

1 ELSIE B. KAPPLER, MA Bar No. 562265  
2 HONG PARK, DC Bar No. 475930  
3 Federal Trade Commission  
4 600 Pennsylvania Ave., N.W., CC-9528  
5 Washington, DC 20580  
6 (202) 326-3197 (fax)  
7 ekappler@ftc.gov  
8 hpark@ftc.gov  
9 (202) 326-2466 (Kappler)  
10 (202) 326-2158 (Park)

11 Attorneys for Plaintiff Federal Trade Commission

12 UNITED STATES DISTRICT COURT  
13 FOR THE DISTRICT OF ARIZONA

FILED  LODGED  
RECEIVED \_\_\_\_\_ COPY  
OCT 06 2016  
CLERK U S DISTRICT COURT  
DISTRICT OF ARIZONA  
BY MB DEPUTY

FILED \_\_\_\_\_ LODGED  
\_\_\_\_\_ RECEIVED \_\_\_\_\_ COPY  
OCT 11 2016  
CLERK U S DISTRICT COURT  
DISTRICT OF ARIZONA  
BY \_\_\_\_\_ DEPUTY

14 CV-16-03406-PHX-SPL

15 Federal Trade Commission,

16 Plaintiff,

17 v.

18 Blue Saguaro Marketing, LLC, *et al.*

19 Defendants.

20 Case No. \_\_\_\_\_

21 **EX PARTE TEMPORARY  
22 RESTRAINING ORDER  
23 WITH ASSET FREEZE,  
24 APPOINTMENT OF  
25 TEMPORARY RECEIVER,  
26 LIMITED EXPEDITED  
27 DISCOVERY, AND OTHER  
28 EQUITABLE RELIEF**

**[LODGED UNDER SEAL]**

**SEALED**

19 Plaintiff, the Federal Trade Commission ("FTC"), pursuant to Section 13(b)  
20 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), and the  
21 Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing  
22 Act"), 15 U.S.C. §§ 6101-6108, has filed a complaint to obtain temporary,  
23 preliminary, and permanent injunctive relief, rescission or reformation of  
24 contracts, restitution, the refund of monies paid, disgorgement of ill-gotten  
25 monies, and other equitable relief for Defendants' acts or practices in violation of

1 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and FTC's Telemarketing Sales  
2 Rule ("TSR"), 16 C.F.R. Part 310, and has applied for a temporary restraining  
3 order pursuant to Rule 65(b) of the Federal Rules of Civil Procedure.  
4

5 **FINDINGS OF FACT**

6 This Court, having considered the FTC's Complaint, *ex parte* application,  
7 declarations, exhibits, and memoranda filed in support of the FTC's application,  
8 and the evidence presented, finds that:  
9

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

12 2. There is good cause to believe that venue lies properly with this  
13 Court;  
14

15 3. There is good cause to believe that Defendants have engaged, and  
16 are likely to continue to engage, in acts or practices that violate Section 5(a) of the  
17 FTC Act, 15 U.S.C. § 45(a), and the TSR, 16 C.F.R. §§ 310.3(a)(2)(iii) and  
18 310.3(a)(4), including but not limited to ~~falsely and misleadingly representing,~~  
19 ~~directly or indirectly,~~ expressly or by implication that consumers who pay  
20 Defendants upfront fees will, or are likely to, receive government and corporate  
21 grants;  
22

23 4. There is good cause to believe that immediate and irreparable harm  
24 will result from Defendants' ongoing violations of Section 5(a) of the FTC Act  
25 and the TSR unless Defendants are restrained and enjoined by Order of this Court;  
26  
27  
28

1           5.       There is good cause to believe that the Court's ability to grant  
2 effective final relief for consumers in the form of monetary restitution and  
3 disgorgement of ill-gotten gains will suffer immediate and irreparable damage  
4 from the Defendants' transfer, dissipation, or concealment of their Assets or  
5 business records unless Defendants continue to be restrained and enjoined by  
6 Order of this Court and that, in accordance with Fed. R. Civ. P. 65(b), the interest  
7 of justice requires that the FTC's application be heard *ex parte* without prior  
8 notice to Defendants. Therefore, there is good cause for relieving the FTC of the  
9 duty to provide Defendants with prior notice of the FTC's application;  
10

11           6.       Good cause exists to permit the FTC to take limited expedited  
12 discovery from third parties as to the existence and location of Assets and  
13 Documents;  
14

15           7.       Good cause exists to appoint a Temporary Receiver as Defendants'  
16 business is permeated with fraud;  
17

18           8.       Weighing the equities and considering the FTC's likelihood of  
19 ultimate success, a temporary restraining order with an Asset freeze, appointment  
20 of a Temporary Receiver, limited expedited discovery as to the existence and  
21 location of Assets and Documents, and other equitable relief is in the public  
22 interest; and  
23

24           9.       No security is required of any agency of the United States for the  
25 issuance of a Temporary Restraining Order. Fed. R. Civ. P. 65(c).  
26  
27  
28



**DEFINITIONS**

For the purposes of this Temporary Restraining Order, the following definitions apply:

1. **“Asset” or “Assets”** means any legal or equitable interest in, right to, or claim to, any and all real and personal property of Defendants, or held for the benefit of Defendants, wherever located, whether in the United States or abroad, including but not limited to chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, contracts, mail or other deliveries, inventory, checks, notes, accounts, credits, receivables (as those terms are defined in the Uniform Commercial Code), shares of stock, futures, all cash or currency, and trusts, including but not limited to a trust held for the benefit of any Defendant, any of the Individual Defendants’ minor children, or any of the Individual Defendants’ spouses, and shall include both existing Assets and Assets acquired after the date this order is signed, or any interest therein.

2. **“Asset Freeze Accounts”** includes accounts that are held by or for the benefit of, or controlled by, directly or indirectly, any Corporate Defendant, Individual Defendant, and/or Receiver Entity. Asset Freeze Accounts also includes the following accounts, identified by the account holder, the Financial Institution, and last four digits of the account number:

- a. Blue Saguaro Marketing, LLC, Bank of America, 2068;
- b. Max Results Marketing LLC, JP Morgan Chase, 6791;
- c. Blue Saguaro Marketing, LLC, Wells Fargo, 0221;

- 1 d. Marketing Ways.com, LLC, Wells Fargo, unknown;
- 2 e. Max Results Marketing LLC, Wells Fargo, 6453;
- 3 f. Sapphire Marketing II LLC, Bank of America, 5033;
- 4 g. Purple Bulldog LLC, BBVA Compass, 2401;
- 5 h. Cenex Hub Distribution, Bank of America, 0396;
- 6 i. Max Results Marketing LLC, Chase Bank, 9625;
- 7 j. Oro Canyon Marketing LLC, BBVA Compass, 1055;
- 8 k. Southwest Billing & Payments, Wells Fargo, 9752;
- 9 l. M& V Venture Group, Bank of America, 1325;
- 10 m. Paramount Business Services, Mountain America Credit Union,
- 11 9041;
- 12 n. Bluhm Enterprises, Bank of America, 5100;
- 13 o. Oro Canyon Marketing LLC, Chase Bank, 6599; and
- 14 p. Do Rite Plumbing and Remodeling, Wells Fargo, 2232.

15 3. **“Assisting others”** includes but is not limited to: (1) performing  
16 customer service functions, including, but not limited to, receiving or responding  
17 to consumer complaints; (2) formulating or providing, or arranging for the  
18 formulation or provision of, any advertising or marketing material, including but  
19 not limited to, any telephone sales script, direct mail solicitation, or the design,  
20 text, or use of images of any Internet website, email, or other electronic  
21 communications; (3) formulating or providing, or arranging for the formulation or  
22 provision of, any marketing support material or service, including but not limited  
23  
24  
25  
26  
27  
28

1 to, web or Internet Protocol addresses or domain name registration for any Internet  
2 websites, affiliate marketing services, or media placement services; (4) providing  
3 names of, or assisting in the generation of, potential customers; (5) performing or  
4 providing marketing, billing, or payment services of any kind; (6) acting or  
5 serving as an owner, officer, director, manager, or principal of any entity; (7)  
6 providing telemarketing services; or (8) consulting with regard to any of the  
7  
8 above.

9  
10 4. **“Corporate Defendants”** means Blue Saguaro Marketing, LLC,  
11 Marketing Ways.com, LLC, Max Results Marketing, LLC, Oro Canyon Marketing  
12 II, LLC, Paramount Business Services, LLC, and their successors, assigns,  
13 affiliates, or subsidiaries, and each of them by whatever names each might be  
14 known, individually, collectively, and in any combination.

15  
16 5. **“Defendants”** means all Individual Defendants, Corporate  
17 Defendants, and their successors, assigns, affiliates, subsidiaries, or agents,  
18 individually, collectively, or in any combination, and each of them by whatever  
19 names each might be known.

20  
21 6. **“Document”** is synonymous in meaning and equal in scope to the  
22 terms “Document” and “electronically stored information,” as described and used  
23 in the Federal Rules of Civil Procedure. This includes, but is not limited to,  
24 electronic mail, instant messaging, videoconferencing, and other electronic  
25 correspondence (whether active, archived, or in a deleted items folder), word  
26 processing files, spreadsheets, databases, and video and sound recordings, whether  
27  
28



1 stored on: cards; magnetic or electronic tapes; disks; computer hard drives,  
2 network shares or servers, or other drives; cloud-based platforms; cell phones,  
3 PDAs, computer tablets, or other mobile devices; or other storage media.  
4

5 7. **“Electronic Data Host”** means any person or entity in the business  
6 of storing, hosting, or otherwise maintaining electronically stored information.  
7 This includes, but is not limited to, any entity hosting a website or server, and any  
8 entity providing “cloud based” electronic storage.  
9

10 8. **“Financial Institution”** means any bank, savings and loan  
11 institution, credit union, payment processor, trust, or any financial depository of  
12 any kind, including but not limited to, any brokerage house, trustee, broker-dealer,  
13 escrow agent, title company, commodity trading company, or precious metal  
14 dealer.  
15

16 9. **“Individual Defendants”** means Stephanie A. Bateluna, Stacey C.  
17 Vela, and Carl E. Morris, Jr., and any other names they might use, have used, be  
18 known by or have been known by, individually, collectively, and in any  
19 combination.  
20

21 10. **“Person”** means any individual, group, unincorporated association,  
22 limited or general partnership, corporation or other business entity.  
23

24 11. **“Plaintiff”** means the Federal Trade Commission (“Commission” or  
25 “FTC”).

26 12. **“Receivership Entities”** means Corporate Defendants and any  
27 entities that are part of Defendants’ common enterprise, including but not limited  
28





1 C. Any material aspect of the performance, efficacy, nature, or central  
2 characteristics of the good or service;

3 D. Any statement made for the purpose of inducing a consumer to pay  
4 for the good or service; and

5 E. Any fact material to consumers concerning any good or service, such  
6 as the total costs; or any material restrictions, limitations, or conditions.  
7

8 **II. PRESERVATION OF RECORDS AND TANGIBLE THINGS**

9 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,  
10 agents, servants, employees, and attorneys, and all other persons in active concert  
11 or participation with any of them, who receive actual notice of this Order, whether  
12 acting directly or indirectly, in connection with the advertising, marketing,  
13 promotion, offering for sale, sale, or provision of any product or service, are  
14 hereby temporarily restrained and enjoined from destroying, erasing, mutilating,  
15 concealing, altering, transferring, or otherwise disposing of, in any manner,  
16 directly or indirectly, any Documents or records that relate to the business  
17 practices, or business and personal finances, of Defendants, or an entity directly or  
18 indirectly under the control of Defendants.  
19

20 **III. DISABLEMENT OF WEBSITES AND PRESERVATION OF**  
21 **ELECTRONICALLY STORED INFORMATION**

22 **IT IS FURTHER ORDERED** that, immediately upon service of the Order  
23 upon them and pending determination of the FTC's request for a preliminary  
24 injunction, (1) any Electronic Data Host and (2) Defendants, Defendants' officers,  
25  
26  
27

1 agents, servants, employees, and attorneys, and all other persons in active concert  
2 or participation with any of them, who receive actual notice of this Order, whether  
3 acting directly or indirectly, shall:

4  
5 A. Immediately take all necessary steps to ensure that any Internet  
6 website used by Defendants for the advertising, marketing, promotion, offering for  
7 sale, sale, or provision of services or products relating to *grants* or  
8 containing statements or representations prohibited by Section I of this Order  
9 cannot be accessed by the public; and  
10

11 B. Prevent the alteration, destruction or erasure of any (1) Internet  
12 website used by Defendants for the advertising, marketing, promotion, offering for  
13 sale, sale, or provision of services or products relating to consumers' mortgages by  
14 preserving such websites in the format in which they are maintained currently and  
15 (2) any electronically stored information stored on behalf of Corporate  
16 Defendants, or entities in active concert or participation with any of them.  
17

18 **IV. SUSPENSION OF INTERNET DOMAIN NAME REGISTRATIONS**  
19

20 **IT IS FURTHER ORDERED** that, pending determination of the FTC's  
21 request for a preliminary injunction, any domain name registrar shall suspend the  
22 registration of any Internet website used by Defendants for the advertising,  
23 marketing, promotion, offering for sale, sale, or provision of services or products  
24 relating to *grants* or containing statements or representations  
25 prohibited by Section I of this Order and provide immediate notice to counsel for  
26 the FTC of any other Internet domain names registered by Defendants,  
27  
28

1 Defendants' officers, agents, servants, employees, and attorneys, and all other  
2 persons in active concert or participation with any of them who receive actual  
3 notice of this Order by personal service or otherwise.  
4

5 **V. PROHIBITION ON USE OF CUSTOMER INFORMATION**

6 **IT IS FURTHER ORDERED** that Defendants, and Defendants' officers,  
7 agents, directors, servants, employees, salespersons, and attorneys, as well as all  
8 other persons or entities in active concert or participation with them, who receive  
9 actual notice of this Order by personal service or otherwise, whether acting  
10 directly or through any trust, corporation, subsidiary, division, or other device, are  
11 hereby temporarily restrained and enjoined from using, benefitting from, selling,  
12 renting, leasing, transferring, or otherwise disclosing the name, address, telephone  
13 number, email address, Social Security number, credit card number, debit card  
14 number, bank account number, any financial account number, or any data that  
15 enables access to any customer's account, or other identifying information of any  
16 person which any Defendant obtained prior to when this Order is signed, in  
17 connection with the marketing or sale of any good or service, including those who  
18 were contacted or are on a list to be contacted by any of the Defendants; provided  
19 that Defendants may disclose such identifying information to the Temporary  
20 Receiver, a law enforcement agency, or as required by any law, regulation, or  
21 court order.  
22  
23  
24  
25  
26  
27  
28



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**VI. ASSET FREEZE**

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

A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any Assets, or any interest therein, wherever located, including outside the United States, that are:

1. Asset Freeze Accounts;
2. owned or controlled, directly or indirectly, by any Defendant, in whole or in part, or held, in whole or in part, for the benefit of any Defendant;
3. in the actual or constructive possession of any Defendant; or
4. owned, controlled by, or in the actual or constructive possession of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by, or under common control with any Defendant, including any entity acting under a fictitious name owned by or controlled by any Defendant, and any Assets held by, for, or under the name of any Defendant at any bank

1 or savings and loan institution, or with any broker-dealer, escrow  
2 agent, title company, commodity trading company, payment  
3 processing company, precious metal dealer, or other Financial  
4 Institution or depository of any kind;  
5

6 B. Opening or causing to be opened any safe deposit boxes titled in the  
7 name of any Defendant, or subject to access by any Defendant;

8 C. Incurring charges or cash advances on any credit card, debit card, or  
9 checking card issued in the name, singly or jointly, of any Defendant;  
10

11 D. Obtaining a personal or secured loan;

12 E. Incurring liens or encumbrances on real property, personal property  
13 or other Assets in the name, singly or jointly, of any Defendant; and  
14

15 F. Cashing any checks or depositing any money orders or cash received  
16 from consumers, clients, or customers of any Defendant.

17 **IT IS FURTHER ORDERED** that the Assets affected by this Section  
18 shall include: (1) all Assets of Defendants as of the time this Order is signed; and  
19 (2) for Assets obtained after the time this Order is signed, only those Assets of  
20 Defendants that are derived, directly or indirectly, from the Defendants' activities  
21 as described in the Commission's Complaint, including the activities of any  
22 Receivership Entity. This Section does not prohibit transfers to the Temporary  
23 Receiver, as specifically required in the Section titled "Transfer of Funds to the  
24 Temporary Receiver by Financial Institutions and Other Third Parties," nor does it  
25  
26  
27  
28

1 prohibit the repatriation of foreign Assets, as specifically required in the Section  
2 titled "Repatriation of Foreign Assets" of this Order.

3  
4 **VII. RETENTION OF ASSETS AND DOCUMENTS BY THIRD PARTIES**

5 **IT IS FURTHER ORDERED** that, pending determination of the FTC's  
6 request for a preliminary injunction, any Financial Institution, business entity,  
7 Electronic Data Host, or person served with a copy of this Order that holds,  
8 controls, or maintains custody of any account, Document, or Asset of, on behalf  
9 of, in the name of, for the benefit of, subject to withdrawal by, subject to access or  
10 use by, or under the signatory power of any Defendant, or other party subject to  
11 the Asset Freeze above, or has held, controlled, or maintained any such account,  
12 Document, or Asset, shall:

13  
14  
15 A. Hold, preserve, and retain within such entity's or person's control,  
16 and prohibit the withdrawal, removal, alteration, assignment, transfer, pledge,  
17 hypothecation, encumbrance, disbursement, dissipation, conversion, sale,  
18 liquidation, or other disposal of such account, Document, or Asset held by or  
19 under such entity's or person's control, except as directed by further order of the  
20 Court;  
21

22  
23 B. Provide the Temporary Receiver immediate access to electronically  
24 stored information stored, hosted, or otherwise maintained on behalf of any  
25 Defendant for forensic imaging;  
26  
27  
28



1 C. Deny access to any safe deposit boxes that are either titled in the  
2 name of, individually or jointly, or subject to access by, any Defendant or other  
3 party subject to the Asset Freeze above; and  
4

5 D. Provide to counsel for the FTC, within one (1) business day, a sworn  
6 statement setting forth:

7 1. the identification of each account or Asset titled in the name,  
8 individually or jointly, or held on behalf of or for the benefit of,  
9 subject to withdrawal by, subject to access or use by, or under the  
10 signatory power of any Defendant or other party subject to the Asset  
11 Freeze above;  
12

13 2. the balance of each such account, or a description of the  
14 nature and value of such Asset, as of the close of business on the day  
15 on which this Order was served, the day before the Order was  
16 served, and the average daily balance for the six months before the  
17 Order is served;  
18

19 3. the identification of any safe deposit box that is either titled in  
20 the name of, individually or jointly, or is otherwise subject to access  
21 or control by, any Defendant or other party subject to the Asset  
22 Freeze above; and  
23

24 4. if the account, safe deposit box, or other Asset has been  
25 closed or removed, the date closed or removed, the balance on said  
26  
27  
28

1 date, and the name or the person or entity to whom such account or  
2 other Asset was remitted;

3 E. Provide counsel for the FTC, within three (3) business days after  
4 being served with a request, copies of all Documents pertaining to such account or  
5 Asset, including but not limited to: account statements, account applications,  
6 signature cards, underwriting files, checks, deposit tickets, transfers to and from  
7 the accounts, wire transfers, all other debit and credit instruments or slips, 1099  
8 forms, and safe deposit box logs; and  
9

10 F. Cooperate with all reasonable requests of the FTC relating to this  
11 Order's implementation.  
12

13 **IT IS FURTHER ORDERED** that this Section shall apply to both existing  
14 Documents, records, and Assets and to Documents, records, and Assets acquired  
15 after the date this Order is signed. This Section does not prohibit transfers to the  
16 Temporary Receiver, as specifically required in the Section titled "Transfer of  
17 Funds to the Temporary Receiver by Financial Institutions and Other Third  
18 Parties," nor does it prohibit the repatriation of foreign Assets, as specifically  
19 required in the Section titled "Repatriation of Foreign Assets" of this Order.  
20

21 **VIII. FINANCIAL STATEMENT AND ACCOUNTING**

22 **IT IS FURTHER ORDERED** that each Defendant, within three (3)  
23 business days of service of this Order, shall prepare and deliver to counsel for the  
24 FTC:  
25  
26

27  
28





1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

- 3. held in whole or in part for the benefit of;
- 4. belonging to any entity that is directly or indirectly owned, managed, or under the control of; or
- 5. belonging to a person under the control of any Defendant;

B. Hold all repatriated Assets, Documents, and records as required by the Asset Freeze imposed by this Order; and

C. Provide the FTC access to all records of accounts or Assets of the Defendants held by any Financial Institution or other person located outside the territorial United States by signing the Consent to Release of Financial Records attached to this Order as Attachment C and by signing any other Documents required by any person, including any Financial Institution, or other person holding any such Asset.

**XI. NON-INTERFERENCE WITH REPATRIATION**

**IT IS FURTHER ORDERED** that Defendants, and each of their successors, assigns, members, officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any entity, corporation, subsidiary, division, affiliate or other device, are hereby temporarily restrained and enjoined from taking any action, directly or indirectly, that may result in the encumbrance or dissipation of foreign Assets, or in the hindrance of the repatriation required by the preceding “Repatriation of Assets” Section of this Order, including, but not limited to:

1           A.     Sending any statement, letter, fax, email or wire transmission, or  
2 telephoning or engaging in any other act, directly or indirectly, that results in a  
3 determination by a foreign trustee or other entity that a “duress” event has  
4 occurred under the terms of a foreign trust agreement until such time that all  
5 Assets have been fully repatriated pursuant to the “Repatriation of Assets” Section  
6 of this Order; or  
7

8           B.     Notifying any trustee, protector, or other agent of any foreign trust or  
9 other related entities of either the existence of this Order, or of the fact that  
10 repatriation is required pursuant to a court order, until such time that all Assets  
11 have been fully repatriated pursuant to “Repatriation of Assets” Section of this  
12 Order.  
13

14  
15                   **XII.    RECORDKEEPING AND BUSINESS OPERATIONS**

16           **IT IS FURTHER ORDERED** that Defendants are hereby temporarily  
17 restrained and enjoined from:

18           A.     Failing to create and maintain Documents that, in reasonable detail,  
19 accurately, fairly, and completely reflect their incomes, disbursements,  
20 transactions, and use of money;  
21

22           B.     Creating, operating, or exercising any control over any business  
23 entity, including any partnership, limited partnership, joint venture, sole  
24 proprietorship, limited liability company or corporation, without first providing  
25 the Commission with a written statement disclosing: (1) the name of the business  
26 entity; (2) the address and telephone number of the business entity; (3) the names  
27  
28

1 of the business entity's officers, directors, principals, managers, and employees;  
2 and (4) a detailed description of the business entity's intended activities; and

3 C. Affiliating with, becoming employed by, or performing any work for  
4 any business that is not a named Defendant in this action without first providing  
5 the Commission with a written statement disclosing: (1) the name of the business;  
6 (2) the address and telephone number of the business; and (3) a detailed  
7 description of the nature of the business or employment and the nature of the  
8 Defendant's duties and responsibilities in connection with that business or  
9 employment.  
10  
11

12 **XIII. APPOINTMENT OF TEMPORARY RECEIVER**

13 **IT IS FURTHER ORDERED** that Robb Evans & Associates LLC is  
14 appointed Temporary Receiver for the Receivership Entities, with the full power  
15 of an equity Receiver. The Temporary Receiver shall be the agent of this Court  
16 and solely the agent of this Court in acting as Temporary Receiver under this  
17 Order. The Temporary Receiver shall be accountable directly to this Court. The  
18 Temporary Receiver shall comply with all local rules and laws governing federal  
19 equity receivers.  
20  
21

22 **XIV. COOPERATION WITH THE TEMPORARY RECEIVER**

23 **IT IS FURTHER ORDERED** that Defendants shall fully cooperate with  
24 and assist the Temporary Receiver. Defendants' cooperation and assistance shall  
25 include, but not be limited to, providing any information to the Temporary  
26 Receiver that the Temporary Receiver deems necessary to exercise the authority  
27  
28

1 and discharge the responsibilities of the Temporary Receiver under this Order;  
2 providing any login, password, or biometric identifier required to access any  
3 computer or electronic files or information in or on any medium; and advising all  
4 persons who owe money to the Receivership Entities that all debts should be paid  
5 directly to the Temporary Receiver. Defendants are hereby restrained and  
6 enjoined from directly or indirectly:  
7

8 A. Transacting any of the business of the Receivership Entities;  
9

10 B. Excusing debts owed to the Receivership Entities;

11 C. Destroying, secreting, defacing, transferring, or otherwise altering or  
12 disposing of any Documents of the Receivership Entities;

13 D. Transferring, receiving, altering, selling, encumbering, pledging,  
14 assigning, liquidating, or otherwise disposing of any Assets owned, controlled, or  
15 in the possession or custody of, or in which an interest is held or claimed by, the  
16 Receivership Entities, or the Temporary Receiver;

17 E. Failing to provide any assistance or information requested by the  
18 Temporary Receiver in connection with obtaining possession, custody, or control  
19 of any Assets within the receivership estate that the Temporary Receiver or the  
20 FTC has identified; or  
21

22 F. Doing any act or thing whatsoever to interfere with the Temporary  
23 Receiver's taking and keeping custody, control, possession, or managing of the  
24 Assets or Documents subject to this receivership; or to harass or interfere with the  
25 Temporary Receiver in any way; or to interfere in any manner with the exclusive  
26  
27  
28

1 jurisdiction of this Court over the Assets or Documents of the Receivership  
2 Entities; or to refuse to cooperate with the Temporary Receiver or the Temporary  
3 Receiver's duly authorized agents in the exercise of their duties or authority under  
4 any Order of this Court.  
5

6 **XV. DUTIES AND AUTHORITY OF TEMPORARY RECEIVER**

7 **IT IS FURTHER ORDERED** that the Temporary Receiver is directed and  
8 authorized to accomplish the following:  
9

10 A. Assume full control of the Receivership Entities by removing, as the  
11 Temporary Receiver deems necessary or advisable, any director, officer,  
12 independent contractor, employee, attorney, or agent of any Receivership Entity  
13 from control of, management of, or participation in, the affairs of the Receivership  
14 Entities;  
15

16 B. Take exclusive custody, control, and possession of all Assets and  
17 Documents of, or in the possession, custody, or under the control of, any  
18 Receivership Entity and other persons or entities whose interests are now held by  
19 or under the direction, possession, custody, or control of any Receivership Entity,  
20 wherever situated. The Receiver shall have full power to divert mail; change  
21 usernames, passwords or other log-in credentials for any online access to accounts  
22 held by any Receivership Entity (such as online access to financial accounts and  
23 remote access to electronic Documents held by cloud service providers, email  
24 service providers and web hosts); and take possession of all electronic Documents  
25 of the Receivership Entities stored remotely by copying all such Documents and  
26  
27  
28



1 obtaining the assistance of the FTC's litigation support staff for the purpose of  
2 obtaining electronic Documents stored remotely. The Receiver shall assume  
3 control over the income and profits therefrom and all sums of money now or  
4 hereafter due or owing to the Receivership Entities. *Provided, however*, that the  
5 Receiver shall not attempt to collect any amount from a consumer if the Receiver  
6 believes the consumer was a victim of the unfair or deceptive acts or practices or  
7 other violations of law alleged in the Complaint in this matter, without prior Court  
8 approval;  
9

11 C. Take all steps necessary to secure the business premises of the  
12 Receivership Entities, which may include, but are not limited to, taking the  
13 following steps as the Temporary Receiver deems necessary or advisable:  
14 (1) serving and filing this Order; (2) completing a written inventory of all  
15 receivership Assets; (3) obtaining pertinent information from all employees and  
16 other agents of the Receivership Entities, including, but not limited to, the name,  
17 home address, Social Security number, job description, method of compensation,  
18 and all accrued and unpaid commissions and compensation of each such employee  
19 or agent; (4) video-recording and/or photographing all portions of the location at  
20 which any Receivership Entity conducts business or has Assets; (5) changing the  
21 locks and alarm codes and disconnecting any computer networks or other means  
22 of access to electronically stored information or other Documents maintained at  
23 that location; or (6) requiring any persons present on the premises at the time this  
24 Order is served to leave the premises, to provide the Temporary Receivers with  
25  
26  
27  
28

1 proof of identification, and/or to demonstrate to the satisfaction of the Temporary  
2 Receiver that such persons are not removing from the premises Documents or  
3 Assets of the Receivership Entities. Such authority shall include, but not be  
4 limited to, the authority to order any owner, director, officer, employee, or agent  
5 of the Receivership Entities to leave the business premises;  
6

7 D. Conserve, hold, and manage all receivership Assets, and perform all  
8 acts necessary or advisable to preserve the value of those Assets, in order to  
9 prevent any irreparable loss, damage, or injury to consumers, including, but not  
10 limited to, obtaining an accounting of the Assets and preventing the transfer,  
11 withdrawal, or misapplication of Assets;  
12

13 E. Enter into contracts and purchase insurance as advisable or  
14 necessary;  
15

16 F. Prevent the inequitable distribution of Assets and determine, adjust,  
17 and protect the interests of consumers and creditors who have transacted business  
18 with the Receivership Entities;  
19

20 G. Manage and administer the business of the Receivership Entities  
21 until further order of this Court by performing all incidental acts that the  
22 Temporary Receiver deems to be advisable or necessary, which includes retaining,  
23 hiring, or dismissing any employees, independent contractors, or agents;  
24

25 H. Continue and conduct the businesses of the Defendants in such  
26 manner, to such extent, and for such duration as the Temporary Receiver may in  
27

1 good faith deem to be necessary or appropriate to operate the businesses  
2 profitably, using the Assets of the receivership estate, and lawfully, if at all;

3 I. Choose, engage, and employ attorneys, accountants, appraisers,  
4 investigators, and other independent contractors and technical specialists, as the  
5 Temporary Receiver deems advisable or necessary in the performance of their  
6 duties and responsibilities, including but not limited to the law firm in which the  
7 Receiver is a partner;

8  
9 J. Make payments and disbursements from the receivership estate that  
10 are necessary or advisable for carrying out the directions of, or exercising the  
11 authority granted by, this Order. The Temporary Receiver shall apply to the Court  
12 for prior approval of any payment of any debt or obligation incurred by the  
13 Receivership Entities prior to the date this Order is signed, except payments that  
14 the Temporary Receiver deems necessary or advisable to secure Assets of the  
15 Receivership Entities, such as rental payments;

16 K. Collect any money due or owing to the Receivership Entities;

17  
18 L. Institute, compromise, adjust, appear in, intervene in, or become  
19 party to such actions or proceedings in state, federal or foreign courts that the  
20 Temporary Receiver deems necessary and advisable to preserve or recover the  
21 Assets or Documents of the Receivership Entities, or to carry out the Temporary  
22 Receiver's mandate under this Order;

23  
24 M. Defend, compromise, adjust, or otherwise dispose of any or all  
25 actions or proceedings instituted against the Receivership Entities or the  
26  
27  
28

1 Temporary Receiver that the Temporary Receiver deems necessary and advisable  
2 to preserve the Assets of the Receivership Entities, or to carry out the Temporary  
3 Receiver's mandate under this Order;

4  
5 N. Take depositions and issue subpoenas to obtain Documents and  
6 records pertaining to the receivership and compliance with this Order. Subpoenas  
7 may be served by electronic mail, by agents or attorneys of the Temporary  
8 Receiver and by agents of any process server retained by the Temporary Receiver;

9  
10 O. Open one or more bank accounts as designated depositories for  
11 funds of the Receivership Entities. The Temporary Receiver shall deposit all  
12 funds of the Receivership Entities in such a designated account and shall make all  
13 payments and disbursements from the receivership estate from such an account;

14  
15 P. Maintain accurate records of all receipts and expenditures made by  
16 the Temporary Receiver; and

17  
18 Q. Cooperate with reasonable requests for information or assistance  
19 from any state or federal law enforcement agency.

20 **XVI. TRANSFER OF FUNDS TO THE TEMPORARY RECEIVER BY**  
21 **FINANCIAL INSTITUTIONS AND OTHER THIRD PARTIES**

22 **IT IS FURTHER ORDERED** that, upon service of a copy of this Order,  
23 any Financial Institution shall cooperate with all reasonable requests of counsel for  
24 the FTC and the Temporary Receiver relating to implementation of this Order,  
25 including transferring funds at the Temporary Receiver's direction and producing  
26 records related to the Assets and sales of the Receivership Entities.  
27





1           **IT IS FURTHER ORDERED** that the Temporary Receiver, and all  
2 persons or entities retained or hired by the Temporary Receiver as authorized  
3 under this Order, shall be entitled to reasonable compensation for the performance  
4 of duties undertaken pursuant to this Order and for the cost of actual out-of-pocket  
5 expenses incurred by them from the Assets now held by or in the possession or  
6 control of, or which may be received by, the Receivership Entities. The  
7 Temporary Receiver shall file with the Court and serve on the parties a request for  
8 the payment of reasonable compensation at the time of the filing of any report  
9 required by the “Temporary Receiver’s Reports” Section of this Order. The  
10 Temporary Receiver shall not increase the fees or rates used as the bases for such  
11 fee applications without prior approval of the Court.  
12  
13

14  
15           **XX. TEMPORARY RECEIVER’S ACCESS TO BUSINESS PREMISES  
16 AND RECORDS**

17           **IT IS FURTHER ORDERED** that:

18           A.     The Temporary Receiver, and his representatives, agents, and  
19 assistants, shall have immediate access to all business premises and storage  
20 facilities, owned, controlled, or used by any Receivership Entity, including but not  
21 limited to the offices and facilities at: 13201 North 35<sup>th</sup> Avenue, Suite B12,  
22 Phoenix, AZ 85029; 13201 North 35<sup>th</sup> Avenue, Suite B20, Phoenix, AZ 85029;  
23 4045 East McDowell Road, Phoenix, AZ 85008; 10640 North 28<sup>th</sup> Drive, Phoenix,  
24 AZ 85053; and any offsite commercial mail boxes or virtual offices used by any  
25 Receivership Entity. The Temporary Receiver is authorized to employ the  
26  
27  
28

1 assistance of law enforcement as he deems necessary to effect service and  
2 peacefully implement this Order. The Temporary Receiver may exclude  
3 Receivership Entities and their employees from part or all of the business premises  
4 during the immediate access. The purpose of the immediate access shall be to  
5 effect service and to inspect and copy the business and financial records of the  
6 Receivership Entities, including forensic imaging of electronically stored  
7 information. Such business records include, but are not limited to,  
8 correspondence, contracts, emails, and financial data;  
9  
10

11 B. The Temporary Receiver and its representatives, agents, and  
12 assistants, shall have the right to remove materials from the above-listed premises  
13 for inspection and copying;  
14

15 C. Receivership Entities and all employees or agents of Receivership  
16 Entities shall provide the Temporary Receiver with any necessary means of access  
17 to Documents and records, including, without limitation, the locations of the  
18 Receivership Entities' business premises, keys and combinations to locks, alarm  
19 codes, computer access codes, and storage area access information;  
20

21 D. If any Individual Defendant possesses a smartphone or tablet on  
22 receivership premises, they will turn over the device to the Receiver for imaging.  
23 Within two business days, the Temporary Receiver will return the device; and  
24

25 E. If any Documents, computers, smartphones, tablets, or electronic  
26 data storage devices containing information related to the business practices or  
27 finances of the Receivership Entities are at a location other than those listed  
28

1 herein, including but not limited to, the personal residence(s) of the Defendants,  
2 then, immediately upon notice of this Order, Defendants shall produce to the  
3 Temporary Receiver all such Documents, computers, smartphones, tablets, or  
4 electronic data storage devices. To prevent the destruction of electronic data, upon  
5 service of this Order upon any Receivership Entity, any computers, smartphones,  
6 tablets, or electronic data storage devices containing such information shall be  
7 powered down (turned off) in the normal course for the operating systems used on  
8 such devices and shall not be used until produced for copying and inspection,  
9 along with any codes needed for access. For any smartphone or tablet that  
10 contains information related to the business practices or finances of the  
11 Receivership Entities that is in the personal possession of an Individual Defendant,  
12 the Temporary Receiver shall image that device and return it to the Individual  
13 Defendant within two business days.

14  
15  
16  
17 **XXI. PARTIES' ACCESS TO BUSINESS PREMISES AND RECORDS**

18 **IT IS FURTHER ORDERED** that the Temporary Receiver shall allow the  
19 FTC, the Defendants, and their representatives reasonable access to the premises  
20 of the Receivership Entities. The purpose of this access shall be to inspect,  
21 inventory, and copy any Documents and other property owned by, or in the  
22 possession of, the Receivership Entities, provided that those Documents and  
23 property are not removed from the premises without the permission of the  
24 Temporary Receiver. The Temporary Receiver shall have the discretion to  
25 determine the time, manner, and reasonable conditions of such access. The  
26  
27  
28

1 Temporary Receiver will segregate all materials subject to an attorney-client  
2 privilege held by a Receivership Entity's clients and shall not make these materials  
3 available to either the FTC or Defendants without the clients' consent. The FTC's  
4 access to any Documents pursuant to this provision shall not provide grounds for  
5 any Defendant to object to any subsequent request for Documents served by the  
6 FTC.  
7

8  
9 **XXII. LIMITED EXPEDITED DISCOVERY**

10 **IT IS FURTHER ORDERED** that the Temporary Receiver and the FTC  
11 are granted leave to conduct certain expedited discovery and that in lieu of the  
12 time periods, notice provisions, and other requirements of the applicable Local  
13 Rules for this District and Rules 26, 30, 34, and 45 of the Federal Rules of Civil  
14 Procedure, the Temporary Receiver and the FTC are granted leave to:  
15

16 A. Depose, on three (3) days' notice, any party or non-party for the  
17 purpose of discovering: (1) the nature, location, status, and extent of Assets of  
18 Defendants or their affiliates or subsidiaries; (2) the nature and location of  
19 Documents and business records of Defendants or their affiliates or subsidiaries;  
20 and (3) compliance with this Order. Any such depositions shall not be counted  
21 toward any deposition limit set forth in the Federal Rules of Civil Procedure or  
22 this Court's Local rules and shall not preclude the FTC from subsequently  
23 deposing the same person during discovery on the merits in this case. Depositions  
24 may be taken by telephone, video conference, or other remote means. Any  
25 deposition taken pursuant to this Section that has not been reviewed and signed by  
26  
27  
28

1 the deponent may be used by any party for purposes of any preliminary injunction  
2 hearing;

3           B.     Serve upon parties interrogatories or requests for production of  
4 Documents or inspection that require a response, production or inspection within  
5 four (4) days of service, and may serve subpoenas upon non-parties that direct  
6 production or inspection within seven (7) days of service, for the purpose of  
7 discovering: (1) the nature, location, status, and extent of Assets of Defendants or  
8 their affiliates or subsidiaries; (2) the nature and location of Documents and  
9 business records of Defendants or their affiliates or subsidiaries; and (3)  
10 compliance with this Order; provided, however, that forty-eight (48) hours' notice  
11 shall be deemed sufficient for the production of any such Documents that are  
12 maintained or stored as electronic data. Any such interrogatories or requests for  
13 production or inspection shall not count toward any limit on discovery set forth in  
14 the Federal Rules of Civil Procedure or this Court's Local Rules;

15           C.     For purposes of this Section, serve deposition notices and other  
16 discovery requests upon the parties to this action personally or by facsimile, email,  
17 certified or registered mail, or private courier (including a process server) with a  
18 receipt from the courier showing delivery; and

19           D.     Pursuant to Fed. R. Civ. P. 45, subpoena Documents immediately  
20 from any Financial Institution, business entity, Electronic Data Host, or person  
21 served with a copy of this Order that holds, controls, or maintains custody of any  
22 account, Document, or Asset of, on behalf of, in the name of, for the benefit of,  
23  
24  
25  
26  
27  
28



1 subject to withdrawal by, subject to access or use by, or under the signatory power  
2 of any Defendant or other party subject to the Asset Freeze above, or has held,  
3 controlled, or maintained any such account, Document, or Asset. The recipient  
4 shall respond to such subpoena within three (3) business days after service. The  
5 FTC may effect service by electronic mail.  
6

7 **XXIII. BANKRUPTCY PETITIONS**

8 **IT IS FURTHER ORDERED** that, in light of the appointment of the  
9 Temporary Receiver, the Receivership Entities are hereby prohibited from filing  
10 petitions for relief under the United States Bankruptcy Code, 11 U.S.C. § 101 *et*  
11 *seq.*, without prior permission from this Court.  
12

13 **XXIV. PRE-EXISTING ORDER**

14 **IT IS FURTHER ORDERED** that nothing herein modifies any existing  
15 Order in any way, including the Orders governing Carl E. Morris, Jr. *See*  
16 Stipulated Final Order for Permanent Injunction and Other Equitable Relief as to  
17 Defendants Carl E. Morris, Jr. and Marketing Strategies, LLC, *FTC v. North*  
18 *America Marketing and Associates, LLC, et al.*, Civ. Action No. 12-914-PHX-  
19 DGC (D. Ariz., entered Jul. 8, 2013). The FTC may take discovery and pursue  
20 any other measure any existing Order permits.  
21  
22

23 **XXV. STAY OF ACTIONS**

24 **IT IS FURTHER ORDERED** that:

25 A. Except by leave of this Court, during the pendency of the Temporary  
26 Receivership ordered herein, the Receivership Entities and all customers,  
27  
28

1 principals, investors, creditors, stockholders, lessors, and other persons seeking to  
2 establish or enforce any claim, right, or interest against or on behalf of the  
3 Receivership Entity, and all others acting for or on behalf of such persons,  
4 including attorneys, trustees, agents, sheriffs, constables, marshals, and other  
5 officers and their deputies, and their respective attorneys, servants, agents, and  
6 employees be and are hereby stayed from:  
7

- 8 1. Commencing, prosecuting, continuing, entering, or enforcing  
9 any suit or proceeding, except that such actions may be filed to toll  
10 any applicable statute of limitations;  
11
- 12 2. Accelerating the due date of any obligation or claimed  
13 obligation; filing or enforcing any lien; taking or attempting to take  
14 possession, custody, or control of any Asset; attempting to foreclose,  
15 forfeit, alter, or terminate any interest in any Asset, whether such  
16 acts are part of a judicial proceeding, are acts of self-help, or  
17 otherwise;  
18
- 19 3. Executing, issuing, serving, or causing the execution,  
20 issuance or service of, any legal process, including, but not limited  
21 to, attachments, garnishments, subpoenas, writs of replevin, writs of  
22 execution, or any other form of process, whether specified in this  
23 Order or not; or  
24
- 25 4. Doing any act or thing whatsoever to interfere with the  
26 Temporary Receiver's taking custody, control, possession, or  
27  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

management of Assets or Documents subject to this receivership; or to harass or interfere with the Temporary Receiver in any way; or to interfere in any manner with the exclusive jurisdiction of this Court over the Assets or Documents of the Receivership Entities.

B. This Section does not stay:

1. The commencement or continuation of a criminal action or proceeding;
2. The commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;
3. The enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power, including but not limited to any actions (including discovery) taken by the FTC in enforcing the Orders in the related matter, *FTC v. North America Marketing and Associates, LLC, et al.*, Civ. Action No. 12-914-PHX-DGC (D. Ariz.); or
4. The issuance to the Receivership Entities of a notice of tax deficiency.

**XXVI. ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS**

1           **IT IS FURTHER ORDERED** that each Defendant, within three (3)  
2 business days of receipt of this Order, must submit to counsel for the FTC a  
3 truthful sworn statement acknowledging receipt of this Order.  
4

5           **XXVII. CORRESPONDENCE WITH PLAINTIFF**

6           **IT IS FURTHER ORDERED** that, for the purposes of this Order, because  
7 mail addressed to the FTC is subject to delay due to heightened security screening,  
8 all correspondence and service of pleadings on Plaintiff shall be sent via electronic  
9 submission and Federal Express to:  
10

11           Elsie B. Kappler  
12           Hong Park  
13           Federal Trade Commission  
14           600 Pennsylvania Ave., NW, Mail Drop CC-9528  
15           Washington, DC 20580  
16           Telephone: (202) 326-2466 (Kappler), -2158 (Park)  
17           [ekappler@ftc.gov](mailto:ekappler@ftc.gov), [hpark@ftc.gov](mailto:hpark@ftc.gov)

18           **XXVIII. SERVICE OF THIS ORDER**

19           **IT IS FURTHER ORDERED** that copies of this Order may be served by  
20 facsimile, email, hand-delivery, personal or overnight delivery, or U.S. Mail, by  
21 agents and employees of the FTC or any state or federal law enforcement agency  
22 or by private process server, upon any Financial Institution or other entity or  
23 person that may have possession, custody, or control of any Documents or Assets  
24 of any Defendant, or that may otherwise be subject to any provision of this Order.  
25 Service upon any branch or office of any Financial Institution shall effect service  
26 upon the entire Financial Institution.  
27  
28

1                   **XXIX. PRELIMINARY INJUNCTION HEARING**

2                   **IT IS FURTHER ORDERED** pursuant to Federal Rule of Civil Procedure  
3 65(b), that each Defendant shall appear before this Court in courtroom 501 at  
4 the United States Court for the District of Arizona, Sandra Day O'Connor U.S.  
5 Courthouse, located at 401 W. Washington Street, Phoenix, AZ 85003, on the  
6 20<sup>th</sup> day of October, 2016, at 9:00 o'clock a.m., to show  
7 cause, if there is any, why this Court should not enter a Preliminary Injunction  
8 enjoining the violations of law alleged in the Commission's Complaint, continuing  
9 the freeze of their Assets, continuing the receivership, and imposing such  
10 additional relief as may be appropriate pending final adjudication of the Complaint  
11 filed in this matter.

12                   **XXX. BRIEFS AND AFFIDAVITS CONCERNING PRELIMINARY**  
13                   **INJUNCTIONS**

14                   **IT IS FURTHER ORDERED** that:

15                   A. Defendants shall file with the Court and serve on the Commission's  
16 counsel any answering affidavits, pleadings, motions, expert reports or  
17 declarations, and/or legal memoranda no later than four (4) days prior to the  
18 hearing on the Commission's request for a preliminary injunction. The  
19 Commission may file responsive or supplemental pleadings, materials, affidavits,  
20 or memoranda with the Court and serve the same on counsel for the Defendant no  
21 later than one (1) day prior to the preliminary injunction hearing in this matter,  
22  
23  
24  
25  
26  
27  
28



1           *Provided* that service shall be performed by personal or overnight delivery,  
2 facsimile or electronic mail, and documents shall be delivered so that they shall be  
3 received by the other parties no later than 4:00 p.m. (Mountain Standard Time) on  
4 the appropriate dates set forth in this Paragraph.  
5

6           B.     The question of whether this Court should enter a preliminary  
7 injunction pursuant to Rule 65 of the Federal Rules of Civil Procedure shall be  
8 resolved on the pleadings, declarations, exhibits, and memoranda filed by, and oral  
9 argument of, the parties, as ordered by the Court;  
10

11           C.     Live testimony shall be heard only on further order of this Court on  
12 motion filed with the Court and served on counsel for the other parties at least  
13 three (3) days prior to the preliminary injunction hearing in this matter. Such  
14 motion shall set forth the name, address, and telephone number of each proposed  
15 witness, a detailed summary or affidavit disclosing the substance of each proposed  
16 witness's testimony, and an explanation of why the taking of live testimony would  
17 be helpful to the Court. Any papers opposing a timely motion to present live  
18 testimony shall be filed with this Court and served on the other parties at least two  
19 (2) days prior to the preliminary injunction hearing in this matter.  
20  
21

22           *Provided* that service shall be performed by personal or overnight delivery,  
23 facsimile or electronic mail, and documents shall be delivered so that they shall be  
24 received by the other parties no later than 4:00 p.m. (Mountain Standard Time) on  
25 the appropriate dates set forth in this Paragraph.  
26  
27  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**XXXI. DURATION OF ORDER**

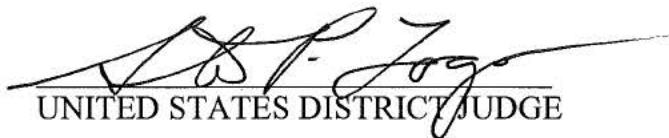
**IT IS FURTHER ORDERED** that the Temporary Restraining Order granted herein shall expire on the 25<sup>th</sup> day of October, 2016, at 11:59 AM/PM, Mountain Standard Time, unless within such time the Order, for good cause shown, is extended for an additional period not to exceed fourteen (14) calendar days, or unless it is further extended pursuant to Federal Rule of Civil Procedure 65.

**XXXII. RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for all purposes of construction, modification, and enforcement of this Order.

**IT IS SO ORDERED**, this 11<sup>th</sup> day of OCT., 2016, at 8:00 AM/PM, Mountain Standard Time.

Dated: 11 OCT. 2016

  
UNITED STATES DISTRICT JUDGE

cc: Plaintiff's counsel

**ATTACHMENT A**

FEDERAL TRADE COMMISSION

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 devise 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.

**ATTACHMENT B**



<b>BACKGROUND INFORMATION</b>		
<b>Item 1. Information About You</b>		
Full Name	Social Security No.	
Current Address of Primary Residence	Driver's License No.	State Issued
	Phone Numbers Home: ( )	Date of Birth: / / (mm/dd/yyyy)
	Fax: ( )	Place of Birth
<input type="checkbox"/> Rent <input type="checkbox"/> Own From (Date): / / (mm/dd/yyyy)	E-Mail Address	
Internet Home Page		
<b>Previous Addresses for past five years (if required, use additional pages at end of form)</b>		
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:		
<b>Item 2. Information About Your Spouse or Live-In Companion</b>		
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 \$
<b>Item 3. Information About Your Previous Spouse</b>		
Name and Address	Social Security No.	
	Date of Birth / / (mm/dd/yyyy)	
<b>Item 4. Contact Information (name and address of closest living relative other than your spouse)</b>		
Name and Address	Phone Number ( )	

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: \_\_\_\_\_

<b>Item 11. Non-Public Business and Financial Interests</b>				
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
<b>Item 12. Amounts Owed to You, Your Spouse, or Your Dependents</b>				
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			
<b>Item 13. Life Insurance Policies</b>				
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 \$
<b>Item 14. Deferred Income Arrangements</b>				
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: \_\_\_\_\_



<b>Item 15. Pending Insurance Payments or Inheritances</b>					
List any pending insurance payments or inheritances owed to you.					
Type	Amount Expected	Date Expected (mm/dd/yyyy)			
	\$	/ /			
	\$	/ /			
	\$	/ /			

<b>Item 16. Vehicles</b>					
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		

<b>Item 17. Other Personal Property</b>				
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: \_\_\_\_\_

<b>Item 18. Real Property</b>			
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
		Current Balance \$	Monthly Rent Received \$
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
		Current Balance \$	Monthly Rent Received \$
<b>LIABILITIES</b>			
<b>Item 19. Credit Cards</b>			
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
			\$
			\$
			\$
			\$
			\$
<b>Item 20. Taxes Payable</b>			
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: \_\_\_\_\_

<b>Item 21. Other Amounts Owed by You, Your Spouse, or Your Dependents</b>			
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**

<b>Item 22. Trusts and Escrows</b>				
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.

<b>Item 23. Transfers of Assets</b>				
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: \_\_\_\_\_

<b>Item 24. Document Requests</b>	
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**

<b>Item 25. Combined Balance Sheet for You, Your Spouse, and Your Dependents</b>			
<b>Assets</b>		<b>Liabilities</b>	
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)	\$	<b>Other Liabilities (Itemize)</b>	
Deferred Income Arrangements (Item 14)	\$		\$
Vehicles (Item 16)	\$		\$
Other Personal Property (Item 17)	\$		\$
Real Property (Item 18)	\$		\$
<b>Other Assets (Itemize)</b>			\$
	\$		\$
	\$		\$
	\$		\$
<b>Total Assets</b>	\$	<b>Total Liabilities</b>	\$

<b>Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents</b>			
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.			
<b>Income (State source of each item)</b>		<b>Expenses</b>	
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: \_\_\_\_\_

<b>Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents (cont.)</b>			
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	\$	<b>Other Expenses (Itemize)</b>	
Gambling Income	\$		\$
<b>Other Income (Itemize)</b>			\$
	\$		\$
	\$		\$
	\$		\$
<b>Total Income</b>	\$	<b>Total Expenses</b>	\$

**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 C**

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 &amp; Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____

**Item 5. Board Members**

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

<u>Name &amp; 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 &amp; 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 &amp; 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 &amp; 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, &amp; 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 &amp; 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 &amp; 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 &amp; 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 &amp; 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, &amp; 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

CONSENT TO RELEASE OF FINANCIAL RECORDS

I, \_\_\_\_\_, do hereby direct any bank, savings 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, 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 I have an account of any kind, or at which a corporation or other entity has a bank 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 your 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. Blue Saguaro Marketing, LLC, et al.*, Civ. No. \_\_\_\_\_, now pending in the United States District Court for the District of Arizona, 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 the disclosure of bank or other financial information without the consent of the holder of the account, and shall be construed as consent with respect thereto, and the same shall apply to any of the accounts for which I may be a relevant principal.

Dated: \_\_\_\_\_

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[Print Name]