcement.
22. Non-customers and customers continued to complain of calls from Delaware Solutions and/or Clear Credit Solutions, so I again called a call back number on November 25, 2104 and reached a man identifying himself as Matthew Weatherfield and who stated his position was Team Lead. Mr. Weatherfield would not speak with me and transferred me to a manager, who identified himself as Mike Mathis. I informed Mr. Mathis that we had spoken about a month earlier and that consumers had continued to call complaining about Delaware Solutions and/or Clear Credit Solutions. Mr. Mathis put me on hold to get the company's attorney's information. He never came back on the line and the line then disconnected. I tried to call back several times in the hours and days after this and either reached a recorded message, dead air or collection agents who would refuse to transfer me to a manager. The agents made various threats including reporting me to law

enforcement and reporting a complaint to my state bar, in an effort to get me to stop calling. Finally, I was told that their corporate office would call me. I waited for a call from the corporate office, but never received one.

23. The tribal lenders continued to receive calls from consumers about debt collection attempts by Delaware Solutions and Clear Credit Solutions. The tribal lenders have received calls as recently as July 22, 2015.

24. I have included some samples of correspondence that consumers have received and forwarded to AMG, from Delaware Solutions and Clear Credit Solutions. True and correct copies of emails and letters from Delaware Solutions and Clear Credit Solutions are appended hereto as *Attachment C*.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28<sup>th</sup> day of July, 2015.

  
Michael Jared Marsh

**PETITION EXHIBIT 5**

Civil Investigative Demand directed to  
AFR Financial LLC  
(FTC File No. 1523038)  
(Mar. 23, 2016)



United States of America  
Federal Trade Commission

### CIVIL INVESTIGATIVE DEMAND

1. TO

AFR Financial LLC  
c/o Kimona Fuartado, Registered Agent  
8028 Lone Star Rd  
Jacksonville, FL 32211

This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

LOCATION OF HEARING

YOUR APPEARANCE WILL BE BEFORE

Michael Tankersley  
Federal Trade Commission, (202) 326-2991

DATE AND TIME OF HEARING OR DEPOSITION

You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.

You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS MUST BE AVAILABLE

APR - 8 2016

3. SUBJECT OF INVESTIGATION

See Attached Resolution

4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN

Michael B. Goldstein/Michael Tankersley  
Federal Trade Commission  
600 Pennsylvania Ave., NW  
Mail Stop: CC-10232  
Washington, DC 20580  
(202) 326-3673

5. COMMISSION COUNSEL

Michael Tankersley  
Federal Trade Commission  
600 Pennsylvania Ave., NW  
Mail Stop: CC-10232  
Washington, DC 20580  
(202) 326-2991

DATE ISSUED

3/23/16

COMMISSIONER'S SIGNATURE

**INSTRUCTIONS AND NOTICES**

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

**PETITION TO LIMIT OR QUASH**

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

**YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS**

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or [www.sba.gov/ombudsman](http://www.sba.gov/ombudsman) regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

**TRAVEL EXPENSES**

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCRulesofPractice>. Paper copies are available upon request.

---

## Form of Certificate of Compliance\*

---

I/We do certify that all of the documents and information required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to such interrogatory or uncompleted portion and the reasons for the objections have been stated.

Signature \_\_\_\_\_

Title \_\_\_\_\_

Sworn to before me this day

\_\_\_\_\_

\_\_\_\_\_  
Notary Public

\_\_\_\_\_

\*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.



UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Robert Pitofsky, Chairman  
Sheila F. Anthony  
Mozelle W. Thompson  
Orson Swindle

**RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN NONPUBLIC  
INVESTIGATION INTO THE ACTS AND PRACTICES OF UNNAMED PERSONS,  
PARTNERSHIPS AND CORPORATIONS ENGAGED IN ACTS OR PRACTICES IN  
VIOLATION OF 15 U.S.C. § 1692 ET SEQ. AND/OR 15 U.S.C. § 45**

File No. 992-3140

Nature and Scope of Investigation:

An investigation to determine whether, in the process of collecting debts, unnamed persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq., and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

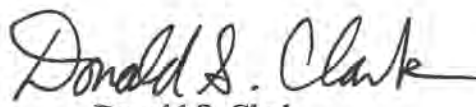
The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50 and 57b-1, as amended; FTC Procedures and Rules of Practice, 16 C.F.R. 1.1 et seq. and supplements thereto.

Title VIII of the Consumer Credit Protection Act, Section 814, 15 U.S.C. § 1692i.

By direction of the Commission.

  
Donald S. Clark  
Secretary

Dated: April 15, 1999

**CIVIL INVESTIGATIVE DEMAND  
SCHEDULE FOR PRODUCTION OF DOCUMENTS AND  
ANSWERS TO WRITTEN INTERROGATORIES**

**I. DEFINITIONS**

As used in this Civil Investigative Demand, the following definitions shall apply:

A. **“And,”** as well as **“or,”** shall be construed both conjunctively and disjunctively, as necessary, in order to bring within the scope of any specification in this Schedule all information that otherwise might be construed to be outside the scope of the specification.

B. **“Any”** shall be construed to include **“all,”** and **“all”** shall be construed to include the word **“any.”**

C. **“CID”** shall mean the Civil Investigative Demand, including the attached Resolution and this Schedule, and including the Definitions, Instructions, and Specifications.

D. **“Company”** shall mean **“AFR Financial LLC”** its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

E. **“Document”** shall mean the complete original and any non-identical copy (whether different from the original because of notations on the copy or otherwise), regardless of origin or location, of any written, typed, printed, transcribed, filmed, punched, or graphic matter of every type and description, however and by whomever prepared, produced, disseminated or made, including but not limited to any advertisement, book, pamphlet, periodical, contract, correspondence, file, invoice, memorandum, note, telegram, report, record, handwritten note, working paper, routing slip, chart, graph, paper, index, map, tabulation, manual, guide, outline, script, abstract, history, calendar, diary, agenda, minute, code book or label. **“Document” shall also include all documents, materials, and information, including Electronically Stored Information, within the meaning of the Federal Rules of Civil Procedure.**

F. **“Each”** shall be construed to include **“every,”** and **“every”** shall be construed to include **“each.”**

G. **“Electronically Stored Information”** or **“ESI”** shall mean the complete original and any non-identical copy (whether different from the original because of notations, different metadata, or otherwise), regardless of origin or location, of any writings, drawings, graphs, charts, photographs, sound recordings, images, and other data or data compilations stored in any electronic medium from which information can be obtained either directly or, if necessary, after translation by you into a reasonably usable form. This includes, but is not limited to, electronic mail, instant messaging, videoconferencing, and other electronic correspondence (whether active, archived, or in a deleted items folder), word processing files, spreadsheets, databases, and video and sound recordings, whether stored on: cards; magnetic or electronic tapes; disks;

computer hard drives, network shares or servers, or other drives; cloud-based platforms; cell phones, PDAs, computer tablets, or other mobile devices; or other storage media.

H. “**FTC**” or “**Commission**” shall mean the Federal Trade Commission.

I. “**Identify**” or “**the identity of**” shall be construed to require identification of (a) natural persons by name, title, present business affiliation, present business address and telephone number, or if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, identities of natural persons who are officers, directors or managers of the business or organization, and contact persons, where applicable.

J. “**Person**” shall mean any individual, group, unincorporated association, limited or general partnership, corporation or other business entity.

K. “**Referring to**” or “**relating to**” shall mean discussing, describing, reflecting, containing, analyzing, studying, reporting, commenting on, evidencing, constituting, setting forth, considering, recommending, concerning, or pertaining to, in whole or in part.

L. “**You**” and “**Your**” shall mean the Person to whom this CID is issued and includes the Company.

## II. INSTRUCTIONS

A. **Confidentiality:** This CID relates to an official, nonpublic, law enforcement investigation currently being conducted by the Federal Trade Commission. You are requested not to disclose the existence of this CID until you have been notified that the investigation has been completed. Premature disclosure could impede the Commission’s investigation and interfere with its enforcement of the law.

B. **Sharing of Information:** The Commission often makes its files available to other civil and criminal federal, state, local, or foreign law enforcement agencies. The Commission may make information supplied by you available to such agencies where appropriate pursuant to the Federal Trade Commission Act and 16 C.F.R. § 4.11 (c) and (j). Information you provide may be used in any federal, state, or foreign civil or criminal proceeding by the Commission or other agencies.

C. **Meet and Confer:** You must contact **Michael Tankersley** at (202) 326-2991 as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after receipt of this CID, or before the deadline for filing a petition to quash, whichever is first, in order to discuss compliance and to address and attempt to resolve all issues, including issues relating to protected status and the form and manner in which claims of protected status will be asserted, and the submission of ESI and other electronic productions as described in these Instructions. Pursuant to 16 C.F.R. § 2.7(k), you must make available personnel with the knowledge necessary for resolution of the issues relevant to compliance with this CID, including but not limited to personnel with knowledge about your information or records management systems, relevant materials such as organizational charts, and samples of material required to be

produced. If any issues relate to ESI, you must make available a person familiar with your ESI systems and methods of retrieval.

D. **Applicable time period:** Unless otherwise directed in the CID, the applicable time period for the request shall be from **July 1, 2014**, until the date of full and complete compliance with this CID.

E. **Claims of Privilege:** If any material called for by this CID is withheld based on a claim of privilege, work product protection, or statutory exemption, or any similar claim (*see* 16 C.F.R. § 2.7(a)(4)), the claim must be asserted no later than the return date of this CID. In addition, pursuant to 16 C.F.R. § 2.11(a)(1), submit, together with the claim, a detailed log of the items withheld. The information in the log shall be of sufficient detail to enable the Commission staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. Submit the log in a searchable electronic format, and, for each document, including attachments, provide:

1. Document control number(s);
2. The full title (if the withheld material is a document) and the full file name (if the withheld material is in electronic form);
3. A description of the material withheld (for example, a letter, memorandum, or email), including any attachments;
4. The date the material was created;
5. The date the material was sent to each recipient (if different from the date the material was created);
6. The email addresses, if any, or other electronic contact information to the extent used in the document, from which and to which each document was sent;
7. The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all authors;
8. The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all recipients of the material;
9. The names, titles, business addresses, email addresses or other electronic contact information, and relevant affiliations of all persons copied on the material;
10. The factual basis supporting the claim that the material is protected; and
11. Any other pertinent information necessary to support the assertion of protected status by operation of law.

16 C.F.R. § 2.11(a)(1)(i)-(xi).

In the log, identify by an asterisk each attorney who is an author, recipient, or person copied on the material. The titles, business addresses, email addresses, and relevant affiliations of all authors, recipients, and persons copied on the material may be provided in a legend appended to the log. However, provide in the log the information required by Instruction E.6. 16 C.F.R. § 2.11(a)(2). The lead attorney or attorney responsible for supervising the review of the material and who made the determination to assert the claim of protected status must attest to the log. 16 C.F.R. § 2.11(a)(1).

If only some portion of any responsive material is privileged, all non-privileged portions of the material must be submitted. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

F. **Document Retention:** You shall retain all documentary materials used in the preparation of responses to the specifications of this CID. The Commission may require the submission of additional documents at a later time during this investigation. **Accordingly, you should suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation during its pendency, irrespective of whether you believe such documents are protected from discovery by privilege or otherwise. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

G. **Petitions to Limit or Quash:** Any petition to limit or quash this CID must be filed with the Secretary of the Commission no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition shall set forth all assertions of protected status or other factual and legal objections to the CID, including all appropriate arguments, affidavits, and other supporting documentation. 16 C.F.R. § 2.10(a)(1). Such petition shall not exceed 5,000 words as set forth in 16 C.F.R. § 2.10(a)(1) and must include the signed separate statement of counsel required by 16 C.F.R. § 2.10(a)(2). **The Commission will not consider petitions to quash or limit absent a pre-filing meet and confer session with Commission staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b).

H. **Modification of Specifications:** If you believe that the scope of the required search or response for any specification can be narrowed consistent with the Commission's need for documents or information, you are encouraged to discuss such possible modifications, including any modifications of definitions and instructions, with **Michael Tankersley** at (202) 326-2991. All such modifications must be agreed to in writing by the Bureau Director, or a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director. 16 C.F.R. § 2.7(l).

I. **Certification:** A responsible corporate officer or a duly authorized manager of the Company shall certify that the response to this CID is complete. This certification shall be made in the form set out on the back of the CID form, or by a declaration under penalty of perjury as provided by 28 U.S.C. § 1746.

J. **Scope of Search:** This CID covers documents and information in your possession or under your actual or constructive custody or control including, but not limited to, documents and information in the possession, custody, or control of your attorneys, accountants, directors, officers, employees, and other agents and consultants, whether or not such documents and information were received from or disseminated to any person or entity.

K. **Document Production:** You shall produce the documentary material by making all responsive documents available for inspection and copying at your principal place of business. Alternatively, you may elect to send all responsive documents to **Michael Tankersley**, Federal Trade Commission, 600 Pennsylvania Avenue, NW CC-10232, Washington, DC 20580. Because postal delivery to the Commission is subject to delay due to heightened security precautions, please use a courier service such as Federal Express or UPS. Notice of your intended method of production shall be given by email or telephone to **Michael Tankersley**, (202) 326-2991, mtankersley@ftc.gov at least five days prior to the return date.

L. **Document Identification:** Documents that may be responsive to more than one specification of this CID need not be submitted more than once; however, your response should indicate, for each document submitted, each specification to which the document is responsive. If any documents responsive to this CID have been previously supplied to the Commission, you may comply with this CID by identifying the document(s) previously provided and the date of submission. Documents should be produced in the order in which they appear in your files or as electronically stored and without being manipulated or otherwise rearranged; if documents are removed from their original folders, binders, covers, containers, or electronic source in order to be produced, then the documents shall be identified in a manner so as to clearly specify the folder, binder, cover, container, or electronic media or file paths from which such documents came. In addition, number all documents in your submission with a unique Bates identifier, and indicate the total number of documents in your submission.

M. **Production of Copies:** Unless otherwise stated, legible photocopies (or electronically rendered images or digital copies of native electronic files) may be submitted in lieu of original documents, provided that the originals are retained in their state at the time of receipt of this CID. Further, copies of originals may be submitted in lieu of originals only if they are true, correct, and complete copies of the original documents; provided, however, that submission of a copy shall constitute a waiver of any claim as to the authenticity of the copy should it be necessary to introduce such copy into evidence in any Commission proceeding or court of law; and provided further that you shall retain the original documents and produce them to Commission staff upon request. Copies of marketing materials and advertisements shall be produced in color, and copies of other materials shall be produced in color if necessary to interpret them or render them intelligible.

N. **Electronic Submission of Documents:** See the attached "Federal Trade Commission, Bureau of Consumer Protection Production Requirements," which details all requirements for submission of information, generally requiring that files be produced in native form and specifying the metadata to be produced. As noted in the attachment, some items require discussion with the FTC counsel **prior to** production, which can be part of the general "Meet and Confer" described above. If you would like to arrange a separate discussion involving persons

specifically familiar with your electronically stored information (ESI) systems and methods of retrieval, make those arrangements with FTC counsel when scheduling the general meet and confer discussion.

O. **Information Identification:** Each specification and subspecification of this CID shall be answered separately and fully in writing under oath. All information submitted shall be clearly and precisely identified as to the specification(s) or subspecification(s) to which it is responsive.

P. **Sensitive Personally Identifiable Information:** If any material called for by these requests contains sensitive personally identifiable information or sensitive health information of any individual, please contact us before sending those materials to discuss ways to protect such information during production. If that information will not be redacted, contact us to discuss encrypting any electronic copies of such material with encryption software such as SecureZip and provide the encryption key in a separate communication.

For purposes of these requests, sensitive personally identifiable information includes: an individual's Social Security number alone; or an individual's name or address or phone number in combination with one or more of the following: date of birth; Social Security number; driver's license number or other state identification number or a foreign country equivalent; passport number; financial account number; credit card number; or debit card number. Sensitive health information includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

Q. **Certification of Records of Regularly Conducted Activity:** Attached is a Certification of Records of Regularly Conducted Activity, which may reduce the need to subpoena the Company to testify at future proceedings in order to establish the admissibility of documents produced in response to this CID. You are asked to execute this Certification and provide it with your response.

### III. REQUESTS FOR PRODUCTION OF DOCUMENTS

Produce the following:

1. All documents referring to “**Fast Cash Debt**,” which is defined to mean debt portfolios, debt or loans:
  - i. marketed under the names 500 Fast Cash, US Fast Cash, 500 FC, OneClickCash, Advantage Cash Services, Ameriloan, Star Cash Processing, United Cash Loans, 500fastcash.com, ameriloan.com, unitedcashloans.com, usfastcash.com, or onclickcash.com;
  - ii. issued by Red Cedar Services, Inc., Red Cedar Services, LLC, MNE Services, Inc., SFS, Inc., or Capital Receivables Group, LLC; or
  - iii. serviced by AMG Services, Inc.

This request includes, but is not limited to:

- A. All documents concerning any proposed or consummated purchase of Fast Cash Debt, including electronic mail, text messages, audio messages, and data compilations;
  - B. Banking and wire records regarding purchase of Fast Cash Debt, refunds or return of payments for Fast Cash Debt;
  - C. All documents concerning the ownership, title, validity and source of Fast Cash Debt;
  - D. All documents concerning authority to collect, sell, distribute or transfer Fast Cash Debt, or to act as agent for anyone in connection with Fast Cash Debt;
  - E. All documents containing instructions to cease collection of Fast Cash Debt;
  - F. All documents concerning payments collected for Fast Cash Debt obligations, including calculations of gross or net revenue associated with Fast Cash Debt collection;
  - G. All documents concerning complaints about demands for repayment of Fast Cash Debt; and
  - H. All spreadsheets or portfolios listing Fast Cash Debt.
2. Your articles of organization, by-laws, organizational charts, and any other organizational documents for the Company.
  3. Documents sufficient to determine the Company’s (i) gross revenue; (ii) gross revenue from third-party debt collection; and (iii) revenue from debt collection net of amounts, if any, paid to creditors that provided debts for collection; and (iv) revenue from debt collection net of compensation paid to collection agents during 2015 and 2016.



4. All documents in use during any part of the applicable period that describe the Company's:
  - A. policies, procedures or practices that apply if a consumer indicates, orally or in writing, that he or she disputes a debt or any portion of the debt, disputes the accuracy or completeness of any information provided in validation of the debt, or otherwise questions the validity of a debt for which the Company has requested payment; and
  - B. policies, procedures and practices for investigating questions regarding debts or verifying the validity of purchased debt acquired from others.

#### **IV. WRITTEN INTERROGATORIES**

Provide answers to each specification and sub-specification below, separately and fully in writing and under oath.

1. Identify the owners and officers of the Company.
2. Describe the size, general organization and business operations of the Company.
3. Identify any affiliated business organizations involved in the Company's debt collection, debt buying or debt selling activities, and describe the role of these business organizations.
4. For each fiscal quarter of the applicable time period during which the Company operated, state the number of individuals employed by the Company: (a) full-time in any position; (b) full-time as collection agents; (c) part-time in any position; and (d) part-time as collection agents.
5. Identify any Person to which the Company sold or transmitted information concerning Fast Cash Debt.
6. Identify each Person that communicated with the Company concerning the proposed or consummated purchase of Fast Cash Debt.
7. Describe the Company's business relationship with any Person that provided or proposed to provide Fast Cash Debt to the Company for any purpose.
8. Describe any information that was given to or acquired by the Company about the source and chain of title of Fast Cash Debt, and identify the source of the information.
9. State the amount that the Company collected to repay Fast Cash Debt.
10. State the date that the Company began efforts to collect on Fast Cash Debt.
11. State the date that the Company ceased efforts to collect on Fast Cash Debt.
12. For calendar year 2015, state the Company's revenue in the following categories: (i) gross revenue; (ii) gross revenue from third-party debt collection; and (iii) revenue from

debt collection net of amounts, if any, paid to creditors that provided debts for collection; and (iv) revenue from debt collection net of compensation paid to collection agents.

13. Describe any unwritten policies, procedures or practices that the Company used during any part of the applicable period for:
  - (a) responding when a consumer indicates, orally or in writing, that he or she disputes a debt or any portion of the debt, disputes the accuracy or completeness of any information provided in validation of the debt, or otherwise questions the validity of a debt for which the Company has requested payment; and
  - (b) investigating questions regarding debts or verifying the validity of purchased debt acquired from others.
14. For each document responsive to Request for Production 4 and each policy, procedure or practice responsive to Interrogatory 13, state the period during which the Company used the document or policy, procedure or practice.

---

**Federal Trade Commission, Bureau of Consumer Protection Production Requirements**

---

Submit all documents according to the instructions, below. Some instructions require **discussion with FTC counsel prior to production**, which can be part of a general “Meet and Confer” between the parties or a separate discussion involving persons specifically familiar with your electronically stored information (ESI) systems and methods of retrieval.

**Types of Files**

1. Native or Near-Native Files
  - a. Whenever possible, produce responsive ESI in its native form; that is, in the form in which the information was customarily created, used and stored by the native application employed by the producing party in the ordinary course of business (i.e., .doc, .xls, .ppt, .pdf).
  - b. If production of an ESI item in its native form is infeasible, it may be produced in a near-native form (i.e., there is not a material loss of content, structure or functionality as compared to the native form) that the FTC agrees to prior to production.
  - c. Native files containing embedded files must have those files extracted, produced in their native form in accordance with #1.a., and have the parent/child relationship identified in the accompanying production metadata.
2. Databases
  - a. Microsoft Access databases may be produced in either .mdb or .accdb format.
  - b. Discuss all other database formats with the FTC prior to production.
3. Multimedia
  - a. Multimedia files (i.e., audio, video) may be produced in .mp3 or .mp4 formats.
  - b. Discuss production of multimedia (i.e., audio, video) in other file formats with the FTC prior to production.
4. Discuss production of instant messages, CRM, proprietary applications, and any other type of ESI not specifically referenced in #1, 2, or 3 with the FTC prior to production.
5. Hard Copy Documents
  - a. Scan in an electronic format documents stored in hard copy in the ordinary course of business.
  - b. Produce scanned documents as 300 DPI individual multi-page PDFs per document. For marketing materials and where necessary to interpret documents or render them intelligible, submit documents in color.
  - c. Produce scanned documents with embedded searchable text.
  - d. Produce hard copy documents in the order in which they appear in your files and without being manipulated or otherwise rearranged.
  - e. Treat documents kept in folders or binders as family members. Scan the cover of a binder or folder separately and have it serve as the parent document. Scan each document within a folder or binder as an individual document and have it serve as a child to the parent folder or binder.

6. Redacted Documents
  - a. Produce ESI requiring redaction in a near native searchable PDF format.
  - b. Produce redacted documents as individual multi-page PDFs per document.
  - c. Produce redacted documents with embedded searchable text.
  - d. If hard copy documents require redaction, follow all requirements laid out in #5.

**De-duplication, Email Threading, and Passwords**

7. De-duplication
  - a. De-duplication based on MD5 or SHA-1 hash value may be conducted within a custodian's set of files without FTC approval so long as the FTC is notified of the intent to de-duplicate prior to production.
  - b. Discuss de-duplication of any other scope or means with the FTC prior to production.
8. Use of email threading software must be discussed with the FTC prior to production.
9. For password protected files, remove their passwords prior to production. If password removal is not possible, provide a cross reference file including original filename, production filename, and the respective password.

**Production Metadata**

10. Family Relationships: Regardless of form of production, preserve the parent/child relationship in all files as follows:
  - a. Produce attachments as separate documents and number them consecutively to the parent file.
  - b. Complete the ParentID metadata field for each attachment.
11. Document Numbering and File Naming
  - a. Each document must have a unique document identifier ("DOCID") consisting of a prefix and 7-digit number (e.g., ABC0000001) as follows:
    - i. The prefix of the filename must reflect a unique alphanumeric designation, not to exceed seven (7) characters identifying the producing party. This prefix must remain consistent across all productions.
    - ii. The next seven (7) digits must be a unique, consecutive numeric value assigned to the item by the producing party. Pad this value with leading zeroes as needed to preserve its 7-digit length.
    - iii. Do not use a space to separate the prefix from numbers.
  - b. Name each native or near native file with its corresponding DOCID number and appropriate file extension (e.g., ABC0000001.doc).
12. Load File Format
  - a. Produce metadata in a delimited text file (.DAT) for each item included in the production. The first line of the delimited text file must contain the field names. Each subsequent line must contain the metadata for each produced document.
  - b. Use these delimiters in the delimited data load file:

Description	Symbol	ASCII Code
Field Separator	¶	020
Quote Character	”	254
New Line	®	174
Multiple Field Entries	;	059

13. The following chart describes the required metadata for native, scanned, and redacted documents. If you want to submit additional metadata, discuss with the FTC prior to production.

<b>Production Metadata</b>				
<b>Field Name</b>	<b>Native</b>	<b>Scanned</b>	<b>Redacted</b>	<b>Format</b>
DOCID	Y	Y	Y	Alphanumeric ( <i>see #11 above</i> )
PARENTID	Y	Y	Y	Alphanumeric
NATIVELINK	Y	Y	Y	Alphanumeric
CUSTODIAN	Y	Y	Y	Alphanumeric
RESPSPEC	Y	Y	Y	Alphanumeric (question # record responds to)
ORIGFILENAME	Y	Y	Y	Alphanumeric
SOURCE	Y	Y	Y	Alphanumeric
SOURCEFILEPATH	Y	Y	Y	Alphanumeric
ORIGPATH	Y	Y	Y	Alphanumeric
CONFIDENTIAL	Y	Y	Y	Boolean - Y/N
HASH	Y	Y	Y	Alphanumeric
From	Y	Y	Y	Alphanumeric
To	Y	Y	Y	Alphanumeric
CC	Y	Y	Y	Alphanumeric
BCC	Y	Y	Y	Alphanumeric
EmailSubject	Y	Y	Y	Alphanumeric
DateSent	Y	Y	Y	MM/DD/YYYY HH:MM:SS AM/PM
DateRcvd	Y	Y	Y	MM/DD/YYYY HH:MM:SS AM/PM
Author	Y	Y	Y	Alphanumeric
Subject	Y	Y	Y	Alphanumeric
DateCreated	Y	Y	Y	MM/DD/YYYY HH:MM:SS AM/PM
DateLastMod	Y	Y	Y	MM/DD/YYYY HH:MM:SS AM/PM

### **Production Media**

14. Prior to production, scan all media and data contained therein for viruses and confirm the media and data is virus free.

15. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol. Contact the FTC to request this option. The FTC cannot accept files via Dropbox, Google Drive, or other third-party file transfer sites.
16. Use the least amount of media necessary for productions. Acceptable media formats are optical discs (CD, DVD), flash drives, and hard drives. Format all media for use with Windows 7.
17. Data encryption tools may be employed to protect privileged or other personal or private information. Discuss encryption formats with the FTC prior to production. Provide encryption passwords in advance of delivery, under separate cover.
18. Mark the exterior of all packages containing electronic media sent through the U.S. Postal Service or other delivery services as follows:

**MAGNETIC MEDIA – DO NOT X-RAY  
MAY BE OPENED FOR POSTAL INSPECTION.**

19. Provide a production transmittal letter with all productions which includes:
  - a. A unique production number (e.g., Volume I).
  - b. Date of production.
  - c. The numeric range of documents included in the production.
  - d. The number of documents included in the production.

# **PETITION EXHIBIT 6**

FTC Resolution No.  
992-3140 (Apr. 15, 1999)

UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Robert Pitofsky, Chairman  
Sheila F. Anthony  
Mozelle W. Thompson  
Orson Swindle

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN NONPUBLIC  
INVESTIGATION INTO THE ACTS AND PRACTICES OF UNNAMED PERSONS,  
PARTNERSHIPS AND CORPORATIONS ENGAGED IN ACTS OR PRACTICES IN  
VIOLATION OF 15 U.S.C. § 1692 ET SEQ. AND/OR 15 U.S.C. § 45

File No. 992-3140

Nature and Scope of Investigation:

An investigation to determine whether, in the process of collecting debts, unnamed persons, partnerships or corporations may be engaging in, or may have engaged in, acts or practices in violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq., and/or Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, as amended. Such investigation shall, in addition, determine whether Commission action to obtain redress of injury to consumers or others would be in the public interest.

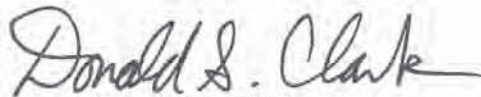
The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50 and 57b-1, as amended; FTC Procedures and Rules of Practice, 16 C.F.R. 1.1 et seq. and supplements thereto.

Title VIII of the Consumer Credit Protection Act, Section 814, 15 U.S.C. § 1692i.

By direction of the Commission.



Donald S. Clark  
Secretary

Dated: April 15, 1999



## **PETITION EXHIBIT 7**

Letter from Donald E. Pinaud, Jr.,  
Kattman & Pinaud, P.A., to  
FTC attorney Michael Tankersley  
(Apr. 5, 2016)

**KATTMAN & PINAUD**

PROFESSIONAL ASSOCIATION  
ATTORNEYS AT LAW

4069 Atlantic Boulevard Jacksonville, Florida 32207

Telephone (904) 398-1229

Fax (904) 398-1568

John F. Kattman  
Donald E. Pinaud, Jr.



Beatrix B. Trado  
Certified Legal Assistant

April 5, 2016

Michael Tankersley  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Mail Stop: CC-10232  
Washington, DC 20580

**Re: Our Clients: AFR Financial, LLC., and Kimona Fuartado**

Dear Mr. Tankersley:

I have been retained by AFR Financial, LLC., and Kimona Fuartado, to assist them in responding to your Civil Investigative Demand you have served upon them. Please direct all communications in this matter to my attention, and do not contact my clients directly in the future.

We wish to be as helpful and forthcoming as possible, but obviously, I need to understand exactly what you are trying to discover and what is being investigated, before I can properly advise my clients as to what they need to do. Will you please contact me, in writing, and explain to me exactly what or who you are investigating, and why exactly you want information from my clients? Again, as an attorney, I am obligated to advise them regarding their cooperation with you. Please provide me this information so we can best be able to be of the most assistance.

Obviously, we cannot comply with your requested date of a response by April 8, 2016. I will await the information from you I have requested, then we will co-operate fully as is appropriate without any delay. You can contact me in writing at the address above, or email me at [dp@jaxjustice.com](mailto:dp@jaxjustice.com).

With warmest regards, I remain

Very truly yours,

Donald E. Pinaud, Jr.

DEP/adl  
cc: clients

## **PETITION EXHIBIT 8**

Letter from FTC attorney Michael  
Tankersley to Donald E. Pinaud, Jr.,  
Kattman & Pinaud, P.A.

(Apr. 12, 2016)

**Tankersley, Michael**

---

**From:** Tankersley, Michael  
**Sent:** Tuesday, April 12, 2016 5:54 PM  
**To:** 'dp@jaxjustice.com'  
**Subject:** AFR Financial, FTC Civil Investigative Demand  
**Attachments:** SKMBT\_42316041217530.pdf

Please see the attached response to your letter.

Michael Tankersley  
Federal Trade Commission  
Bureau of Consumer Protection  
600 Pennsylvania Ave., NW  
CC-10232  
Washington, DC 20580  
(202) 326-2991

Washington, DC 20580  
(202) 326-2991

<SKMBT\_42316041217530.pdf>



Michael E. Tankersley  
Bureau of Consumer Protection  
Phone: (202) 326-2991  
Email: mtankersley@ftc.gov

UNITED STATES OF AMERICA  
Federal Trade Commission  
WASHINGTON, D.C. 20580

April 12, 2016

**By Telecopier: (904) 398-1568**

Donald E. Pinaud, Jr.  
Kattman & Pinaud  
4069 Atlantic Boulevard  
Jacksonville, FL 32207

**Re: Civil Investigative Demand to AFR Financial, LLC**

Dear Mr. Pinaud:

I am writing to respond to your April 5 letter concerning the Civil Investigative Demand addressed to AFR Financial, LLC, dated March 23, 2016.

The Federal Trade Commission is conducting a confidential law enforcement investigation into practices that may violate the Fair Debt Collection Practices Act and Federal Trade Commission Act. The Demand to AFR Financial, LLC specifically seeks information concerning the collection of Fast Case Debt. Information concerning the details of this investigation is confidential. The Commission has separately brought a civil action to stop collection of debt circulated under the name 500 Fast Cash. *See FTC and the People of New York v. Brace*, Case No. 1:15-cv-00875-RJA (W.D.N.Y., filed Oct. 5, 2015).

I have spoken with Kimona Fuartado and understand that AFT Financial, LLC, collected on debt portfolios covered by the Civil Investigative Demand and has some responsive documentation. As you acknowledge, the date for responding to the Civil Investigative Demand has already passed. Please have AFR Financial, LLC, provide responses to the interrogatories and produce the records in its possession, custody or control that are responsive to the Civil Investigative Demand as soon as possible.

Sincerely,

A handwritten signature in black ink that reads "Michael Tankersley". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael E. Tankersley  
Staff Attorney  
Bureau of Consumer Protection

## **PETITION EXHIBIT 9**

Email exchange between FTC attorney  
Michael Tankersley and Donald E.  
Pinaud, Jr., Kattman & Pinaud, P.A.

(Apr. 13, 2016)

**Tankersley, Michael**

---

**From:** Tankersley, Michael  
**Sent:** Wednesday, April 13, 2016 11:36 AM  
**To:** 'Don Pinaud'  
**Subject:** RE: AFR Financial, FTC Civil Investigative Demand

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Mr. Pinaud:

The Civil Investigative Demand does not accuse, suggest or presume any wrongdoing by AFR Financial. We are gathering the information covered by the Demand to evaluate whether any wrongdoing has occurred and, if so, who may be responsible.

Michael Tankersley  
Federal Trade Commission  
(202) 326-2991

---

**From:** Don Pinaud [<mailto:dp@jaxjustice.com>]  
**Sent:** Wednesday, April 13, 2016 9:43 AM  
**To:** Tankersley, Michael  
**Subject:** Re: AFR Financial, FTC Civil Investigative Demand

Mr. Tankersley,

Confidential or not, I need to know if you are looking at suggesting or investigating any wrongdoing by my clients. That's my job. I have to know that before we cooperate for obvious reasons. So are you just looking for info in support of a case against others, or are my clients potentially in jeopardy.

Thank you.

Don Pinaud  
Kattman & Pinaud, P.A.  
4069 Atlantic Blvd.  
Jacksonville, Florida 32207  
(904)398-1229  
[JaxJustice.com](http://JaxJustice.com)

On Apr 12, 2016, at 5:53 PM, Tankersley, Michael <[MTANKERSLEY@ftc.gov](mailto:MTANKERSLEY@ftc.gov)> wrote:

Please see the attached response to your letter.

Michael Tankersley  
Federal Trade Commission  
Bureau of Consumer Protection  
600 Pennsylvania Ave., NW  
CC-10232



**PETITION EXHIBIT 10**

Email from FTC attorney Michael  
Tankersley to Donald E. Pinaud, Jr.,  
Kattman & Pinaud, P.A.

(May 27, 2016)

**Tankersley, Michael**

---

**From:** Tankersley, Michael  
**Sent:** Friday, May 27, 2016 10:26 AM  
**To:** 'Don Pinaud'  
**Subject:** RE: AFR Financial, FTC Civil Investigative Demand

Dear Mr. Pinaud:

Please give me a call about the long overdue response to this Civil Investigative Demand.

Even if AFR Financial is still locating materials, we need an interim response to show progress on complying with the Civil Investigative Demand.

Michael Tankersley  
Federal Trade Commission  
Bureau of Consumer Protection  
600 Pennsylvania Ave., NW  
CC-10232  
Washington, DC 20580  
(202) 326-2991

**PETITION EXHIBIT 11**

Email from FTC attorney Michael Tankersley to Donald E. Pinaud, Jr.,  
Kattman & Pinaud, P.A.

(June 7, 2016)

**Tankersley, Michael**

---

**From:** Tankersley, Michael  
**Sent:** Tuesday, June 07, 2016 10:44 AM  
**To:** 'Don Pinaud'  
**Subject:** AFR Financial, FTC Civil Investigative Demand

Dear Mr. Pinaud:

We still have received no response to this long overdue response to this Civil Investigative Demand. Please give me a call immediately if your client still intends to respond.

Our next step when the recipient of a CID has not responded is to bring an enforcement action in federal district court. A proper response from the company could avoid such a proceeding.

Michael Tankersley  
Federal Trade Commission  
Bureau of Consumer Protection  
600 Pennsylvania Ave., NW  
CC-10232  
Washington, DC 20580  
(202) 326-2991

## **PETITION EXHIBIT 12**

Email exchange between FTC attorney  
Michael Tankersley and Donald E.  
Pinaud, Jr., Kattman & Pinaud, P.A.

(July 15, 2016)

From: [dp](#)  
To: [Tankersley, Michael](#)  
Subject: RE: AFR Financial, FTC Civil Investigative Demand  
Date: Friday, July 15, 2016 10:37:50 AM

---

I have an appointment with her the week of August 1. That was the earliest our calendars could accomodate. I apologize for the delay.

Best

Don

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: "Tankersley, Michael" <MTANKERSLEY@ftc.gov>  
Date: 7/15/16 10:30 AM (GMT-05:00)  
To: 'Don Pinaud' <dp@jaxjustice.com>  
Subject: RE: AFR Financial, FTC Civil Investigative Demand

Dear Mr. Pinaud:

We still have received no response to this long overdue response to this Civil Investigative Demand. This matter has now been referred to the FTC's Office of General Counsel to initiate an enforcement action in federal district court.

A copy of a recent ruling from the Middle District of Florida regarding an FTC petition for enforcement is attached.

Michael Tankersley

Federal Trade Commission

Bureau of Consumer Protection

600 Pennsylvania Ave., NW

CC-10232

Washington, DC 20580

(202) 326-2991

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
JACKSONVILLE DIVISION**

	)	
<b>FEDERAL TRADE COMMISSION,</b>	)	
	)	
<b>Petitioner,</b>	)	
	)	<b>Misc. No.</b> _____
<b>v.</b>	)	
	)	
<b>AFR FINANCIAL LLC,</b>	)	
	)	
<b>Respondent.</b>	)	
	)	
	)	

**(PROPOSED) ORDER TO SHOW CAUSE WHY  
RESPONDENT AFR FINANCIAL LLC  
SHOULD NOT COMPLY WITH FEDERAL TRADE COMMISSION  
ADMINISTRATIVE INVESTIGATIVE PROCESS**

Pursuant to the authority conferred by Sections 16 and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 56 and 57b-1, Petitioner, the Federal Trade Commission (FTC), has invoked the aid of this Court for an order requiring Respondent, AFR Financial LLC, to comply in full with the March 23, 2016 civil investigative demand (CID) issued in aid of an FTC investigation (FTC File No. 1523038).

The Court has considered the Commission’s Petition for an Order to Enforce Administrative Investigative Process and the papers filed in support thereof; and it appears to the Court that Petitioner has shown good cause for the entry of this Order. It is by this Court hereby

ORDERED that Respondent AFR Financial LLC appear at \_\_\_\_\_ a.m./p.m. on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, in Courtroom No. \_\_\_\_\_ of the Bryan Simpson United States Courthouse for the Middle District of Florida, 300 North Hogan Street, in Jacksonville, Florida, and show cause, if any there be, why this Court should not grant said Petition and enter an Order enforcing the CID and directing it to produce the documents and information requested by the CID within ten (10) days of the receipt of the Court's enforcement order, or at such later time as may be directed by the FTC. Unless the Court determines otherwise, notwithstanding the filing or pendency of any procedural or other motions, all issues raised by the Petition and supporting papers, and any opposition to the Petition, will be considered at the hearing on the Petition, and the allegations of said Petition shall be deemed admitted unless controverted by a specific factual showing.

IT IS FURTHER ORDERED that, if Respondent believes it necessary for the Court to hear live testimony, it must file an affidavit reflecting such testimony (or if a proposed witness is not available to provide such an affidavit, a specific description of the witness's proposed testimony) and explain why Respondent believes live testimony is required.

IT IS FURTHER ORDERED that, if Respondent intends to file pleadings, affidavits, exhibits, motions or other papers in opposition to said Petition or to the entry of the Order requested therein, such papers must be filed with the Court and received by Petitioner's counsel by \_\_\_\_\_ a.m./p.m. on \_\_\_\_\_, 2016. Such submission shall include, in the case of any affidavits or exhibits not previously



submitted, or objections not previously made to the Federal Trade Commission, an explanation as to why such objections were not made or such papers or information not submitted to the Commission. Any reply by Petitioner shall be filed with the Court and received by Respondents by \_\_\_\_\_ a.m./p.m. on \_\_\_\_\_, 2016.

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 26(a)(1)(B)(v) and 81(a)(5), that this is a summary proceeding and that no party shall be entitled to discovery without further order of the Court upon a specific showing of need; and that the dates for a hearing and the filing of papers established by this Order shall not be altered without prior order of the Court upon good cause shown; and

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 81(a)(5), that a copy of this Order and copies of said Petition and Memorandum in support thereof filed herein, be served forthwith by Petitioner upon Respondent or its counsel by personal service, or by certified or registered mail with return receipt requested, or by overnight express delivery service.

SO ORDERED:

\_\_\_\_\_  
United States Magistrate Judge

Dated: \_\_\_\_\_, Jacksonville, Florida

PRESENTED BY:

DAVID C. SHONKA  
Acting General Counsel

LESLIE RICE MELMAN  
Assistant General Counsel for Litigation

Of Counsel:

MICHAEL TANKERSLEY  
Division of Financial Practices

BRADLEY GROSSMAN, Litigation Counsel  
Office of the General Counsel  
Federal Trade Commission  
600 Pennsylvania Ave., N.W.  
Washington, D.C. 20580  
(202) 326-2994  
(202) 326-2477 (fax)  
bgrossman@ftc.gov

Dated: July 29, 2016

JS 44 (Rev. 12/12)

**CIVIL COVER SHEET** 3:16-mc-45-J-34JRK

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

<p><b>I. (a) PLAINTIFFS</b> Federal Trade Commission</p> <p>(b) County of Residence of First Listed Plaintiff _____ <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i></p> <p>(c) Attorneys (Firm Name, Address, and Telephone Number) Bradley D. Grossman, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580; 202-326-2994</p>	<p><b>DEFENDANTS</b> AFR Financial LLC</p> <p>County of Residence of First Listed Defendant <u>Duval</u> <i>(IN U.S. PLAINTIFF CASES ONLY)</i></p> <p>NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.</p> <p>Attorneys (If Known) Donald E. Pinaud, Jr., Kattman &amp; Pinaud, 4069 Atlantic Blvd., Jacksonville, FL 32207; 904-398-1229</p>
--	--

<p><b>II. BASIS OF JURISDICTION</b> (Place an "X" in One Box Only)</p> <p><input checked="" type="checkbox"/> 1 U.S. Government Plaintiff</p> <p><input type="checkbox"/> 2 U.S. Government Defendant</p> <p><input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)</p> <p><input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)</p>	<p><b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> (Place an "X" in One Box for Plaintiff and One Box for Defendant)</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> <td style="width:40%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business In This State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business In Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
	PTF	DEF		PTF	DEF																				
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4																				
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5																				
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

**IV. NATURE OF SUIT** (Place an "X" in One Box Only)

<b>CONTRACT</b>	<b>TORTS</b>	<b>FORFEITURE/PENALTY</b>	<b>BANKRUPTCY</b>	<b>OTHER STATUTES</b>
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<p><b>PERSONAL INJURY</b></p> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<p><b>PERSONAL INJURY</b></p> <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157
<p><b>REAL PROPERTY</b></p> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<p><b>CIVIL RIGHTS</b></p> <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	<p><b>PRISONER PETITIONS</b></p> <input type="checkbox"/> Habes Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	<p><b>LABOR</b></p> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act	<p><b>PROPERTY RIGHTS</b></p> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark
			<p><b>SOCIAL SECURITY</b></p> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input checked="" type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
			<p><b>IMMIGRATION</b></p> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<p><b>FEDERAL TAX SUITS</b></p> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609

**V. ORIGIN** (Place an "X" in One Box Only)

1 Original Proceeding     2 Removed from State Court     3 Remanded from Appellate Court     4 Reinstated or Reopened     5 Transferred from Another District (specify)     6 Multidistrict Litigation

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):  
15 U.S.C. s 57b-1(e)

Brief description of cause:  
Enforcement of administrative investigative process

**VII. REQUESTED IN COMPLAINT:**     CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.    DEMAND \$ \_\_\_\_\_

CHECK YES only if demanded in complaint:  
 JURY DEMAND:     Yes     No

**VIII. RELATED CASE(S) IF ANY** (See instructions):    JUDGE \_\_\_\_\_    DOCKET NUMBER \_\_\_\_\_

DATE 7-29-16    SIGNATURE OF ATTORNEY OF RECORD [Signature]

FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE 34    MAG. JUDGE JRK