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**IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

Federal Trade Commission,
Plaintiff,
vs.
Digital Altitude, LLC, et al.,
Defendants.

No. LA CV18-00729 JAK (MRWx)

EX PARTE TEMPORARY
RESTRAINING ORDER WITH
ASSET FREEZE, APPOINTMENT
OF A TEMPORARY RECEIVER,
AND OTHER EQUITABLE RELIEF,
AND ORDER TO SHOW CAUSE
WHY A PRELIMINARY
INJUNCTION SHOULD NOT ISSUE

FILED UNDER SEAL

Plaintiff, the Federal Trade Commission, has filed its Complaint for Permanent Injunction and Other Equitable Relief pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b) (Dkt. 1), and has moved, pursuant to Fed. R. Civ. P. 65(b), for a temporary restraining order, asset freeze, other equitable relief, and an order to show cause why a preliminary injunction should not issue against Digital Altitude LLC, Digital Altitude Limited, Aspire Processing LLC, Aspire Processing Limited, Aspire Ventures Ltd, Disc Enterprises Inc., RISE Systems & Enterprise LLC (Utah), RISE Systems & Enterprise LLC (Nevada), Soar International Limited Liability Company, The

1 Upside, LLC, Thermography for Life, LLC, d/b/a Living Exceptionally, Inc.,
2 Michael Force, Mary Dee, Morgan Johnson, Alan Moore, and Sean Brown
3 (collectively, “Defendants”). (Dkt. 5).

4 **FINDINGS OF FACT**

5 The Court, having considered the Complaint, the *ex parte* Application for a
6 Temporary Restraining Order, declarations, exhibits, and the memorandum of
7 points and authorities filed in support thereof, and being otherwise advised, finds
8 that:

9 A. This Court has jurisdiction over the subject matter of this case, and
10 there is good cause to believe that it will have jurisdiction over all parties hereto
11 and that venue in this district is proper.

12 B. In numerous instances, Defendants operate an online enterprise,
13 falsely representing to consumers that they will earn large sums of money if they
14 join the Digital Altitude or “Aspire” program. Defendants tell consumers they can
15 earn “six figures online in the next 90 days or less,” and that experienced business
16 coaches will help the consumer build a successful online business.

17 C. There is good cause to believe that Defendants have engaged in and
18 are likely to engage in acts or practices that violate Section 5(a) of the FTC Act, 15
19 U.S.C. § 45(a), and that Plaintiff is therefore likely to prevail on the merits of this
20 action. As demonstrated by transcripts of Defendants’ web videos, screen captures
21 of Defendants’ websites, a declaration of the FTC’s investigator and transcripts of
22 his calls with Defendants’ representatives, consumer declarations, bank and
23 payment processor documentation, and the additional documentation filed by the
24 FTC, the FTC has established a likelihood of success in showing that Defendants
25 have made material misrepresentations in the promotion and sale of a program to
26 make money online, to numerous consumers, including that consumers are likely
27 to earn substantial income and that they will receive business coaching that will
28 provide what the consumer needed to build a successful business.

1 D. There is good cause to believe that immediate and irreparable harm
2 will result from Defendants’ ongoing violations of the FTC Act unless Defendants
3 are restrained and enjoined by order of this Court.

4 E. There is good cause to believe that immediate and irreparable damage
5 to the Court’s ability to grant effective final relief for consumers—including
6 monetary restitution, rescission, disgorgement or refunds—will occur from the
7 sale, transfer, destruction or other disposition or concealment by Defendants of
8 their assets or records, unless Defendants are immediately restrained and enjoined
9 by order of this Court; and that, in accordance with Fed. R. Civ. P. 65(b) and L.R.
10 7-19.2, the interests of justice require that this Order be granted without prior
11 notice to Defendants. Thus, there is good cause for relieving Plaintiff of the duty
12 to provide Defendants with prior notice of its Application for a Temporary
13 Restraining Order.

14 F. Good cause exists for appointing a temporary receiver over the
15 Receivership Entities, freezing Defendants’ assets, permitting the Plaintiff and the
16 Receiver immediate access to the Defendants’ business premises, and permitting
17 the Plaintiff and the Receiver to take expedited discovery.

18 G. Weighing the equities and considering Plaintiff’s likelihood of
19 ultimate success on the merits, a temporary restraining order with an asset freeze,
20 the appointment of a temporary receiver, immediate access to business premises,
21 expedited discovery, and other equitable relief is in the public interest.

22 H. This Court has authority to issue this Order pursuant to Section 13(b)
23 of the FTC Act, 15 U.S.C. § 53(b); Federal Rule of Civil Procedure 65; and the All
24 Writs Act, 28 U.S.C. § 1651.

25 I. No security is required of any agency of the United States for issuance
26 of a temporary restraining order. Fed. R. Civ. P. 65(c).

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1 J. All of the foregoing determinations may be considered de novo in
2 connection with the request for the issuance of a preliminary injunction in this
3 matter.

4 **DEFINITIONS**

5 For the purpose of this Order, the following definitions shall apply:

6 A. **“Corporate Defendants”** means Digital Altitude LLC; Digital
7 Altitude Limited; Aspire Processing LLC; Aspire Processing Limited; Aspire
8 Ventures Ltd; Disc Enterprises Inc.; RISE Systems & Enterprise LLC (Utah);
9 RISE Systems & Enterprise LLC (Nevada); Soar International Limited Liability
10 Company; The Upside, LLC; Thermography for Life, LLC, d/b/a Living
11 Exceptionally, Inc., and each of their subsidiaries, affiliates, successors, and
12 assigns.

13 B. **“Defendant(s)”** means Corporate Defendants, Michael Force, Mary
14 Dee, Morgan Johnson, Alan Moore, and Sean Brown, individually, collectively, or
15 in any combination.

16 C. **“Document”** is synonymous in meaning and equal in scope to the
17 usage of “document” and “electronically stored information” in Federal Rule of
18 Civil Procedure 34(a), Fed. R. Civ. P. 34(a), and includes writings, drawings,
19 graphs, charts, photographs, sound and video recordings, images, Internet sites,
20 web pages, websites, electronic correspondence, including e-mail, chats, and
21 instant messages, contracts, accounting data, advertisements, FTP Logs, Server
22 Access Logs, books, written or printed records, handwritten notes, telephone or
23 videoconference logs, telephone scripts, receipt books, ledgers, personal and
24 business canceled checks and check registers, bank statements, appointment books,
25 computer records, customer or sales databases and any other electronically stored
26 information, including Documents located on remote servers or cloud computing
27 systems, and other data or data compilations from which information can be
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1 obtained directly or, if necessary, after translation into a reasonably usable form. A
2 draft or non-identical copy is a separate document within the meaning of the term.

3 D. **“Electronic Data Host”** means any person or entity in the business of
4 storing, hosting, or otherwise maintaining electronically stored information. This
5 includes, but is not limited to, any entity hosting a website or server, and any entity
6 providing “cloud based” electronic storage.

7 E. **“Individual Defendant(s)”** means Michael Force, Mary Dee, Morgan
8 Johnson, Alan Moore, and Sean Brown, individually, collectively, or in any
9 combination.

10 F. **“Receiver”** means the temporary receiver appointed in Section XI of
11 this Order and any deputy receivers that shall be named by the temporary receiver.

12 G. **“Receivership Entities”** means Corporate Defendants as well as any
13 other entity that has conducted any business related to Defendants’ marketing and
14 sale of purported money-making opportunities to consumers, including receipt of
15 Assets derived from any activity that is the subject of the Complaint in this matter,
16 and that the Receiver determines is controlled or owned by any Defendant.

17 **ORDER**

18 **I. PROHIBITED BUSINESS ACTIVITIES**

19 **IT IS THEREFORE ORDERED** that Defendants, Defendants’ officers,
20 agents, employees, and attorneys, and all other persons in active concert or
21 participation with them, who receive actual notice of this Order by personal service
22 or otherwise, whether acting directly or indirectly, in connection with the
23 advertising, marketing, promoting, or offering for sale of any goods or services, are
24 temporarily restrained and enjoined from misrepresenting or assisting others in
25 misrepresenting, expressly or by implication, any material fact, including, but not
26 limited to:

27 A. Consumers who purchase Defendants’ purported money-making
28 opportunities will earn or are likely to earn substantial income;

1 B. Consumers who purchase Defendants' purported money-making
2 opportunities will receive business coaching that will provide what the consumers
3 need to build a successful online business; and

4 C. Any other fact material to consumers concerning any good or service,
5 such as: the total costs; any refund policy; any material restrictions, limitations, or
6 conditions; or any material aspect of its performance, efficacy, nature, or central
7 characteristics.

8 **II. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

9 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,
10 agents, employees, and attorneys, and all other Persons in active concert or
11 participation with any of them, who receive actual notice of this Order, whether
12 acting directly or indirectly, are hereby temporarily restrained and enjoined from:

13 A. Selling, renting, leasing, transferring, or otherwise disclosing, the
14 name, address, birth date, telephone number, email address, credit card number,
15 bank account number, Social Security number, or other financial or identifying
16 information of any person that any Defendant obtained in connection with any
17 activity that pertains to the subject matter of this Order; and

18 B. Benefitting from or using the name, address, birth date, telephone
19 number, email address, credit card number, bank account number, Social Security
20 number, or other financial or identifying information of any person that any
21 Defendant obtained in connection with any activity that pertains to the subject
22 matter of this Order.

23 Provided, however, that Defendants may disclose such identifying
24 information to a law enforcement agency, to their attorneys as required for their
25 defense, as required by any law, regulation, or court order, or in any filings,
26 pleadings or discovery in this action in the manner required by the Federal Rules of
27 Civil Procedure and by any protective order in the case.

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III. ASSET FREEZE

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from:

A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any Assets that are:

- 1) owned or controlled, directly or indirectly, by any Defendant;
- 2) held, in part or in whole, for the benefit of any Defendant;
- 3) in the actual or constructive possession of any Defendant; or
- 4) owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant.

B. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Defendant or subject to access by any Defendant, except as necessary to comply with written requests from the Receiver acting pursuant to its authority under this Order;

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

1 D. Cashing any checks or depositing any money orders or cash received
2 from consumers, clients, or customers of any Defendant.

3 The Assets affected by this Section shall include: (1) all Assets of
4 Defendants as of the time this Order is entered; and (2) Assets obtained by
5 Defendants after this Order is entered if those Assets are derived from any activity
6 that is the subject of the Complaint in this matter or that is prohibited by this Order.
7 This Section does not prohibit any transfers to the Receiver or repatriation of
8 foreign Assets specifically required by this order, or the unfreezing of limited funds
9 pursuant to Section XIX of this Order.

10 **IV. DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES**

11 **IT IS FURTHER ORDERED** that any financial or brokerage institution,
12 Electronic Data Host, credit card processor, payment processor, merchant bank,
13 acquiring bank, independent sales organization, third party processor, payment
14 gateway, insurance company, business entity, or person who receives actual notice
15 of this Order (by service or otherwise) and that has held, controlled, or maintained
16 custody, through an account or otherwise, of (a) any Document on behalf of any
17 Defendant or any Asset that has been owned or controlled, directly or indirectly, by
18 any Defendant; held, in part or in whole, for the benefit of any Defendant; in the
19 actual or constructive possession of any Defendant; or owned or controlled by, in
20 the actual or constructive possession of, or otherwise held for the benefit of, any
21 corporation, partnership, asset protection trust, or other entity that is directly or
22 indirectly owned, managed or controlled by any Defendant; or (b) any Document
23 or Asset associated with credits, debits or charges made on behalf of any
24 Defendant, including reserve funds held by payment processors, credit card
25 processors, merchant banks, acquiring banks, independent sales organizations,
26 third party processors, payment gateways, insurance companies, or other entities,
27 shall:
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1 A. Hold, preserve, and retain within its control and prohibit the
2 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,
3 disbursement, dissipation, relinquishment, conversion, sale, or other disposal of
4 any such Document or Asset, as well as all Documents or other property related to
5 such Assets, except by further order of this Court;

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

9 C. Provide Plaintiff's counsel and the Receiver, within three (3) business
10 days of receiving a copy of this Order, a sworn statement setting forth:

- 11 1) The identification number of each such account or Asset;
12 2) The balance of each such account, or a description of the nature
13 and value of each such Asset as of the close of business on the
14 day on which this Order is served, and, if the account or other
15 Asset has been closed or removed, the date closed or removed,
16 the total funds removed in order to close the account, and the
17 name of the person or entity to whom such account or other
18 Asset was remitted; and
19 3) The identification of any safe deposit box, commercial mail
20 box, or storage facility that is either titled in the name,
21 individually or jointly, of any Defendant, or is otherwise subject
22 to access by any Defendant; and

23 D. Upon the request of Plaintiff's counsel or the Receiver, promptly
24 provide Plaintiff's counsel and the Receiver with copies of all records or other
25 Documents pertaining to such account or Asset, including originals or copies of
26 account applications, account statements, signature cards, checks, drafts, deposit
27 tickets, transfers to and from the accounts, including wire transfers and wire
28 transfer instructions, all other debit and credit instruments or slips, currency

1 transaction reports, 1099 forms, and all logs and records pertaining to safe deposit
2 boxes, commercial mail boxes, and storage facilities

3 Provided, however, that this Section does not prohibit any transfers to the
4 Receiver or repatriation of foreign Assets specifically required by this order, or the
5 unfreezing of limited funds pursuant to Section XIX of this Order.

6 V. FINANCIAL DISCLOSURES

7 **IT IS FURTHER ORDERED** that each Defendant, within five (5) calendar
8 days of service of this Order upon them, shall prepare and deliver to Plaintiff's
9 counsel and the Receiver:

10 A. completed financial statements on the forms attached to this Order as
11 **Attachment A** (Financial Statement of Individual Defendant) for each Individual
12 Defendant, and **Attachment B** (Financial Statement of Corporate Defendant) for
13 each Corporate Defendant; and

14 B. completed **Attachment C** (IRS Form 4506, Request for Copy of a
15 Tax Return) for each Individual and Corporate Defendant.

16 VI. FOREIGN ASSET REPATRIATION

17 **IT IS FURTHER ORDERED** that within five (5) business days following
18 the service of this Order, each Defendant shall:

19 A. Provide Plaintiff's counsel and the Receiver with a full accounting,
20 verified under oath and accurate as of the date of this Order, of all Assets,
21 Documents, and accounts outside of the United States which are: (1) titled in the
22 name, individually or jointly, of any Defendant; (2) held by any person or entity for
23 the benefit of any Defendant or for the benefit of, any corporation, partnership,
24 asset protection trust, or other entity that is directly or indirectly owned, managed
25 or controlled by any Defendant; or (3) under the direct or indirect control, whether
26 jointly or singly, of any Defendant;

27 B. Take all steps necessary to provide Plaintiff's counsel and Receiver
28 access to all Documents and records that may be held by third parties located

1 outside of the territorial United States of America, including signing the Consent to
2 Release of Financial Records appended to this Order as **Attachment D**.

3 C. Transfer to the territory of the United States and all Documents and
4 Assets located in foreign countries which are: (1) titled in the name, individually or
5 jointly, of any Defendant; (2) held by any person or entity for the benefit of any
6 Defendant or for the benefit of, any corporation, partnership, asset protection trust,
7 or other entity that is directly or indirectly owned, managed or controlled by any
8 Defendant; or (3) under the direct or indirect control, whether jointly or singly, of
9 any Defendant; and

10 D. The same business day as any repatriation, (1) notify the Receiver and
11 counsel for Plaintiff of the name and location of the financial institution or other
12 entity that is the recipient of such Documents or Assets; and (2) serve this Order on
13 any such financial institution or other entity.

14 **VII. NON-INTERFERENCE WITH REPATRIATION**

15 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,
16 agents, employees, and attorneys, and all other Persons in active concert or
17 participation with any of them, who receive actual notice of this Order, whether
18 acting directly or indirectly, are hereby temporarily restrained and enjoined from
19 taking any action, directly or indirectly, which may result in the encumbrance or
20 dissipation of foreign Assets, or in the hindrance of the repatriation required by this
21 Order, including, but not limited to:

22 A. Sending any communication or engaging in any other act, directly or
23 indirectly, that results in a determination by a foreign trustee or other entity that a
24 "duress" event has occurred under the terms of a foreign trust agreement until such
25 time that all Defendants' Assets have been fully repatriated pursuant to this Order;
26 or

27 B. Notifying any trustee, protector or other agent of any foreign trust or
28 other related entities of either the existence of this Order, or of the fact that

1 repatriation is required pursuant to a court order, until such time that all
2 Defendants' Assets have been fully repatriated pursuant to this Order.

3 **VIII. CONSUMER CREDIT REPORTS**

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

9 **IX. PRESERVATION OF RECORDS**

10 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,
11 agents, employees, and attorneys, and all other Persons in active concert or
12 participation with any of them, who receive actual notice of this Order, whether
13 acting directly or indirectly, are hereby temporarily restrained and enjoined from:

14 A. Destroying, erasing, falsifying, writing over, mutilating, concealing,
15 altering, transferring, or otherwise disposing of, in any manner, directly or
16 indirectly, Documents that relate to: (1) the business, business practices, Assets, or
17 business or personal finances of any Defendant; (2) the business practices or
18 finances of entities directly or indirectly under the control of any Defendant; or (3)
19 the business practices or finances of entities directly or indirectly under common
20 control with any other Defendant; and

21 B. Failing to create and maintain Documents that, in reasonable detail,
22 accurately, fairly, and completely reflect Defendants' incomes, disbursements,
23 transactions, and use of Defendants' Assets.

24 **X. REPORT OF NEW BUSINESS ACTIVITY**

25 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,
26 agents, employees, and attorneys, and all other persons in active concert or
27 participation with any of them, who receive actual notice of this Order, whether
28 acting directly or indirectly, are hereby temporarily restrained and enjoined from

1 creating, operating, or exercising any control over any business entity, whether
2 newly formed or previously inactive, including any partnership, limited
3 partnership, joint venture, sole proprietorship, or corporation, without first
4 providing Plaintiff's counsel and the Receiver with a written statement disclosing:
5 (1) the name of the business entity; (2) the address and telephone number of the
6 business entity; (3) the names of the business entity's officers, directors, principals,
7 managers, and employees; and (4) a detailed description of the business entity's
8 intended activities.

9 **XI. TEMPORARY RECEIVER**

10 **IT IS FURTHER ORDERED** that Thomas Seaman is appointed as
11 temporary receiver of the Receivership Entities with full powers of an equity
12 receiver. The Receiver shall be solely the agent of this Court in acting as Receiver
13 under this Order.

14 **XII. DUTIES AND AUTHORITY OF RECEIVER**

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

17 A. Assume full control of Receivership Entities by removing, as the
18 Receiver deems necessary or advisable, any director, officer, independent
19 contractor, employee, attorney, or agent of any Receivership Entity from control of,
20 management of, or participation in, the affairs of the Receivership Entity;

21 B. Take exclusive custody, control, and possession of all Assets and
22 Documents of, or in the possession, custody, or under the control of, any
23 Receivership Entity, wherever situated;

24 C. Conserve, hold, manage, and prevent the loss of all Assets of the
25 Receivership Entities, and perform all acts necessary or advisable to preserve the
26 value of those Assets. The Receiver shall assume control over the income and
27 profits therefrom and all sums of money now or hereafter due or owing to the
28 Receivership Entities. The Receiver shall have full power to sue for, collect, and

1 receive, all Assets of the Receivership Entities and of other persons or entities
2 whose interests are now under the direction, possession, custody, or control of, the
3 Receivership Entities. Provided, however, that the Receiver shall not attempt to
4 collect any amount from a consumer if the Receiver believes the consumer's debt
5 to the Receivership Entities has resulted from the deceptive acts or practices or
6 other violations of law alleged in the Complaint in this matter, without prior Court
7 approval;

8 D. Obtain, conserve, hold, manage, and prevent the loss of all Documents
9 of the Receivership Entities, and perform all acts necessary or advisable to
10 preserve such Documents. The Receiver shall: divert mail; preserve all
11 Documents of the Receivership Entities that are accessible via electronic means
12 (such as online access to financial accounts and access to electronic documents
13 held onsite or by Electronic Data Hosts, by changing usernames, passwords or
14 other log-in credentials; take possession of all electronic Documents of the
15 Receivership Entities stored onsite or remotely; take whatever steps necessary to
16 preserve all such Documents; and obtain the assistance of the FTC's Digital
17 Forensic Unit for the purpose of obtaining electronic documents stored onsite or
18 remotely.

19 E. Choose, engage, and employ attorneys, accountants, appraisers, and
20 other independent contractors and technical specialists, as the Receiver deems
21 advisable or necessary in the performance of duties and responsibilities under the
22 authority granted by this Order;

23 F. Make payments and disbursements from the receivership estate that
24 are necessary or advisable for carrying out the directions of, or exercising the
25 authority granted by, this Order, and to incur, or authorize the making of, such
26 agreements as may be necessary and advisable in discharging his or her duties as
27 Receiver. The Receiver shall apply to the Court for prior approval of any payment
28 of any debt or obligation incurred by the Receivership Entities prior to the date of

1 entry of this Order, except payments that the Receiver deems necessary or
2 advisable to secure Assets of the Receivership Entities, such as rental payments;

3 G. Take all steps necessary to secure and take exclusive custody of each
4 location from which the Receivership Entities operate their businesses. Such steps
5 may include, but are not limited to, any of the following, as the Receiver deems
6 necessary or advisable: (1) securing the location by changing the locks and alarm
7 codes and disconnecting any internet access or other means of access to the
8 computers, servers, internal networks, or other records maintained at that location;
9 and (2) requiring any persons present at the location to leave the premises, to
10 provide the Receiver with proof of identification, and/or to demonstrate to the
11 satisfaction of the Receiver that such persons are not removing from the premises
12 Documents or Assets of the Receivership Entities. Law enforcement personnel,
13 including, but not limited to, police or sheriffs, may assist the Receiver in
14 implementing these provisions in order to keep the peace and maintain security. If
15 requested by the Receiver, the United States Marshal will provide appropriate and
16 necessary assistance to the Receiver to implement this Order and is authorized to
17 use any necessary and reasonable force to do so;

18 H. Take all steps necessary to prevent the modification, destruction, or
19 erasure of any web page or website registered to and operated, in whole or in part,
20 by any Defendants, and to provide access to all such web page or websites to
21 Plaintiff's representatives, agents, and assistants, as well as Defendants and their
22 representatives;

23 I. Enter into and cancel contracts and purchase insurance as advisable or
24 necessary;

25 J. Prevent the inequitable distribution of Assets and determine, adjust,
26 and protect the interests of consumers who have transacted business with the
27 Receivership Entities;

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1 K. Make an accounting, as soon as practicable, of the Assets and
2 financial condition of the receivership and file the accounting with the Court and
3 deliver copies thereof to all parties;

4 L. Institute, compromise, adjust, appear in, intervene in, defend, dispose
5 of, or otherwise become party to any legal action in state, federal or foreign courts
6 or arbitration proceedings as the Receiver deems necessary and advisable to
7 preserve or recover the Assets of the Receivership Entities, or to carry out the
8 Receiver's mandate under this Order, including but not limited to, actions
9 challenging fraudulent or voidable transfers;

10 M. Issue subpoenas to obtain Documents and records pertaining to the
11 Receivership, and conduct discovery in this action on behalf of the receivership
12 estate, in addition to obtaining other discovery as set forth in this Order;

13 N. Open one or more bank accounts at designated depositories for funds
14 of the Receivership Entities. The Receiver shall deposit all funds of the
15 Receivership Entities in such designated accounts and shall make all payments and
16 disbursements from the receivership estate from such accounts. The Receiver shall
17 serve copies of monthly account statements on all parties;

18 O. Maintain accurate records of all receipts and expenditures incurred as
19 Receiver;

20 P. Allow the Plaintiffs' representatives, agents, and assistants, as well as
21 Defendants' representatives and Defendants themselves, reasonable access to the
22 premises of the Receivership Entities, or any other premises where the
23 Receivership Entities conduct business. The purpose of this access shall be to
24 inspect and copy any and all books, records, Documents, accounts, and other
25 property owned by, or in the possession of, the Receivership Entities or their
26 agents. The Receiver shall have the discretion to determine the time, manner, and
27 reasonable conditions of such access;

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1 Q. Allow the Plaintiffs' representatives, agents, and assistants, as well as
2 Defendants and their representatives reasonable access to all Documents in the
3 possession, custody, or control of the Receivership Entities;

4 R. Cooperate with reasonable requests for information or assistance from
5 any state or federal civil or criminal law enforcement agency;

6 S. Suspend business operations of the Receivership Entities if in the
7 judgment of the Receiver such operations cannot be continued legally and
8 profitably;

9 T. Report to this Court on or before the date set for the hearing to Show
10 Cause regarding the Preliminary Injunction, regarding: (1) the steps taken by the
11 Receiver to implement the terms of the Order; (2) the value of all assets and sum of
12 all liabilities of the Receivership Entities; (3) the steps the Receiver intends to take
13 in the future to protect receivership assets, recover receivership assets from third
14 parties, and adjust receivership liabilities; (4) the Receiver's opinion on whether
15 any portion of the business of any of the Receivership Entities can continue to
16 operate legally and profitably; and (5) any other matters which the Receiver
17 believes should be brought to the Court's attention;

18 U. If the Receiver identifies a nonparty entity as a Receivership Entity,
19 promptly notify the entity as well as the parties, and inform the entity that it can
20 challenge the Receiver's determination by filing a motion with the Court.
21 Provided, however, that the Receiver may delay providing such notice until the
22 Receiver has established control of the nonparty entity and its assets and records, if
23 the Receiver determines that notice to the entity or the parties before the Receiver
24 establishes control over the entity may result in the destruction of records,
25 dissipation of assets, or any other obstruction of the Receiver's control of the
26 entity; and

27 V. If in the Receiver's judgment the business operations cannot be
28 continued legally and profitably, take all steps necessary to ensure that any of the

1 Receivership Entities' web pages or websites relating to the activities alleged in the
2 Complaint cannot be accessed by the public, or are modified for consumer
3 education and/or informational purposes, and take all steps necessary to ensure that
4 any telephone numbers associated with the Receivership Entities cannot be
5 accessed by the public, or are answered solely to provide consumer education or
6 information regarding the status of operations.

7 W. Consider any petitions submitted by Individual Defendants for funds
8 immediately necessary for essential living expenses and transmit appropriate
9 instructions to financial institutions pursuant to Section XIX of this Order.

10 **XIII. TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

11 **IT IS FURTHER ORDERED** that Defendants and any other person, with
12 possession, custody or control of property of, or records relating to, the
13 Receivership Entities shall, upon notice of this Order by personal service or
14 otherwise, fully cooperate with and assist the Receiver in taking and maintaining
15 possession, custody, or control of the Assets and Documents of the Receivership
16 Entities and immediately transfer or deliver to the Receiver possession, custody,
17 and control of, the following:

- 18 A. All Assets held by or for the benefit of the Receivership Entities;
19 B. All Documents of or pertaining to the Receivership Entities;
20 C. All computers, electronic devices, mobile devices and machines used
21 to conduct the business of the Receivership Entities;
22 D. All Assets and Documents belonging to other persons or entities
23 whose interests are under the direction, possession, custody, or control of the
24 Receivership Entities; and
25 E. All keys, codes, user names and passwords necessary to gain or to
26 secure access to any Assets or Documents of or pertaining to the Receivership
27 Entities, including access to their business premises, means of communication,
28

1 accounts, computer systems (onsite and remote), Electronic Data Hosts, or other
2 property.

3 F. In the event that any person or entity fails to deliver or transfer any
4 Asset or Document, or otherwise fails to comply with any provision of this
5 Section, the Receiver may file an Affidavit of Non-Compliance regarding the
6 failure and a motion seeking compliance or a contempt citation.

7 **XIV. PROVISION OF INFORMATION TO RECEIVER**

8 **IT IS FURTHER ORDERED** that Defendants shall immediately provide
9 to the Receiver:

10 A. A list of all Assets and accounts of the Receivership Entities that are
11 held in any name other than the name of a Receivership Entity, or by any person or
12 entity other than a Receivership Entity;

13 B. A list of all agents, employees, officers, attorneys, servants and those
14 persons in active concert and participation with the Receivership Entities, or who
15 have been associated or done business with the Receivership Entities; and

16 C. A description of any documents covered by attorney-client privilege
17 or attorney work product, including files where such documents are likely to be
18 located, authors or recipients of such documents, and search terms likely to
19 identify such electronic documents.

20 **XV. COOPERATION WITH THE RECEIVER**

21 **IT IS FURTHER ORDERED** that Defendants; Receivership Entities;
22 Defendants' or Receivership Entities' officers, agents, employees, and attorneys, all
23 other persons in active concert or participation with any of them, and any other
24 person with possession, custody, or control of property of or records relating to the
25 Receivership entities who receive actual notice of this Order shall fully cooperate
26 with and assist the Receiver. This cooperation and assistance shall include, but is
27 not limited to, providing information to the Receiver that the Receiver deems
28 necessary to exercise the authority and discharge the responsibilities of the

1 Receiver under this Order; providing any keys, codes, user names and passwords
2 required to access any computers, electronic devices, mobile devices, and
3 machines (onsite or remotely) and any cloud account (including specific method to
4 access account) or electronic file in any medium; advising all persons who owe
5 money to any Receivership Entity that all debts should be paid directly to the
6 Receiver; and transferring funds at the Receiver's direction and producing records
7 related to the Assets and sales of the Receivership Entities.

8 **XVI. NON-INTERFERENCE WITH THE RECEIVER**

9 **IT IS FURTHER ORDERED** that Defendants; Receivership Entities;
10 Defendants' or Receivership Entities' officers, agents, employees, attorneys, and all
11 other persons in active concert or participation with any of them, who receive
12 actual notice of this Order, and any other person served with a copy of this Order,
13 are hereby restrained and enjoined from directly or indirectly:

14 A. Interfering with the Receiver's efforts to manage, or take custody,
15 control, or possession of, the Assets or Documents subject to the receivership;

16 B. Transacting any of the business of the Receivership Entities;

17 C. Transferring, receiving, altering, selling, encumbering, pledging,
18 assigning, liquidating, or otherwise disposing of any Assets owned, controlled, or
19 in the possession or custody of, or in which an interest is held or claimed by, the
20 Receivership Entities; or

21 D. Refusing to cooperate with the Receiver or the Receiver's duly
22 authorized agents in the exercise of their duties or authority under any order of this
23 Court.

24 **XVII. STAY OF ACTIONS**

25 **IT IS FURTHER ORDERED** that, except by leave of this Court, during
26 the pendency of the receivership ordered herein, Defendants, Defendants' officers,
27 agents, employees, attorneys, and all other persons in active concert or
28 participation with any of them, who receive actual notice of this Order, and their

1 corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,
2 stockholders, lessors, customers and other persons seeking to establish or enforce
3 any claim, right, or interest against or on behalf of Defendants, and all others
4 acting for or on behalf of such persons, are hereby enjoined from taking action that
5 would interfere with the exclusive jurisdiction of this Court over the Assets or
6 Documents of the Receivership Entities, including, but not limited to:

7 A. Filing or assisting in the filing of a petition for relief under the
8 Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, or of any similar insolvency proceeding
9 on behalf of the Receivership Entities;

10 B. Commencing, prosecuting, or continuing a judicial, administrative, or
11 other action or proceeding against the Receivership Entities, including the issuance
12 or employment of process against the Receivership Entities, except that such
13 actions may be commenced if necessary to toll any applicable statute of
14 limitations;

15 C. Filing or enforcing any lien on any asset of the Receivership Entities,
16 taking or attempting to take possession, custody, or control of any Asset of the
17 Receivership Entities; or attempting to foreclose, forfeit, alter, or terminate any
18 interest in any Asset of the Receivership Entities, whether such acts are part of a
19 judicial proceeding, are acts of self-help, or otherwise; or

20 D. Provided, however, that this Order does not stay: (1) the
21 commencement or continuation of a criminal action or proceeding; (2) the
22 commencement or continuation of an action or proceeding by a governmental unit
23 to enforce such governmental unit's police or regulatory power; or (3) the
24 enforcement of a judgment, other than a money judgment, obtained in an action or
25 proceeding by a governmental unit to enforce such governmental unit's police or
26 regulatory power.

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XVIII. COMPENSATION OF RECEIVER

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

XIX. RELEASE OF FUNDS IMMEDIATELY NECESSARY FOR ESSENTIAL LIVING EXPENSES TO INDIVIDUAL DEFENDANTS

Prior to the hearing on the preliminary injunction, which is presently set for February 15, 2018, any of the Individual Defendants may make a single petition to the Temporary Receiver for release of funds immediately necessary for essential living expenses of such person or his or her immediate family, with any such petition not to exceed \$5000 as to any such Individual Defendant. Any such petition must identify with specificity the expenses for which the funds sought are necessary. The Temporary Receiver shall then notify one or more financial institutions holding funds of the petitioning Individual Defendant, instructing the financial institution(s) to release funds to the petitioning Individual Defendant in the amount requested, but not to exceed \$5000. Any Individual Defendant who receives such funds pursuant to such a petition shall document his or her use of the funds, including by maintaining receipts and other evidence showing how the funds were spent, and providing such receipts or other evidence to the Temporary Receiver upon his request. Any such disbursements of funds that are made are

1 without prejudice to a claim by Plaintiff, later in the litigation, seeking to recover
2 any amounts disbursed.

3 **XX. IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS**

4 **IT IS FURTHER ORDERED** that:

5 A. In order to allow Plaintiff and the Receiver to preserve Assets and
6 evidence relevant to this action and to expedite discovery, Plaintiff and the
7 Receiver, and their representatives, agents, contractors, and assistants, shall have
8 immediate access to the business premises and storage facilities, owned,
9 controlled, or used by the Receivership Entities. Such locations include, but are
10 not limited to, 1426 East 750 North, 1st Floor, Orem, UT 84097, and any offsite
11 location or commercial mailbox used by the Receivership Entities. The Receiver
12 may exclude Defendants, Receivership Entities, and their employees from the
13 business premises during the immediate access.

14 B. Plaintiff and the Receiver, and their representatives, agents,
15 contractors, and assistants, are authorized to remove Documents from the
16 Receivership Entities' premises in order that they may be inspected, inventoried,
17 and copied. Plaintiff shall return any removed materials to the Receiver within five
18 (5) business days of completing inventorying and copying, or such time as is
19 agreed upon by Plaintiff and the Receiver;

20 C. Plaintiff's access to the Receivership Entities' documents pursuant to
21 this Section shall not provide grounds for any Defendant to object to any
22 subsequent request for documents served by Plaintiff.

23 D. Plaintiff and the Receiver, and their representatives, agents,
24 contractors, and assistants, are authorized to obtain the assistance of federal, state
25 and local law enforcement officers as they deem necessary to effect service and to
26 implement peacefully the provisions of this Order;

27 E. If any Documents, computers, or electronic storage devices containing
28 information related to the business practices or finances of the Receivership

1 Entities are at a location other than those listed herein, including personal
2 residence(s) of any Defendant, then, immediately upon receiving notice of this
3 order, Defendants and Receivership Entities shall produce to the Receiver all such
4 Documents, computers, and electronic storage devices, along with any codes or
5 passwords needed for access. In order to prevent the destruction of computer data,
6 upon service of this Order, any such computers or electronic storage devices shall
7 be powered down in the normal course of the operating system used on such
8 devices and shall not be powered up or used until produced for copying and
9 inspection; and

10 F. If any communications or records of any Receivership Entity are
11 stored with an Electronic Data Host, such Entity shall, immediately upon receiving
12 notice of this order, provide the Receiver with the username, passwords, and any
13 other login credential needed to access the communications and records, and shall
14 not attempt to access, or cause a third-party to attempt to access, the
15 communications or records.

16 **XXI. DISTRIBUTION OF ORDER BY DEFENDANTS**

17 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a
18 copy of this Order to each affiliate, telemarketer, marketer, sales entity, successor,
19 assign, member, officer, director, employee, agent, independent contractor, client,
20 attorney, spouse, subsidiary, division, and representative of any Defendant, and
21 shall, within ten (10) days from the date of entry of this Order, provide Plaintiff
22 and the Receiver with a sworn statement that this provision of the Order has been
23 satisfied, which statement shall include the names, physical addresses, phone
24 number, and email addresses of each such person or entity who received a copy of
25 the Order. Furthermore, Defendants shall not take any action that would encourage
26 officers, agents, members, directors, employees, salespersons, independent
27 contractors, attorneys, subsidiaries, affiliates, successors, assigns or other persons
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1 or entities in active concert or participation with them to disregard this Order or
2 believe that they are not bound by its provisions.

3 **XXII. EXPEDITED DISCOVERY**

4 **IT IS FURTHER ORDERED** that, notwithstanding the provisions of the
5 Fed. R. Civ. P. 26(d) and (f) and 30(a)(2)(c), and pursuant to Fed. R. Civ. P. 30(a),
6 34, and 45, Plaintiff and the Receiver are granted leave, at any time after service of
7 this Order, to conduct limited expedited discovery for the purpose of discovering:
8 (1) the nature, location, status, and extent of Defendants' Assets; (2) the nature,
9 location, and extent of Defendants' business transactions and operations; (3)
10 Documents reflecting Defendants' business transactions and operations; or (4)
11 compliance with this Order. The limited expedited discovery set forth in this
12 Section shall proceed as follows:

13 A. Plaintiff and the Receiver may take the deposition of parties and non-
14 parties. Forty-eight (48) hours' notice shall be sufficient notice for such
15 depositions. The limitations and conditions set forth in Rules 30(a)(2)(B) and
16 31(a)(2)(B) of the Federal Rules of Civil Procedure regarding subsequent
17 depositions of an individual shall not apply to depositions taken pursuant to this
18 Section. Any such deposition taken pursuant to this Section shall not be counted
19 towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and
20 depositions may be taken by telephone or other remote electronic means;

21 B. Plaintiff and the Receiver may serve upon parties requests for
22 production of Documents or inspection that require production or inspection within
23 five (5) calendar days of service, provided, however, that three (3) calendar days of
24 notice shall be deemed sufficient for the production of any such Documents that
25 are maintained or stored only in an electronic format.

26 C. Plaintiff and the Receiver may serve upon parties interrogatories that
27 require response within five (5) calendar days after Plaintiff serves such
28 interrogatories;

1 D. The Plaintiff and the Receiver may serve subpoenas upon non-parties
2 that direct production or inspection within five (5) calendar days of service.

3 E. Service of discovery upon a party to this action, taken pursuant to this
4 Section, shall be sufficient if made by facsimile, email, or by overnight delivery.

5 F. Any expedited discovery taken pursuant to this Section is in addition
6 to, and is not subject to, the limits on discovery set forth in the Federal Rules of
7 Civil Procedure and the Local Rules of this Court. The expedited discovery
8 permitted by this Section does not require a meeting or conference of the parties,
9 pursuant to Rules 26(d) & (f) of the Federal Rules of Civil Procedure.

10 G. The Parties are exempted from making initial disclosures under Fed.
11 R. Civ. P. 26(a)(1) until further order of this Court.

12 **XXIII. SERVICE OF THIS ORDER**

13 **IT IS FURTHER ORDERED** that copies of this Order as well as the
14 Application for Temporary Restraining Order and all other pleadings, Documents,
15 and exhibits filed contemporaneously with that Application (other than the
16 complaint and summons), may be served by any means, including facsimile
17 transmission, electronic mail or other electronic messaging, personal or overnight
18 delivery, U.S. Mail or FedEx, by agents and employees of Plaintiff, by any law
19 enforcement agency, or by private process server, upon any Defendant or any
20 Person (including any financial institution) that may have possession, custody or
21 control of any Asset or Document of any Defendant, or that may be subject to any
22 provision of this Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil
23 Procedure. For purposes of this Section, service upon any branch, subsidiary,
24 affiliate or office of any entity shall effect service upon the entire entity.

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1 **XXIV. CORRESPONDENCE AND SERVICE ON PLAINTIFF**

2 **IT IS FURTHER ORDERED** that, for the purpose of this Order, all
3 correspondence and service of pleadings on Plaintiff shall be addressed to:

4 Andrew Hudson
5 Laura Basford
6 Jody Goodman
7 Federal Trade Commission
8 600 Pennsylvania Ave., NW
9 Mailstop CC-8528
10 Washington, DC 20580
11 Fax: 202-326-3395
12 Email: ahudson@ftc.gov; lbasford@ftc.gov; jgoodman1@ftc.gov

13 **XXV. PRELIMINARY INJUNCTION HEARING**

14 **IT IS FURTHER ORDERED** that, pursuant to Fed. R. Civ. P. 65(b),
15 Defendants shall appear before this Court on the fifteenth day of February, 2018, at
16 1:30 pm, to show cause, if there is any, why this Court should not enter a
17 preliminary injunction, pending final ruling on the Complaint against Defendants,
18 enjoining the violations of the law alleged in the Complaint, continuing the freeze
19 of their Assets, continuing the receivership, and imposing such additional relief as
20 may be appropriate.

21 **XXVI. BRIEFS AND AFFIDAVITS CONCERNING PRELIMINARY**
22 **INJUNCTION**

23 **IT IS FURTHER ORDERED** that:

24 A. Defendants shall file with the Court and serve on Plaintiff's counsel
25 any answering pleadings, affidavits, motions, expert reports or declarations, or
26 legal memoranda no later than **four (4) business days** prior to the order to show
27 cause hearing scheduled pursuant to this Order. Plaintiff may file responsive or
28 supplemental pleadings, materials, affidavits, or memoranda with the Court and
serve the same on counsel for Defendants no later than **one (1) business day** prior
to the order to show cause hearing. Provided that such affidavits, pleadings,

1 motions, expert reports, declarations, legal memoranda or oppositions must be
2 served by personal or overnight delivery, facsimile or email, and be received by the
3 other party or parties no later than 5:00 p.m. Pacific Time on the appropriate dates
4 set forth in this Section.

5 B. An evidentiary hearing on Plaintiff's request for a preliminary
6 injunction may not be necessary. However, one may be conducted if Defendants
7 demonstrate that they have, and intend to introduce, evidence that raises a genuine
8 and material factual issue or otherwise show a required basis for such a hearing, or
9 if the Court determines that such a hearing is appropriate. Live testimony may be
10 heard based on an application of the same criteria. Any request to present such
11 testimony shall be filed with the Court and served on counsel for the other parties
12 at least **three (3) business days** prior to the preliminary injunction hearing in this
13 matter. Such request shall set forth the name, address, and telephone number of
14 each proposed witness, a detailed summary or affidavit revealing the substance of
15 each proposed witness's expected testimony, and an explanation of why the taking
16 of live testimony would be helpful to this Court. Any papers opposing a timely
17 request to present live testimony or to present live testimony in response to another
18 party's timely motion to present live testimony shall be filed with this Court and
19 served on the other parties at least **two (2) business days** prior to the order to show
20 cause hearing.

21 Service shall be performed by personal or overnight delivery, facsimile or
22 email, and Documents shall be delivered so that they shall be received by the other
23 parties no later than 5:00 p.m. Pacific Time on the appropriate dates provided in
24 this Section.

25 **XXVII. DURATION OF THE ORDER**

26 **IT IS FURTHER ORDERED** that this Order shall expire fourteen (14)
27 days from the date of entry noted below, unless within such time, the Order is
28 extended for an additional period pursuant to Fed. R. Civ. P. 65(b)(2).

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XXVIII. RETENTION OF JURISDICTION

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

IT IS SO ORDERED.

Dated: February 1, 2018



JOHN A. KRONSTADT
UNITED STATES DISTRICT JUDGE

Attachment A

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

Definitions and Instructions:

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") in the first field only of any item that does not apply to you. If you cannot fully answer a question, explain why.
2. "Dependents" include your spouse, live-in companion, dependent children, or any other person, whom you or your spouse (or your children's other parent) claimed or could have claimed as a dependent for tax purposes at any time during the past five years.
3. "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.
4. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number(s) being continued.
5. Type or print legibly.
6. Initial each page in the space provided in the lower right corner.
7. Sign and date the completed financial statement on the last page.

Penalty for False Information:

Federal law provides that any person may be imprisoned for not more than five years, fined, or both, if such person:

(1) "in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact; makes any materially false, fictitious or fraudulent statement or representation; or makes or uses any false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);

(2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or

(3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration" (18 U.S.C. § 1623).

For a felony conviction under the provisions cited above, federal law provides that the fine may be not more than the greater of (i) \$250,000 for an individual or \$500,000 for a corporation, or (ii) if the felony results in pecuniary gain to any person or pecuniary loss to any person other than the defendant, the greater of twice the gross gain or twice the gross loss. 18 U.S.C. § 3571.

BACKGROUND INFORMATION

Item 1. Information About You

Full Name	Social Security No.		
Current Address of Primary Residence	Driver's License No.		State Issued
	Phone Numbers Home: () Fax: ()	Date of Birth: / / (mm/dd/yyyy)	
	Place of Birth		
<input type="checkbox"/> Rent <input type="checkbox"/> Own From (Date): / / (mm/dd/yyyy)	E-Mail Address		
Internet Home Page			

Previous Addresses for past five years (if required, use additional pages at end of form)

Address	From: / / (mm/dd/yyyy)	Until: / / (mm/dd/yyyy)
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Address	From: / /	Until: / /
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Address	From: / /	Until: / /
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	

Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:

Item 2. Information About Your Spouse or Live-In Companion

Spouse/Companion's Name	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Address (if different from yours)	Phone Number ()	Place of Birth
	<input type="checkbox"/> Rent <input type="checkbox"/> Own From (Date): / / (mm/dd/yyyy)	

Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:

Employer's Name and Address	Job Title	
	Years in Present Job	Annual Gross Salary/Wages \$

Item 3. Information About Your Previous Spouse

Name and Address	Social Security No.
	Date of Birth / / (mm/dd/yyyy)

Item 4. Contact Information (name and address of closest living relative other than your spouse)

Name and Address	Phone Number ()
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Initials: _____

Item 5. Information About Dependents (whether or not they reside with you)		
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Relationship		
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Relationship		
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Relationship		
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Relationship		

Item 6. Employment Information/Employment Income
 Provide the following information for this year-to-date and for each of the previous five full years, for each business entity of which you were a director, officer, member, partner, employee (including self-employment), agent, owner, shareholder, contractor, participant or consultant at any time during that period. "Income" includes, but is not limited to, any salary, commissions, distributions, draws, consulting fees, loans, loan payments, dividends, royalties, and benefits for which you did not pay (e.g., health insurance premiums, automobile lease or loan payments) received by you or anyone else on your behalf.

Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year) /	To (Month/Year) /		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$

Initials: _____

Item 7. Pending Lawsuits Filed By or Against You or Your Spouse

List all pending lawsuits that have been filed by or against you or your spouse in any court or before an administrative agency in the United States or in any foreign country or territory. **Note:** At Item 12, list lawsuits that resulted in final judgments or settlements in your favor. At Item 21, list lawsuits that resulted in final judgments or settlements against you.

Caption of Proceeding	Court or Agency and Location	Case No.	Nature of Proceeding	Relief Requested	Status or Disposition

Item 8. Safe Deposit Boxes

List all safe deposit boxes, located within the United States or in any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or any of your dependents, or held by others for the benefit of you, your spouse, or any of your dependents.

Name of Owner(s)	Name Address of Depository Institution	Box No.	Contents

Initials: _____

FINANCIAL INFORMATION

REMINDER: When an item asks for information regarding your "assets" and "liabilities" include ALL assets and liabilities, located within the United States or in any foreign country or territory, or institution, whether held individually or jointly, and whether held by you, your spouse, or any of your dependents, or held by others for the benefit of you, your spouse, or any of your dependents. In addition, provide all documents requested in Item 24 with your completed Financial Statement.

ASSETS

Item 9. Cash, Bank, and Money Market Accounts

List cash on hand (as opposed to cash in bank accounts or other financial accounts) and all bank accounts, money market accounts, or other financial accounts, including but not limited to checking accounts, savings accounts, and certificates of deposit. The term "cash on hand" includes but is not limited to cash in the form of currency, uncashed checks, and money orders.

a. Amount of Cash on Hand \$		Form of Cash on Hand	
b. Name on Account	Name & Address of Financial Institution	Account No.	Current Balance
			\$
			\$
			\$
			\$
			\$

Item 10. Publicly Traded Securities

List all publicly traded securities, including but not limited to, stocks, stock options, corporate bonds, mutual funds, U.S. government securities (including but not limited to treasury bills and treasury notes), and state and municipal bonds. Also list any U.S. savings bonds.

Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	
Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	
Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	

Initials: _____

Item 11. Non-Public Business and Financial Interests

List all non-public business and financial interests, including but not limited to any interest in a non-public corporation, subchapter-S corporation, limited liability corporation ("LLC"), general or limited partnership, joint venture, sole proprietorship, international business corporation or personal investment corporation, and oil or mineral lease.

Entity's Name & Address	Type of Business or Financial Interest (e.g., LLC, partnership)	Owner (e.g., self, spouse)	Ownership %	If Officer, Director, Member or Partner, Exact Title

Item 12. Amounts Owed to You, Your Spouse, or Your Dependents

Debtor's Name & Address	Date Obligation Incurred (Month/Year) /	Original Amount Owed \$	Nature of Obligation (if the result of a final court judgment or settlement, provide court name and docket number)
	Current Amount Owed \$	Payment Schedule \$	
Debtor's Telephone	Debtor's Relationship to You		
Debtor's Name Address	Date Obligation Incurred (Month/Year) /	Original Amount Owed \$	Nature of Obligation (if the result of a final court judgment or settlement, provide court name and docket number)
	Current Amount Owed \$	Payment Schedule \$	
Debtor's Telephone	Debtor's Relationship to You		

Item 13. Life Insurance Policies

List all life insurance policies (including endowment policies) with any cash surrender value.

Insurance Company's Name, Address, & Telephone No.	Beneficiary	Policy No.	Face Value \$
	Insured	Loans Against Policy \$	Surrender Value \$
Insurance Company's Name, Address, & Telephone No.	Beneficiary	Policy No.	Face Value \$
	Insured	Loans Against Policy \$	Surrender Value \$

Item 14. Deferred Income Arrangements

List all deferred income arrangements, including but not limited to, deferred annuities, pensions plans, profit-sharing plans, 401(k) plans, IRAs, Keoghs, other retirement accounts, and college savings plans (e.g., 529 Plans).

Trustee or Administrator's Name, Address & Telephone No.	Name on Account		Account No.
	Date Established / / (mm/dd/yyyy)	Type of Plan	Surrender Value before Taxes and Penalties \$
Trustee or Administrator's Name, Address & Telephone No.	Name on Account		Account No.
	Date Established / /	Type of Plan	Surrender Value before Taxes and Penalties \$

Initials: _____

Item 15. Pending Insurance Payments or Inheritances

List any pending insurance payments or inheritances owed to you.

Type	Amount Expected	Date Expected (mm/dd/yyyy)
	\$	/ /
	\$	/ /
	\$	/ /

Item 16. Vehicles

List all cars, trucks, motorcycles, boats, airplanes, and other vehicles.

Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price	Original Loan Amount	Current Balance
Make		Registration State No.	Account/Loan No.	Current Value	Monthly Payment
Model		Address of Vehicle's Location	Lender's Name and Address		

Item 17. Other Personal Property

List all other personal property not listed in Items 9-16 by category, whether held for personal use, investment or any other reason, including but not limited to coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property.

Property Category (e.g., artwork, jewelry)	Name of Owner	Property Location	Acquisition Cost	Current Value
			\$	\$
			\$	\$
			\$	\$

Initials: _____

Item 18. Real Property			
List all real property interests (including any land contract)			
Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
Lender's Name and Address		Loan or Account No.	Current Balance On First Mortgage or Contract \$
			Monthly Payment \$
Other Mortgage Loan(s) (describe)		Monthly Payment \$	<input type="checkbox"/> Rental Unit Monthly Rent Received \$
		Current Balance \$	
Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
Lender's Name and Address		Loan or Account No.	Current Balance On First Mortgage or Contract \$
			Monthly Payment \$
Other Mortgage Loan(s) (describe)		Monthly Payment \$	<input type="checkbox"/> Rental Unit Monthly Rent Received \$
		Current Balance \$	

LIABILITIES

Item 19. Credit Cards			
List each credit card account held by you, your spouse, or your dependents, and any other credit cards that you, your spouse, or your dependents use, whether issued by a United States or foreign financial institution.			
Name of Credit Card (e.g., Visa, MasterCard, Department Store)	Account No.	Name(s) on Account	Current Balance
			\$
			\$
			\$
			\$
			\$

Item 20. Taxes Payable		
List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependents.		
Type of Tax	Amount Owed	Year Incurred
	\$	
	\$	
	\$	

Initials: _____

Item 21. Other Amounts Owed by You, Your Spouse, or Your Dependents

List all other amounts, not listed elsewhere in this financial statement, owed by you, your spouse, or your dependents.

Lender/Creditor's Name, Address, and Telephone No.		Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)	
		Lender/Creditor's Relationship to You	
Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule
Lender/Creditor's Name, Address, and Telephone No.		Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)	
		Lender/Creditor's Relationship to You	
Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule

OTHER FINANCIAL INFORMATION

Item 22. Trusts and Escrows

List all funds and other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. Include any legal retainers being held on your behalf by legal counsel. Also list all funds or other assets that are being held in trust or escrow by you, your spouse, or your dependents, for any person or entity.

Trustee or Escrow Agent's Name & Address	Date Established (mm/dd/yyyy)	Grantor	Beneficiaries	Present Market Value of Assets*
	/ /			\$
	/ /			\$
	/ /			\$

*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.

Item 23. Transfers of Assets

List each person or entity to whom you have transferred, in the aggregate, more than \$5,000 in funds or other assets during the previous five years by loan, gift, sale, or other transfer (exclude ordinary and necessary living and business expenses paid to unrelated third parties). For each such person or entity, state the total amount transferred during that period.

Transferee's Name, Address, & Relationship	Property Transferred	Aggregate Value*	Transfer Date (mm/dd/yyyy)	Type of Transfer (e.g., Loan, Gift)
		\$	/ /	
		\$	/ /	
		\$	/ /	

*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.

Initials: _____

Item 24. Document Requests	
Provide copies of the following documents with your completed Financial Statement.	
	Federal tax returns filed during the last three years by or on behalf of you, your spouse, or your dependents.
	All applications for bank loans or other extensions of credit (other than credit cards) that you, your spouse, or your dependents have submitted within the last two years, including by obtaining copies from lenders if necessary.
Item 9	For each bank account listed in Item 9, all account statements for the past 3 years.
Item 11	For each business entity listed in Item 11, provide (including by causing to be generated from accounting records) the most recent balance sheet, tax return, annual income statement, the most recent year-to-date income statement, and all general ledger files from account records.
Item 17	All appraisals that have been prepared for any property listed in Item 17, including appraisals done for insurance purposes. You may exclude any category of property where the total appraised value of all property in that category is less than \$2,000.
Item 18	All appraisals that have been prepared for real property listed in Item 18.
Item 21	Documentation for all debts listed in Item 21.
Item 22	All executed documents for any trust or escrow listed in Item 22. Also provide any appraisals, including insurance appraisals that have been done for any assets held by any such trust or in any such escrow.

SUMMARY FINANCIAL SCHEDULES

Item 25. Combined Balance Sheet for You, Your Spouse, and Your Dependents			
Assets		Liabilities	
Cash on Hand (Item 9)	\$	Loans Against Publicly Traded Securities (Item 10)	\$
Funds Held in Financial Institutions (Item 9)	\$	Vehicles - Liens (Item 16)	\$
U.S. Government Securities (Item 10)	\$	Real Property – Encumbrances (Item 18)	\$
Publicly Traded Securities (Item 10)	\$	Credit Cards (Item 19)	\$
Non-Public Business and Financial Interests (Item 11)	\$	Taxes Payable (Item 20)	\$
Amounts Owed to You (Item 12)	\$	Amounts Owed by You (Item 21)	\$
Life Insurance Policies (Item 13)	\$	Other Liabilities (Itemize)	
Deferred Income Arrangements (Item 14)	\$		\$
Vehicles (Item 16)	\$		\$
Other Personal Property (Item 17)	\$		\$
Real Property (Item 18)	\$		\$
Other Assets (Itemize)			\$
	\$		\$
	\$		\$
	\$		\$
Total Assets	\$	Total Liabilities	\$

Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents			
Provide the current monthly income and expenses for you, your spouse, and your dependents. Do not include credit card payments separately; rather, include credit card expenditures in the appropriate categories.			
Income (State source of each item)		Expenses	
Salary - After Taxes	\$	Mortgage or Rental Payments for Residence(s)	\$
Source:			
Fees, Commissions, and Royalties	\$	Property Taxes for Residence(s)	\$
Source:			
Interest	\$	Rental Property Expenses, Including Mortgage Payments, Taxes, and Insurance	\$
Source:			
Dividends and Capital Gains	\$	Car or Other Vehicle Lease or Loan Payments	\$
Source:			
Gross Rental Income	\$	Food Expenses	\$
Source:			
Profits from Sole Proprietorships	\$	Clothing Expenses	\$
Source:			
Distributions from Partnerships, S-Corporations, and LLCs	\$	Utilities	\$
Source:			

Initials: _____

Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents (cont.)			
Distributions from Trusts and Estates Source:	\$	Medical Expenses, Including Insurance	\$
Distributions from Deferred Income Arrangements Source:	\$	Other Insurance Premiums	\$
Social Security Payments	\$	Other Transportation Expenses	\$
Alimony/Child Support Received	\$	Other Expenses (Itemize)	
Gambling Income	\$		\$
Other Income (Itemize)			\$
	\$		\$
	\$		\$
	\$		\$
Total Income	\$	Total Expenses	\$

ATTACHMENTS

Item 27. Documents Attached to this Financial Statement	
List all documents that are being submitted with this financial statement. For any Item 24 documents that are not attached, explain why.	
Item No. Document Relates To	Description of Document

I am submitting this financial statement with the understanding that it may affect action by the Federal Trade Commission or a federal court. I have used my best efforts to obtain the information requested in this statement. The responses I have provided to the items above are true and contain all the requested facts and information of which I have notice or knowledge. I have provided all requested documents in my custody, possession, or control. I know of the penalties for false statements under 18 U.S.C. § 1001, 18 U.S.C. § 1621, and 18 U.S.C. § 1623 (five years imprisonment and/or fines). I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on:

(Date)

Signature

Attachment B

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

Instructions:

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. The font size within each field will adjust automatically as you type to accommodate longer responses.
3. In completing this financial statement, "the corporation" refers not only to this corporation but also to each of its predecessors that are not named defendants in this action.
4. When an Item asks for information about assets or liabilities "held by the corporation," include ALL such assets and liabilities, located within the United States or elsewhere, held by the corporation or held by others for the benefit of the corporation.
5. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number being continued.
6. Type or print legibly.
7. An officer of the corporation must sign and date the completed financial statement on the last page and initial each page in the space provided in the lower right corner.

Penalty for False Information:

Federal law provides that any person may be imprisoned for not more than five years, fined, or both, if such person:

- (1) "in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);
- (2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or
- (3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration." (18 U.S.C. § 1623)

For a felony conviction under the provisions cited above, federal law provides that the fine may be not more than the greater of (i) \$250,000 for an individual or \$500,000 for a corporation, or (ii) if the felony results in pecuniary gain to any person or pecuniary loss to any person other than the defendant, the greater of twice the gross gain or twice the gross loss. 18 U.S.C. § 3571.

BACKGROUND INFORMATION

Item 1. General Information

Corporation's Full Name _____

Primary Business Address _____ From (Date) _____

Telephone No. _____ Fax No. _____

E-Mail Address _____ Internet Home Page _____

All other current addresses & previous addresses for past five years, including post office boxes and mail drops:

Address _____ From/Until _____

Address _____ From/Until _____

Address _____ From/Until _____

All predecessor companies for past five years:

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Item 2. Legal Information

Federal Taxpayer ID No. _____ State & Date of Incorporation _____

State Tax ID No. _____ State _____ Profit or Not For Profit _____

Corporation's Present Status: Active _____ Inactive _____ Dissolved _____

If Dissolved: Date dissolved _____ By Whom _____

Reasons _____

Fiscal Year-End (Mo./Day) _____ Corporation's Business Activities _____

Item 3. Registered Agent

Name of Registered Agent _____

Address _____ Telephone No. _____

Item 4. Principal Stockholders

List all persons and entities that own at least 5% of the corporation's stock.

<u>Name & Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____

Item 5. Board Members

List all members of the corporation's Board of Directors.

<u>Name & Address</u>	<u>% Owned</u>	<u>Term (From/Until)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Item 6. Officers

List all of the corporation's officers, including *de facto* officers (individuals with significant management responsibility whose titles do not reflect the nature of their positions).

<u>Name & Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____

Item 7. Businesses Related to the Corporation

List all corporations, partnerships, and other business entities in which this corporation has an ownership interest.

<u>Name & Address</u>	<u>Business Activities</u>	<u>% Owned</u>

State which of these businesses, if any, has ever transacted business with the corporation _____

Item 8. Businesses Related to Individuals

List all corporations, partnerships, and other business entities in which the corporation’s principal stockholders, board members, or officers (i.e., the individuals listed in Items 4 - 6 above) have an ownership interest.

<u>Individual’s Name</u>	<u>Business Name & Address</u>	<u>Business Activities</u>	<u>% Owned</u>

State which of these businesses, if any, have ever transacted business with the corporation _____

Item 9. Related Individuals

List all related individuals with whom the corporation has had any business transactions during the three previous fiscal years and current fiscal year-to-date. A “related individual” is a spouse, sibling, parent, or child of the principal stockholders, board members, and officers (i.e., the individuals listed in Items 4 - 6 above).

<u>Name and Address</u>	<u>Relationship</u>	<u>Business Activities</u>

Item 10. Outside Accountants

List all outside accountants retained by the corporation during the last three years.

<u>Name</u>	<u>Firm Name</u>	<u>Address</u>	<u>CPA/PA?</u>

Item 11. Corporation's Recordkeeping

List all individuals within the corporation with responsibility for keeping the corporation's financial books and records for the last three years.

<u>Name, Address, & Telephone Number</u>	<u>Position(s) Held</u>

Item 12. Attorneys

List all attorneys retained by the corporation during the last three years.

<u>Name</u>	<u>Firm Name</u>	<u>Address</u>

Item 13. Pending Lawsuits Filed by the Corporation

List all pending lawsuits that have been filed by the corporation in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in favor of the corporation in Item 25).

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 14. Current Lawsuits Filed Against the Corporation

List all pending lawsuits that have been filed against the corporation in court or before an administrative agency. (List lawsuits that resulted in final judgments, settlements, or orders in Items 26 - 27).

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 15. Bankruptcy Information

List all state insolvency and federal bankruptcy proceedings involving the corporation.

Commencement Date _____ Termination Date _____ Docket No. _____

If State Court: Court & County _____ If Federal Court: District _____

Disposition _____

Item 16. Safe Deposit Boxes

List all safe deposit boxes, located within the United States or elsewhere, held by the corporation, or held by others for the benefit of the corporation. *On a separate page, describe the contents of each box.*

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

FINANCIAL INFORMATION

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

Item 17. Tax Returns

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

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

Item 18. Financial Statements

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

<u>Year</u>	<u>Balance Sheet</u>	<u>Profit & Loss Statement</u>	<u>Cash Flow Statement</u>	<u>Changes in Owner's Equity</u>	<u>Audited?</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Item 19. Financial Summary

For each of the last three complete fiscal years and for the current fiscal year-to-date for which the corporation has not provided a profit and loss statement in accordance with Item 18 above, provide the following summary financial information.

	<u>Current Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>3 Years Ago</u>
<u>Gross Revenue</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Expenses</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Net Profit After Taxes</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Payables</u>	\$ _____			
<u>Receivables</u>	\$ _____			

Item 20. Cash, Bank, and Money Market Accounts

List cash and all bank and money market accounts, including but not limited to, checking accounts, savings accounts, and certificates of deposit, held by the corporation. The term "cash" includes currency and uncashed checks.

Cash on Hand \$ _____ Cash Held for the Corporation's Benefit \$ _____

<u>Name & Address of Financial Institution</u>	<u>Signator(s) on Account</u>	<u>Account No.</u>	<u>Current Balance</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

Item 21. Government Obligations and Publicly Traded Securities

List all U.S. Government obligations, including but not limited to, savings bonds, treasury bills, or treasury notes, held by the corporation. Also list all publicly traded securities, including but not limited to, stocks, stock options, registered and bearer bonds, state and municipal bonds, and mutual funds, held by the corporation.

Issuer _____ Type of Security/Obligation _____

No. of Units Owned _____ Current Fair Market Value \$ _____ Maturity Date _____

Issuer _____ Type of Security/Obligation _____

No. of Units Owned _____ Current Fair Market Value \$ _____ Maturity Date _____

Item 22. Real Estate

List all real estate, including leaseholds in excess of five years, held by the corporation.

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

Current Balance On First Mortgage \$ _____ Monthly Payment \$ _____

Other Loan(s) (describe) _____ Current Balance \$ _____

Monthly Payment \$ _____ Rental Unit? _____ Monthly Rent Received \$ _____

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

Current Balance On First Mortgage \$ _____ Monthly Payment \$ _____

Other Loan(s) (describe) _____ Current Balance \$ _____

Monthly Payment \$ _____ Rental Unit? _____ Monthly Rent Received \$ _____

Item 23. Other Assets

List all other property, by category, with an estimated value of \$2,500 or more, held by the corporation, including but not limited to, inventory, machinery, equipment, furniture, vehicles, customer lists, computer software, patents, and other intellectual property.

<u>Property Category</u>	<u>Property Location</u>	<u>Acquisition Cost</u>	<u>Current Value</u>
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____

Item 24. Trusts and Escrows

List all persons and other entities holding funds or other assets that are in escrow or in trust for the corporation.

<u>Trustee or Escrow Agent's Name & Address</u>	<u>Description and Location of Assets</u>	<u>Present Market Value of Assets</u>
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____

Item 25. Monetary Judgments and Settlements Owed To the Corporation

List all monetary judgments and settlements, recorded and unrecorded, owed to the corporation.

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Item 26. Monetary Judgments and Settlements Owed By the Corporation

List all monetary judgments and settlements, recorded and unrecorded, owed by the corporation.

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date of Judgment _____ Amount \$ _____

Item 27. Government Orders and Settlements

List all existing orders and settlements between the corporation and any federal or state government entities.

Name of Agency _____ Contact Person _____
 Address _____ Telephone No. _____
 Agreement Date _____ Nature of Agreement _____

Item 28. Credit Cards

List all of the corporation's credit cards and store charge accounts and the individuals authorized to use them.

<u>Name of Credit Card or Store</u>	<u>Names of Authorized Users and Positions Held</u>

Item 29. Compensation of Employees

List all compensation and other benefits received from the corporation by the five most highly compensated employees, independent contractors, and consultants (other than those individuals listed in Items 5 and 6 above), for the two previous fiscal years and current fiscal year-to-date. "Compensation" includes, but is not limited to, salaries, commissions, consulting fees, bonuses, dividends, distributions, royalties, pensions, and profit sharing plans. "Other benefits" include, but are not limited to, loans, loan payments, rent, car payments, and insurance premiums, whether paid directly to the individuals, or paid to others on their behalf.

<u>Name/Position</u>	<u>Current Fiscal Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>Compensation or Type of Benefits</u>
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	
	\$	\$	\$	

Item 30. Compensation of Board Members and Officers

List all compensation and other benefits received from the corporation by each person listed in Items 5 and 6, for the current fiscal year-to-date and the two previous fiscal years. "Compensation" includes, but is not limited to, salaries, commissions, consulting fees, dividends, distributions, royalties, pensions, and profit sharing plans. "Other benefits" include, but are not limited to, loans, loan payments, rent, car payments, and insurance premiums, whether paid directly to the individuals, or paid to others on their behalf.

<u>Name/Position</u>	<u>Current Fiscal Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>Compensation or Type of Benefits</u>
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____
	\$ _____	\$ _____	\$ _____	_____

Item 31. Transfers of Assets Including Cash and Property

List all transfers of assets over \$2,500 made by the corporation, other than in the ordinary course of business, during the previous three years, by loan, gift, sale, or other transfer.

<u>Transferee's Name, Address, & Relationship</u>	<u>Property Transferred</u>	<u>Aggregate Value</u>	<u>Transfer Date</u>	<u>Type of Transfer (e.g., Loan, Gift)</u>
		\$ _____	_____	_____
		\$ _____	_____	_____
		\$ _____	_____	_____
		\$ _____	_____	_____
		\$ _____	_____	_____

Attachment C

Form **4506**

Request for Copy of Tax Return

(July 2017)

- ▶ **Do not sign this form unless all applicable lines have been completed.**
- ▶ **Request may be rejected if the form is incomplete or illegible.**
- ▶ **For more information about Form 4506, visit www.irs.gov/form4506.**

OMB No. 1545-0429

Department of the Treasury
Internal Revenue Service

Tip. You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the original tax return and usually contains the information that a third party (such as a mortgage company) requires. See **Form 4506-T, Request for Transcript of Tax Return**, or you can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Get a Tax Transcript..." or call 1-800-908-9946.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

Caution: If the tax return is being mailed to a third party, ensure that you have filled in lines 6 and 7 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your tax return to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your return information, you can specify this limitation in your written agreement with the third party.

6 Tax return requested. Form 1040, 1120, 941, etc. and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ▶ _____

Note: If the copies must be certified for court or administrative proceedings, check here

7 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than eight years or periods, you must attach another Form 4506.

8 Fee. There is a \$50 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN, ITIN, or EIN and "Form 4506 request" on your check or money order.	
a Cost for each return	\$ 50.00
b Number of returns requested on line 7	
c Total cost. Multiply line 8a by line 8b	\$
9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here <input type="checkbox"/>	

Caution: Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506. See instructions.

Phone number of taxpayer on line 1a or 2a

Sign Here	Signature (see instructions)	Date	
	Title (if line 1a above is a corporation, partnership, estate, or trust)		
	Spouse's signature	Date	

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about Form 4506 and its instructions, go to www.irs.gov/form4506. Information about any recent developments affecting Form 4506, Form 4506-T and Form 4506T-EZ will be posted on that page.

General Instructions

Caution: Do not sign this form unless all applicable lines have been completed.

Purpose of form. Use Form 4506 to request a copy of your tax return. You can also designate (on line 5) a third party to receive the tax return.

How long will it take? It may take up to 75 calendar days for us to process your request.

Tip. Use Form 4506-T, Request for Transcript of Tax Return, to request tax return transcripts, tax account information, W-2 information, 1099 information, verification of nonfiling, and records of account.

Automated transcript request. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Get a Tax Transcript..." or call 1-800-908-9946.

Where to file. Attach payment and mail Form 4506 to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual returns (Form 1040 series) and one for all other returns.

If you are requesting a return for more than one year or period and the chart below shows two different addresses, send your request to the address based on the address of your most recent return.

Chart for individual returns (Form 1040 series)

If you filed an individual return and lived in:

Mail to:

Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

Internal Revenue Service
RAIVS Team
Stop 6716 AUSC
Austin, TX 73301

Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming

Internal Revenue Service
RAIVS Team
Stop 37106
Fresno, CA 93888

Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia

Internal Revenue Service
RAIVS Team
Stop 6705 P-6
Kansas City, MO 64999

Chart for all other returns

If you lived in or your business was in:

Mail to:

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

Internal Revenue Service
RAIVS Team
P.O. Box 9941
Mail Stop 6734
Ogden, UT 84409

Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin

Internal Revenue Service
RAIVS Team
P.O. Box 145500
Stop 2800 F
Cincinnati, OH 45250

Specific Instructions

Line 1b. Enter your employer identification number (EIN) if you are requesting a copy of a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 3. Enter your current address. If you use a P.O. box, please include it on this line 3.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.

Note: If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address. For a business address, file Form 8822-B, Change of Address or Responsible Party — Business.

Signature and date. Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506 within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.



You must check the box in the signature area to acknowledge you have the authority to sign and request the information. The form will not be processed and returned to you if the box is unchecked.

Individuals. Copies of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506 exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506 can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer. A bona fide shareholder of record owning 1 percent or more of the outstanding stock of the corporation may submit a Form 4506 but must provide documentation to support the requester's right to receive the information.

Partnerships. Generally, Form 4506 can be signed by any person who was a member of the partnership during any part of the tax period requested on line 7.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Note: If you are Heir at law, Next of kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

Signature by a representative. A representative can sign Form 4506 for a taxpayer only if this authority has been specifically delegated to the representative on Form 2848, line 5. Form 2848 showing the delegation must be attached to Form 4506.

Privacy Act and Paperwork Reduction Act

Notice. We ask for the information on this form to establish your right to gain access to the requested return(s) under the Internal Revenue Code. We need this information to properly identify the return(s) and respond to your request. If you request a copy of a tax return, sections 6103 and 6109 require you to provide this information, including your SSN or EIN, to process your request. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506 will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 16 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506 simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications Division
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224.

Do not send the form to this address. Instead, see *Where to file* on this page.

Attachment D

CONSENT TO RELEASE FINANCIAL RECORDS

I, _____ of _____, (City, State), do hereby direct any bank, saving and loan association, credit union, depository institution, finance company, commercial lending company, credit card processor, credit card processing entity, automated clearing house, network transaction processor, bank debit processing entity, automated clearing house, network transaction processor, bank debit processing entity, brokerage house, escrow agent, money market or mutual fund, title company, commodity trading company, trustee, or person that holds, controls, or maintains custody of assets, wherever located, that are owned or controlled by me or at which there is an account of any kind upon which I am authorized to draw, and its officers, employees, and agents, to disclose all information and deliver copies of all documents of every nature in its possession or control which relate to the said accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of *Federal Trade Commission v. Digital Altitude, et al.*, now pending in the United States District Court for the Central District of California, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States of America which restrict or prohibit disclosure of bank or other financial information without the consent of the holder of the account, and shall be construed as consent with respect hereto, and the same shall apply to any of the accounts for which I may be a relevant principal.

Dated: _____

Signature: _____

Printed Name: _____