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6 **IN THE UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF ARIZONA**

8 **Federal Trade Commission,**

9 Plaintiff,

10 V.

11 **Accelerated Debt Settlement Inc., et**
12 **al.,**

13 Defendants.
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CASE NO. CV25-02443-PHX-SMB

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

**DOCUMENT SUBMITTED
UNDER SEAL**

17
18 Plaintiff, the Federal Trade Commission (“FTC”), has filed its Complaint for
19 Permanent Injunction and Other Equitable Relief pursuant to Sections 13(b) and 19 of the
20 Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, Section 6(b) of
21 the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing
22 Act”), 15 U.S.C. § 6105(b), Section 621(a) of the Fair Credit Reporting Act (“FCRA”),
23 15 U.S.C. § 1681s(a), and Section 522(a) of the Gramm-Leach-Bliley Act (“GLB Act”),
24 15 U.S.C. § 6822(a), and has moved, pursuant to Fed. R. Civ. P. 65(b) and LRCiv 65.1,
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1 for a temporary restraining order, asset freeze, other equitable relief, and an order to show
2 cause why a preliminary injunction should not issue against Defendants.

3 **FINDINGS OF FACT**

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

- 8 A. This Court has jurisdiction over the subject matter of this case, and there is good
9 cause to believe that it will have jurisdiction over all parties hereto and that venue in
10 this District is proper.
- 12 B. There is good cause to believe that Defendants have engaged in and are likely to
13 engage in acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),
14 multiple provisions of the FTC's Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part
15 310, multiple provisions of the FTC's Trade Regulation Rule on Impersonation of
16 Government and Businesses ("Impersonation Rule"), 16 C.F.R. Part 461, Section
17 604(f)(1) of the FCRA, 15 U.S.C. § 1681b(f)(1), and Section 521 of the GLB Act, 15
18 U.S.C. § 6821 and that the FTC is therefore likely to prevail on the merits of the
19 action. As demonstrated by the consumer declarations, consumer complaints, and the
20 additional documentation filed by the FTC, the FTC has established a likelihood of
21 success in showing that, in numerous instances, Defendants have made false,
22 fictitious, fraudulent, and deceptive representations regarding their debt relief services
23 and taken illegal advance fees for those services. In particular, there is good cause to
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1 believe that in numerous instances, in connection with the marketing, telemarketing,
2 and sale of debt relief services, Defendants have:

- 3 1. Falsely represented that their debt relief services will reduce consumer debts
4 substantially;
- 5 2. Falsely represented that the upfront fee that they charge to consumers' credit cards
6 is part of the overall debt that Defendants will reduce or eliminate, and therefore
7 consumers will not actually have to pay this fee;
- 8 3. Falsely represented that any negative effect on consumers' credit scores is
9 temporary, and consumers' credit scores will improve or return to normal after the
10 completion of Defendants' services;
- 11 4. Falsely represented that Defendants are consumers' banks or credit card issuers;
- 12 5. Falsely represented that Defendants are the federal government, including
13 specifically the Social Security Administration and the Consumer Financial
14 Protection Bureau;
- 15 6. Falsely represented that Defendants are consumer reporting agencies, including
16 specifically Experian;
- 17 7. Failed to disclose, in a clear and conspicuous manner, that their debt relief
18 services—which direct consumers to stop making timely payments to their credit
19 card companies—will likely adversely affect consumers' creditworthiness;
- 20 8. Taken advance fees for the debt relief services;
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- 1 9. Initiated or caused others to initiate outbound telephone calls that fail to transmit
- 2 the telephone number and their name to caller identification services in use by
- 3 recipients of their telemarketing calls;
- 4
- 5 10. Created or caused others to created remotely created payment orders as payment
- 6 for their debt relief services;
- 7
- 8 11. Initiated or caused others to initiate outbound telephone calls to persons' telephone
- 9 numbers on the National Do Not Call Registry;
- 10
- 11 12. Initiated or caused others to initiate outbound telephone calls to persons within
- 12 given area codes without having paid, directly or through another person, the
- 13 annual fee required by Section 310.8(c) of the TSR for access to telephone
- 14 numbers within those area codes that are included in the National Do Not Call
- 15 Registry; and
- 16
- 17 13. Used or obtained consumers reports without a purpose for which the consumer
- 18 reports are authorized to be furnished under Section 604 of the FCRA.
- 19
- 20 C. There is good cause to believe that Defendants have taken in gross revenues of at least
- 21 \$104 million as a result of their unlawful practices.
- 22
- 23 D. There is good cause to believe that immediate and irreparable harm will result from
- 24 Defendants' ongoing violations of the FTC Act, the TSR, the Impersonation Rule, the
- 25 FCRA, and the GLB Act unless Defendants are restrained and enjoined by order of
- 26 this Court.
- 27
- 28 E. There is good cause to believe that immediate and irreparable damage to the Court's
- 29 ability to grant effective final relief for consumers—including rescission or

1 reformation of contracts and the refund of money or return of property—will occur
2 from the sale, transfer, destruction, or other disposition or concealment by Defendants
3 of their assets or records unless Defendants are immediately restrained and enjoined
4 by order of this Court; and that, in accordance with Fed. R. Civ. P. 65(b), the interests
5 of justice require that this Order be granted without prior notice to Defendants. Thus,
6 there is good cause for relieving the FTC of the duty to provide Defendants with prior
7 notice of its Motion for a Temporary Restraining Order.
8

9 F. Good cause exists for appointing a temporary receiver over the Receivership Entities,
10 freezing Defendants' assets, permitting the FTC and the Receiver immediate access to
11 the Defendants' business premises, and permitting the FTC and the Receiver to take
12 expedited discovery.
13

14 G. Weighing the equities and considering the FTC's likelihood of ultimate success on the
15 merits, a temporary restraining order with an asset freeze, the appointment of a
16 temporary receiver, immediate access to business premises, expedited discovery, and
17 other equitable relief is in the public interest.
18

19 H. This Court has authority to issue this Order pursuant to Section 13(b) of the FTC Act,
20 15 U.S.C. § 53(b); Fed. R. Civ. P. 65; and the All Writs Act, 28 U.S.C. § 1651.
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22 I. No security is required of any agency of the United States for issuance of a temporary
23 restraining order. Fed. R. Civ. P. 65(c).
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DEFINITIONS

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

- A. **“Asset”** means any legal or equitable interest in, right to, or claim to, any property, wherever located and by whomever held.
- B. **“Consumer”** means any Person.
- C. **“Corporate Defendant(s)”** means Accelerated Debt Settlement Inc. also doing business as Accelerated Debt Solutions and ADS Resolve, ADS Resolve LLC, Financial Solutions Group LLC also doing business as Accelerated Debt Settlement LLC and Accelerated Debt Solutions LLC, Unified Capital Services LLC formerly known as Alternative Industrial Services, LLC and also doing business as Unified Debt, Mediwerks, Resolution Specialists LLC, Futura Capital, LLC, and each of their subsidiaries, affiliates, successors, and assigns.
- D. **“Debt Relief Service”** means any program or service represented, directly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a person and one or more unsecured creditors or debt collectors, including, but not limited to, a reduction in the balance, interest rate, or fees owed by a person to an unsecured creditor or debt collector.
- E. **“Defendants”** means Corporate Defendants and Individual Defendants, individually, collectively, or in any combination.
- F. **“Document”** is synonymous in meaning and equal in scope to the usage of “document” and “electronically stored information” in Federal Rule of Civil Procedure 34(a), Fed. R. Civ. P. 34(a), and includes writings, drawings, graphs,

1 charts, photographs, sound and video recordings, images, Internet sites, web pages,
2 websites, electronic correspondence, including e-mail and instant messages, contracts,
3 accounting data, advertisements, FTP Logs, Server Access Logs, books, written or
4 printed records, handwritten notes, telephone logs, telephone scripts, receipt books,
5 ledgers, personal and business canceled checks and check registers, bank statements,
6 appointment books, computer records, customer or sales databases and any other
7 electronically stored information, including Documents located on remote servers or
8 cloud computing systems, and other data or data compilations from which information
9 can be obtained directly or, if necessary, after translation into a reasonably usable
10 form. A draft or non-identical copy is a separate document within the meaning of the
11 term.
12

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14 G. **“Electronic Data Host”** means any person or entity in the business of storing,
15 hosting, or otherwise maintaining electronically stored information. This includes,
16 but is not limited to, any entity hosting a website or server, and any entity providing
17 “cloud based” electronic storage.
18

19 H. **“Individual Defendants”** means Jeffrey A. Lakes, Robert L. Knechtel, and Elizabeth
20 A. Reaney.
21

22 I. **“Person”** means a natural person, an organization or other legal entity, including a
23 corporation, partnership, sole proprietorship, limited liability company, association,
24 cooperative, or any other group or combination acting as an entity.
25

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

1 K. **“Receivership Entities”** means Corporate Defendants as well as any other entity that
2 has conducted any business related to Defendants’ marketing of Debt Relief Services,
3 including receipt of Assets derived from any activity that is the subject of the
4 Complaint in this matter, and that the Receiver determines is controlled or owned by
5 any Defendant.
6

7 **ORDER**

8 **PROHIBITED CONDUCT**

9 **I. IT IS THEREFORE ORDERED** that Defendants, Defendants’ officers, agents,
10 employees, and attorneys, and all other persons in active concert or participation
11 with them, who receive actual notice of this Order by personal service or
12 otherwise, whether acting directly or indirectly, in connection with the advertising,
13 marketing, promoting, or offering for sale of any goods or services, are
14 temporarily restrained and enjoined from:
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16 A. Misrepresenting, directly or indirectly, expressly or by implication:
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- 18 1. That any Debt Relief Service will reduce Consumer debts substantially;
- 19 2. That any fee charged for any Debt Relief Service will be part of the overall
20 debt to be reduced or eliminated, or that Consumers will not actually have
21 to pay such fee;
- 22 3. That any negative effect on Consumers’ credit scores from participation in
23 any Debt Relief Service is temporary, or that Consumers’ credit scores will
24 improve or return to normal after completion of any Debt Relief Services;
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1 4. That any Person is, or is affiliated with, a Consumer's bank or credit card
2 issuer;

3 5. That any Person is, or is affiliated with, the federal government;

4 6. That any Person is, or is affiliated with, any consumer reporting agency; or

5 7. Any other fact material to Consumers concerning any Debt Relief Service,
6 such as: the total costs; any material restrictions, limitations, or conditions;
7 or any material aspect of its performance, efficacy, nature, or central
8 characteristics;
9

10 B. Charging or receiving money or other valuable consideration for the
11 performance of any Debt Relief Service before such service is fully performed;
12

13 C. Failing to disclose, in a clear and conspicuous manner, that any Debt Relief
14 Service that directs Consumers to stop making timely payments to their credit
15 card companies will likely adversely affect Consumers' creditworthiness;
16

17 D. Initiating or causing others to initiate outbound telephone calls that fail to
18 transmit the telephone number and name of the telemarketer or seller to any
19 caller identification service in use by a recipient of a telemarketing call;
20

21 E. Creating or causing to be created a remotely created payment order as payment
22 for any good or service;

23 F. Initiating or causing others to initiate outbound telephone calls to Persons'
24 telephone numbers on the National Do Not Call Registry;
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26 G. Initiating or causing others to initiate outbound telephone calls to Persons
27 within a given area code without having paid, directly or through another

1 Person, the annual fee required by Section 310.8(c) of the TSR for access to
2 telephone numbers within that area code that are included in the National Do
3 Not Call Registry;

4 H. Using or obtaining consumers reports with a purpose for which the consumer
5 reports are authorized to be furnished under Section 604 of the FCRA; and
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7 I. Making false, fictitious, or fraudulent statements or representations to
8 customers of financial institutions to obtain or attempt to obtain customer
9 information of a financial institution of those customers.
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11 **PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

12 **II. IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents,
13 employees, and attorneys, and all other persons in active concert or participation
14 with any of them, who receive actual notice of this Order, whether acting directly
15 or indirectly, are hereby temporarily restrained and enjoined from:
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17 A. Selling, renting, leasing, transferring, or otherwise disclosing the name,
18 address, birth date, telephone number, email address, credit card number, bank
19 account number, Social Security number, or other financial or identifying
20 information of any Person that any Defendant obtained in connection with any
21 activity that pertains to the subject matter of this Order; and
22

23 B. Benefitting from or using the name, address, birth date, telephone number,
24 email address, credit card number, bank account number, Social Security
25 number, or other financial or identifying information of any Person that any
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1 Defendant obtained in connection with any activity that pertains to the subject
2 matter of this Order.

3 C. *Provided, however*, that Defendants may disclose such identifying information
4 to a law enforcement agency, to their attorneys as required for their defense, as
5 required by any law, regulation, or court order, or in any filings, pleadings, or
6 discovery in this action in the manner required by the Federal Rules of Civil
7 Procedure and by any protective order in the case.
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9 **ASSET FREEZE**

10 **III. IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents,
11 employees, and attorneys, and all other persons in active concert or participation
12 with any of them, who receive actual notice of this Order, whether acting directly
13 or indirectly, are hereby temporarily restrained and enjoined from:
14

15 A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling,
16 concealing, dissipating, disbursing, assigning, relinquishing, spending,
17 withdrawing, granting a lien or security interest or other interest in, or
18 otherwise disposing of any Assets that are:
19

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

3 B. Opening or causing to be opened any safe deposit boxes, commercial mail
4 boxes, or storage facilities titled in the name of any Defendant or subject to
5 access by any Defendant, except as necessary to comply with written requests
6 from the Receiver acting pursuant to its authority under this Order;
7

8 C. Incurring charges or cash advances on any credit, debit, or ATM card issued in
9 the name, individually or jointly, of any Corporate Defendant or any
10 corporation, partnership, or other entity directly or indirectly owned, managed,
11 or controlled by any Defendant or of which any Defendant is an officer,
12 director, member, or manager. This includes any corporate bankcard or
13 corporate credit card account for which any Defendant is, or was on the date
14 that this Order was signed, an authorized signor; or
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16

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

19 E. The Assets affected by this Section shall include: (1) all Assets of Defendants
20 as of the time this Order is entered; and (2) Assets obtained by Defendants
21 after this Order is entered if those Assets are derived from any activity that is
22 the subject of the Complaint in this matter or that is prohibited by this Order.
23 This Section does not prohibit any transfers to the Receiver or repatriation of
24 foreign Assets specifically required by this order.
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DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES

IV. IT IS FURTHER ORDERED that any financial or brokerage institution, Electronic Data Host, credit card processor, payment processor, merchant bank, acquiring bank, independent sales organization, third party processor, payment gateway, insurance company, business entity, or person who receives actual notice of this Order (by service or otherwise) that: (a) has held, controlled, or maintained custody, through an account or otherwise, of any Document on behalf of any Defendant or any Asset that has been owned or controlled, directly or indirectly, by any Defendant; held, in part or in whole, for the benefit of any Defendant; in the actual or constructive possession of any Defendant; or owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant; (b) has held, controlled, or maintained custody, through an account or otherwise, of any Document or Asset associated with credits, debits, or charges made on behalf of any Defendant, including reserve funds held by payment processors, credit card processors, merchant banks, acquiring banks, independent sales organizations, third party processors, payment gateways, insurance companies, or other entities; or (c) has extended credit to any Defendant, including through a credit card account, shall:

A. Hold, preserve, and retain within its control and prohibit the withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance, disbursement,

1 dissipation, relinquishment, conversion, sale, or other disposal of any such
2 Document or Asset, as well as all Documents or other property related to such
3 Assets, except by further order of this Court or, with respect to any Document
4 or Asset owned by, held in the name of, for the benefit of, or otherwise
5 controlled by any Receivership Entity, as directed in writing by the Receiver;
6 *provided, however*, that this provision does not prohibit an Individual
7 Defendant from incurring charges on a personal credit card established prior to
8 entry of this Order, up to the pre-existing credit limit;
9

10 B. Deny any person, except the Receiver, access to any safe deposit box,
11 commercial mail box, or storage facility that is titled in the name of any
12 Defendant, either individually or jointly, or otherwise subject to access by any
13 Defendant;
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15 C. Provide the FTC's counsel and the Receiver, within three (3) days of receiving
16 a copy of this Order, a sworn statement setting forth, for each Asset or account
17 covered by this Section:
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- 19 1. The identification number of each such account or Asset;
- 20 2. The balance of each such account, or a description of the nature and value
21 of each such Asset, as of the close of business on the day that this Order is
22 served, and, if the account or other Asset has been closed or removed, the
23 date closed or removed, the total funds removed in order to close the
24 account, and the name of the person or entity to whom such account or
25 other Asset was remitted; and
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1 3. The identification of any safe deposit box, commercial mailbox, or storage
2 facility that is either titled in the name, individually or jointly, of any
3 Defendant, or is otherwise subject to access by any Defendant; and

4 D. Upon the request of FTC counsel or the Receiver, promptly provide FTC
5 counsel and the Receiver with copies of all records or other Documents
6 pertaining to any account or Asset covered by this Section, including originals
7 or copies of account applications, account statements, signature cards, checks,
8 drafts, deposit tickets, transfers to and from the accounts, including wire
9 transfers and wire transfer instructions, all other debit and credit instruments or
10 slips, currency transaction reports, 1099 forms, and all logs and records
11 pertaining to safe deposit boxes, commercial mail boxes, and storage facilities.

12 E. *Provided, however*, that this Section does not prohibit any transfers to the
13 Receiver or repatriation of foreign Assets specifically required by this Order.

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17 **FINANCIAL DISCLOSURES**

18 **V. IT IS FURTHER ORDERED** that each Defendant, within five (5) days of
19 service of this Order upon them, shall prepare and deliver to FTC counsel and the
20 Receiver:
21

22 A. Completed financial statements on the forms attached to this Order as
23 **Attachment A** (Financial Statement of Individual Defendant) for each
24 Individual Defendant, and **Attachment B** (Financial Statement of Corporate
25 Defendant) for each Corporate Defendant; and
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1 B. Completed **Attachment C** (IRS Form 4506, Request for Copy of a Tax
2 Return) for each Defendant.

3 **FOREIGN ASSET REPATRIATION**

4 **VI. IT IS FURTHER ORDERED** that within five (5) days of service of this Order
5 upon them, each Defendant shall:

6
7 A. Provided FTC counsel with a full accounting, verified under oath and accurate
8 as of the date of this Order, of all Assets, Documents, and accounts outside of
9 the United States which are: (1) titled in the name, individually or jointly, of
10 any Defendant; (2) held by any person or entity for the benefit of any
11 Defendant or for the benefit of, any corporation, partnership, asset protection
12 trust, or other entity that is directly or indirectly owned, managed or controlled
13 by any Defendant; or (3) under the direct or indirect control, whether jointly or
14 singly, of any Defendant;
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16
17 B. Take all steps necessary to provide FTC counsel and Receiver access to all
18 Documents and records that may be held by third parties located outside of the
19 territorial United States of America, including signing the Consent to Release
20 of Financial Records appended to this Order as **Attachment D**;
21

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

3 D. The same business day as any repatriation, (1) notify the Receiver and FTC
4 counsel of the name and location of the financial institution or other entity that
5 is the recipient of such Documents or Assets; and (2) serve this Order on any
6 such financial institution or other entity.
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9 **NON-INTERFERENCE WITH REPATRIATION**

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

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

25 B. Notifying any trustee, protector or other agent of any foreign trust or other
26 related entities of either the existence of this Order, or of the fact that
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1 repatriation is required pursuant to a court order, until such time that all

2 Defendants' Assets have been fully repatriated pursuant to this Order.

3 **CONSUMER CREDIT REPORTS**

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

9 **PRESERVATION OF RECORDS**

10 **IX. IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents,
11 employees, and attorneys, and all other persons in active concert or participation
12 with any of them, who receive actual notice of this Order, whether acting directly
13 or indirectly, are hereby temporarily restrained and enjoined from:
14

- 15 A. Destroying, erasing, falsifying, writing over, mutilating, concealing, altering,
16 transferring, or otherwise disposing of, in any manner, directly or indirectly,
17 Documents that relate to: (1) the business, business practices, Assets, or
18 business or personal finances of any Defendant; (2) the business practices or
19 finances of entities directly or indirectly under the control of any Defendant; or
20 (3) the business practices or finances of entities directly or indirectly under
21 common control with any other Defendant; and
22
23 B. Failing to create and maintain Documents that, in reasonable detail, accurately,
24 fairly, and completely reflect Defendants' incomes, disbursements,
25 transactions, and use of Defendants' Assets.
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REPORT OF NEW BUSINESS ACTIVITY

X. IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from creating, operating, or exercising any control over any business entity, whether newly formed or previously inactive, including any partnership, limited partnership, joint venture, sole proprietorship, or corporation, without first providing FTC counsel and the Receiver with a written statement disclosing: (1) the name of the business entity; (2) the address and telephone number of the business entity; (3) the names of the business entity's officers, directors, principals, managers, and employees; and (4) a detailed description of the business entity's intended activities.

TEMPORARY RECEIVER

XI. IT IS FURTHER ORDERED that Thomas McNamara, Esq. is appointed as temporary receiver of the Receivership Entities with full powers of an equity receiver. The Receiver shall be solely the agent of this Court in acting as Receiver under this Order.

DUTIES AND AUTHORITY OF RECEIVER

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

A. Assume full control of Receivership Entities by removing, as the Receiver deems necessary or advisable, any director, officer, independent contractor,

1 employee, attorney, or agent of any Receivership Entity from control of,
2 management of, or participation in, the affairs of the Receivership Entity;

3 B. Take exclusive custody, control, and possession of all Assets and Documents
4 of, or in the possession, custody, or under the control of, any Receivership
5 Entity, wherever situated;
6

7 C. Take exclusive custody, control, and possession of all Documents or Assets
8 associated with credits, debits, or charges made on behalf of any Receivership
9 Entity, wherever situated, including reserve funds held by payment processors,
10 credit card processors, merchant banks, acquiring banks, independent sales
11 organizations, third party processors, payment gateways, insurance companies,
12 or other entities;
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14 D. Take exclusive custody, control, and possession of all office suites, business
15 locations, storage lockers, offsite commercial mail boxes, or virtual offices
16 with leases or otherwise in the name of or used by any Receivership Entity
17 (“Receivership Premises”). For clarity, the Receiver’s custody, control, and
18 possession will be exclusive for this Order’s duration, notwithstanding any
19 claims by any Person that may also be occupying or using Receivership
20 Premises that they are not Defendants, Receivership Entities, or are otherwise
21 unrelated to the Receivership Entities. The Reciever’s custody, control, and
22 possession shall include all Documents at Receivership Premises until further
23 order from the Court;
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1 E. Conserve, hold, manage, and prevent the loss of all Assets of the Receivership
2 Entities, and perform all acts necessary or advisable to preserve the value of
3 those Assets. The Receiver shall assume control over the income and profits
4 therefrom and all sums of money now or hereafter due or owing to the
5 Receivership Entities. The Receiver shall have full power to sue for, collect,
6 and receive, all Assets of the Receivership Entities and of other persons or
7 entities whose interests are now under the direction, possession, custody, or
8 control of, the Receivership Entities. *Provided, however,* that the Receiver
9 shall not attempt to collect any amount from a consumer if the Receiver
10 believes the consumer's debt to the Receivership Entities has resulted from the
11 deceptive acts or practices or other violations of law alleged in the Complaint
12 in this matter, without prior Court approval;
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14
15 F. Obtain, conserve, hold, manage, and prevent the loss of all Documents of the
16 Receivership Entities, and perform all acts necessary or advisable to preserve
17 such Documents. The Receiver shall: divert mail; preserve all Documents of
18 the Receivership Entities that are accessible via electronic means (such as
19 online access to financial accounts and access to electronic documents held
20 onsite or by Electronic Data Hosts, by changing usernames, passwords or other
21 log-in credentials; take possession of all electronic Documents of the
22 Receivership Entities stored onsite or remotely; take whatever steps necessary
23 to preserve all such Documents; and obtain the assistance of the FTC's Digital
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1 Forensic Unit for the purpose of obtaining electronic documents stored onsite
2 or remotely;

3 G. Choose, engage, and employ attorneys, accountants, appraisers, and other
4 independent contractors and technical specialists, as the Receiver deems
5 advisable or necessary in the performance of duties and responsibilities under
6 the authority granted by this Order;
7

8 H. Make payments and disbursements from the receivership estate that are
9 necessary or advisable for carrying out the directions of, or exercising the
10 authority granted by, this Order, and to incur, or authorize the making of, such
11 agreements as may be necessary and advisable in discharging his or her duties
12 as Receiver. The Receiver shall apply to the Court for prior approval of any
13 payment of any debt or obligation incurred by the Receivership Entities prior
14 to the date of entry of this Order, except payments that the Receiver deems
15 necessary or advisable to secure Assets of the Receivership Entities, such as
16 rental payments;
17

18
19 I. Take all steps necessary to secure and take exclusive custody of each location
20 from which the Receivership Entities operate their businesses. Such steps may
21 include, but are not limited to, any of the following, as the Receiver deems
22 necessary or advisable: (1) securing the location by changing the locks and
23 alarm codes and disconnecting any internet access or other means of access to
24 the computers, servers, internal networks, or other records maintained at that
25 location; and (2) requiring any persons present at the location to leave the
26
27

1 premises, to provide the Receiver with proof of identification, and/or to
2 demonstrate to the satisfaction of the Receiver that such persons are not
3 removing from the premises Documents or Assets of the Receivership Entities.
4 Law enforcement personnel, including, but not limited to, police or sheriffs,
5 may assist the Receiver in implementing these provisions in order to keep the
6 peace and maintain security. If requested by the Receiver, the United States
7 Marshal will provide appropriate and necessary assistance to the Receiver to
8 implement this Order and is authorized to use any necessary and reasonable
9 force to do so;
10
11

12 J. Take all steps necessary to prevent the modification, destruction, or erasure of
13 any web page or website registered to and operated, in whole or in part, by any
14 Defendants, and to provide access to all such web page or websites to the
15 FTC's representatives, agents, and assistants, as well as Defendants and their
16 representatives;
17

18 K. Enter into and cancel contracts and purchase insurance as advisable or
19 necessary;
20

21 L. Prevent the inequitable distribution of Assets and determine, adjust, and protect
22 the interests of consumers who have transacted business with the Receivership
23 Entities;
24

25 M. Make an accounting, as soon as practicable, of the Assets and financial
26 condition of the receivership and file the accounting with the Court and deliver
27 copies thereof to all parties;

- 1 N. Institute, compromise, adjust, appear in, intervene in, defend, dispose of, or
2 otherwise become party to any legal action in state, federal or foreign courts or
3 arbitration proceedings as the Receiver deems necessary and advisable to
4 preserve or recover the Assets of the Receivership Entities, or to carry out the
5 Receiver's mandate under this Order, including but not limited to, actions
6 challenging fraudulent or voidable transfers;
- 8 O. Issue subpoenas to obtain Documents and records pertaining to the
9 Receivership, and conduct discovery in this action on behalf of the receivership
10 estate, in addition to obtaining other discovery as set forth in this Order;
- 12 P. Open one or more bank accounts at designated depositories for funds of the
13 Receivership Entities. The Receiver shall deposit all funds of the Receivership
14 Entities in such designated accounts and shall make all payments and
15 disbursements from the receivership estate from such accounts. The Receiver
16 shall serve copies of monthly account statements on all parties;
- 18 Q. Maintain accurate records of all receipts and expenditures incurred as
19 Receiver;
- 21 R. Allow the FTC's representatives, agents, and assistants, as well as Defendants'
22 representatives and Defendants themselves, reasonable access to the premises
23 of the Receivership Entities, or any other premises where the Receivership
24 Entities conduct business. The purpose of this access shall be to inspect and
25 copy any and all books, records, Documents, accounts, and other property
26 owned by, or in the possession of, the Receivership Entities or their agents.
27

1 The Receiver shall have the discretion to determine the time, manner, and
2 reasonable conditions of such access.

3 S. Allow the FTC's representatives, agents, and assistants, as well as Defendants
4 and their representatives reasonable access to all Documents in the possession,
5 custody, or control of the Receivership Entities;

6
7 T. Cooperate with reasonable requests for information or assistance from any
8 state or federal civil or criminal law enforcement agency;

9 U. Suspend business operations of the Receivership Entities if in the judgment of
10 the Receiver such operations cannot be continued legally and profitably;

11
12 V. If the Receiver identifies a nonparty entity as a Receivership Entity, promptly
13 notify the entity as well as the parties, and inform the entity that it can
14 challenge the Receiver's determination by filing a motion with the Court.

15 *Provided, however,* that the Receiver may delay providing such notice until the
16 Receiver has established control of the nonparty entity and its assets and
17 records, if the Receiver determines that notice to the entity or the parties before
18 the Receiver establishes control over the entity may result in the destruction of
19 records, dissipation of assets, or any other obstruction of the Receiver's control
20 of the entity; and
21

22
23 W. If in the Receiver's judgment the business operations cannot be continued
24 legally and profitably, take all steps necessary to ensure that any of the
25 Receivership Entities' web pages or websites relating to the activities alleged
26 in the Complaint cannot be accessed by the public, or are modified for
27

1 consumer education and/or informational purposes, and take all steps necessary
2 to ensure that any telephone numbers associated with the Receivership Entities
3 cannot be accessed by the public, or are answered solely to provide consumer
4 education or information regarding the status of operations.
5

6 **TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

7 **XIII. IT IS FURTHER ORDERED** that Defendants and any other Person, with

8 possession, custody or control of property of, or records relating to, the
9 Receivership Entities shall, upon notice of this Order by personal service or
10 otherwise, fully cooperate with and assist the Receiver in taking and maintaining
11 possession, custody, or control of the Assets and Documents of the Receivership
12 Entities and immediately transfer or deliver to the Receiver possession, custody,
13 and control of, the following:
14

- 15
- 16 A. All Assets held by or for the benefit of the Receivership Entities;
 - 17 B. All Documents or Assets associated with credits, debits, or charges made on
18 behalf of any Receivership Entity, wherever situated, including reserve funds
19 held by payment processors, credit card processors, merchant banks, acquiring
20 banks, independent sales organizations, third party processors, payment
21 gateways, insurance companies, or other entities;
 - 22 C. All Documents of or pertaining to the Receivership Entities;
 - 23 D. All computers, electronic devices, mobile devices and machines used to
24 conduct the business of the Receivership Entities;
25
26
27

1 E. All Assets and Documents belonging to other persons or entities whose
2 interests are under the direction, possession, custody, or control of the
3 Receivership Entities; and

4 F. All keys, codes, user names and passwords necessary to gain or to secure
5 access to any Assets or Documents of or pertaining to the Receivership
6 Entities, including access to their business premises, means of communication,
7 accounts, computer systems (onsite and remote), Electronic Data Hosts, or
8 other property.
9

10 G. In the event that any person or entity fails to deliver or transfer any Asset or
11 Document, or otherwise fails to comply with any provision of this Section, the
12 Receiver may file an Affidavit of Non-Compliance regarding the failure and a
13 motion seeking compliance or a contempt citation.
14

15 **PROVISION OF INFORMATION TO THE RECEIVER**

16
17 **XIV. IT IS FURTHER ORDERED** that Defendants shall immediately provide to the
18 Receiver:

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

22
23 B. A list of all agents, employees, officers, attorneys, servants and those persons
24 in active concert and participation with the Receivership Entities, or who have
25 been associated or done business with the Receivership Entities; and
26
27

1 C. A description of any documents covered by attorney-client privilege or
2 attorney work product, including files where such documents are likely to be
3 located, authors or recipients of such documents, and search terms likely to
4 identify such electronic documents.
5

6 **COOPERATION WITH THE RECEIVER**

7 **XV. IT IS FURTHER ORDERED** that Defendants; Receivership Entities;

8 Defendants' or Receivership Entities' officers, agents, employees, and attorneys,
9 all other persons in active concert or participation with any of them, and any other
10 person with possession, custody, or control of property of or records relating to the
11 Receivership entities who receive actual notice of this Order shall fully cooperate
12 with and assist the Receiver. This cooperation and assistance shall include, but is
13 not limited to;
14
15

16 A. Providing information to the Receiver that the Receiver deems necessary to
17 exercise the authority and discharge the responsibilities of the Receiver under
18 this Order;

19 B. Providing any keys, codes, user names and passwords required to access any
20 computers, electronic devices, mobile devices, and machines (onsite or
21 remotely) and any cloud account (including specific method to access account)
22 or electronic file in any medium;
23

24 C. Transferring the Receivership Entities' domain names to the Receiver's control,
25 including but not limited to accelerateddebtsettlement.com,
26 accelerateddebtsolutions.com, adsresolve.com, financialsolutionsgroupllc.biz,
27

1 mediawerksinc.com, resolutionspecialistsllc.com, unifiedcapitalservices.com,
2 and unifieddebt.com;

3 D. Advising all persons who owe money to any Receivership Entity that all debts
4 should be paid directly to the Receiver; and

5
6 E. Transferring funds at the Receiver's direction and producing records related to
7 the Assets and sales of the Receivership Entities.

8 **NON-INTERFERENCE WITH THE RECEIVER**

9 **XVI. IT IS FURTHER ORDERED** that Defendants; Receivership Entities;
10

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

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

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

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

23
24 D. Refusing to cooperate with the Receiver or the Receiver's duly authorized
25 agents in the exercise of their duties or authority under any order of this Court.
26
27

STAY OF ACTIONS

XVII. IT IS FURTHER ORDERED that:

A. Except by leave of this Court, during the pendency of the receivership ordered herein, Defendants, Defendants' officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors, stockholders, lessors, customers and other persons seeking to establish or enforce any claim, right, or interest against or on behalf of Defendants, and all others acting for or on behalf of such persons, are hereby enjoined from taking action that would interfere with the exclusive jurisdiction of this Court over the Assets or Documents of the Receivership Entities, including, but not limited to:

1. Filing or assisting in the filing of a petition for relief under the Bankruptcy Code, 11 U.S.C. § 101 et seq., or of any similar insolvency proceeding on behalf of the Receivership Entities;
2. Commencing, prosecuting, or continuing a judicial, administrative, or other action or proceeding against the Receivership Entities, including the issuance or employment of process against the Receivership Entities, except that such actions may be commenced if necessary to toll any applicable statute of limitations; or
3. Filing or enforcing any lien on any asset of the Receivership Entities, taking or attempting to take possession, custody, or control of any Asset of

1 the Receivership Entities; or attempting to foreclose, forfeit, alter, or
2 terminate any interest in any Asset of the Receivership Entities, whether
3 such acts are part of a judicial proceeding, are acts of self-help, or
4 otherwise; or
5

6 B. The Receiver and his agents acting within the scope of such agency (“Retained
7 Personnel”) are entitled to rely on all outstanding rules of law and orders of
8 this Court and shall not be liable to anyone for their own good faith compliance
9 with any order, rule, law, judgment, or decree. In no event shall the Receiver
10 or any Retained Personnel be liable to any Person (except the FTC) for their
11 acts or omissions or their good faith compliance with their duties and
12 responsibilities, except as a result of a finding by this Court that they acted or
13 failed to act as a result of malfeasance, bad faith, gross negligence, or in
14 reckless disregard of their duties. Any Person (except the FTC) seeking
15 recovery from the Receiver or any Retained Personnel for conduct in the
16 course of the administration of this estate must first obtain leave from this
17 Court. This Court shall retain jurisdiction over any action filed against the
18 Receiver or any Retained Personnel based upon acts or omissions committed in
19 their representative capacities.
20
21
22

23 C. *Provided, however,* that this Order does not stay: (1) the commencement or
24 continuation of a criminal action or proceeding; (2) the commencement or
25 continuation of an action or proceeding by a governmental unit to enforce such
26 governmental unit’s police or regulatory power; or (3) the enforcement of a
27

1 judgment, other than a money judgment, obtained in an action or proceeding
2 by a governmental unit to enforce such governmental unit's police or
3 regulatory power.

4 **COMPENSATION OF RECEIVER**

5
6 **XVIII. IT IS FURTHER ORDERED** that the Receiver and all personnel hired by
7 the Receiver as herein authorized, including counsel to the Receiver and
8 accountants, are entitled to reasonable compensation for the performance of duties
9 pursuant to this Order and for the cost of actual out-of-pocket expenses incurred
10 by them, from the Assets now held by, in the possession or control of, or which
11 may be received by, the Receivership Entities. The Receiver shall file with the
12 Court and serve on the parties periodic requests for the payment of such
13 reasonable compensation, with the first such request filed no more than sixty (60)
14 days after the date of entry of this Order. The Receiver shall not increase the
15 hourly rates used as the bases for such fee applications without prior approval of
16 the Court.
17
18

19 **RECEIVER'S BOND**

20
21 **XIX. IT IS FURTHER ORDERED** that the Receiver shall file with the Clerk of this
22 Court a bond in the sum of \$ N/A with sureties to be approved by the Court,
23 conditioned that the Receiver will well and truly perform the duties of the office
24 and abide by and perform all acts the Court directs. 28 U.S.C. § 754.
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27

RECEIVER'S REPORTS

XX. IT IS FURTHER ORDERED that the Receiver shall report to this Court on or before any date set for a hearing on whether a Preliminary Injunction should issue, regarding (1) the steps taken by the Receiver to implement the terms of this Order; (2) the value of all liquidated and unliquidated assets of the Receivership Entities; (3) the sum of all liabilities of the Receivership Entities; (4) the steps the Receiver intends to take in the future to (a) prevent any diminution in the value of assets of the Receivership Entities, (b) pursue receivership assets from third parties, and (c) adjust the liabilities of the Receivership Entities, if appropriate; (5) whether the business of the Receivership Entities can be operated lawfully and profitably; and (6) any other matters that the Receiver believes should be brought to the Court's attention. *Provided, however,* that if any of the required information would hinder the Receiver's ability to pursue receivership assets, the portions of the Receiver's report containing such information may be filed under seal and not served on the parties.

IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS

XXI. IT IS FURTHER ORDERED THAT:

A. In order to allow the FTC and the Receiver to preserve Assets and evidence relevant to this action and to expedite discovery, the FTC and the Receiver, and their representatives, agents, contractors, and assistants, shall have immediate access to all Receivership Premises. The Receiver may exclude

1 Defendants, Receivership Entities, and their employees from the business
2 premises during the immediate access.

3 B. Any landlord, management office, security office, or any other Person that
4 controls access to any such Receivership Premises shall, immediately upon
5 receiving notice of this Order, cooperate with the Receiver and take whatever
6 steps necessary to allow the Receiver access to such Receivership Premises.
7 Such Persons are prohibited from notifying Defendants of the existence of this
8 Order or the Receiver's entry into the Receivership Premises until the Receiver
9 has notified such Persons in writing that the Receiver has secured such
10 Receivership Premises.
11

12
13 C. The FTC and the Receiver, and their representatives, agents, contractors, and
14 assistants, are authorized to remove Documents from the Receivership
15 Premises in order that they may be inspected, inventoried, and copied. The
16 FTC shall return any removed materials to the Receiver within five (5)
17 business days of completing inventorying and copying, or such time as is
18 agreed upon by the FTC and the Receiver;
19

20
21 D. The FTC's access to the Receivership Entities' documents pursuant to this
22 Section shall not provide grounds for any Defendant to object to any
23 subsequent request for documents served by the FTC;

24 E. The FTC and the Receiver, and their representatives, agents, contractors, and
25 assistants, are authorized to obtain the assistance of federal, state and local law
26
27

1 enforcement officers as they deem necessary to effect service and to implement
2 peacefully the provisions of this Order;

3 F. If any communications or records of any Receivership Entity are stored with an
4 Electronic Data Host, such Entity shall, immediately upon receiving notice of
5 this order, provide the Receiver with the username, passwords, and any other
6 login credential needed to access the communications and records, and shall
7 not attempt to access, or cause a third-party to attempt to access, the
8 communications or records; and
9

10 G. If any Assets, Documents, computers, or electronic storage devices containing
11 information related to the business practices or finances of the Receivership
12 Entities are at a location other than a Receivership Premises, including
13 personal residences of any Defendant, the Receiver and his representatives,
14 agents, and assistants shall have immediate access to such locations including
15 personal residences. The purpose of the immediate access shall be to effect
16 service, inventory all Assets, remove Assets of the Receivership Entities if
17 appropriate, and remove Documents of the Receivership Entities in order that
18 they may be inspected, inventoried, and copied, including forensic imaging of
19 electronically stored information at the Receiver's discretion, including any
20 such information on a computer or mobile device. The Receiver may make use
21 of the FTC's digital forensic examiners, but no other FTC personnel shall enter
22 any personal residence without the consent of the applicable Individual
23 Defendant. As required by Section XV of this Order, the Individual
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1 Defendants and their friends, family, employees, or other agents shall provide
2 the Receiver with any necessary means of access to Assets and Documents of
3 the Receivership Entities, including the location of Assets and Documents,
4 keys and combinations to locks, computer access codes, and storage access
5 information. The Receiver may make any Asset or Document collected
6 available to the FTC for copying or forensic imaging. The Receiver shall
7 return any computer or mobile device removed for forensic imaging within
8 five (5) days of the immediate access. Once the immediate access is complete,
9 the Receiver shall have no further access to the personal residences of
10 Individual Defendants without further order from this Court or the consent of
11 the applicable Individual Defendant.

12
13
14 **DISTRIBUTION OF ORDER BY DEFENDANTS**

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

4 **EXPEDITED DISCOVERY**

5
6 **XXIII. IT IS FURTHER ORDERED** that, notwithstanding the provisions of the
7 Fed. R. Civ. P. 26(d) and (f) and 30(a)(2)(A)(iii), and pursuant to Fed. R. Civ. P.
8 30(a), 33, 34, and 45, the FTC and the Receiver are granted leave, at any time after
9 service of this Order, to conduct limited expedited discovery for the purpose of
10 discovering: (1) the nature, location, status, and extent of Defendants' Assets; (2)
11 the nature, location, and extent of Defendants' business transactions and
12 operations; (3) Documents reflecting Defendants' business transactions and
13 operations; or (4) compliance with this Order. The limited expedited discovery set
14 forth in this Section shall proceed as follows:
15
16

17 A. The FTC and the Receiver may take the deposition of parties and non-parties.

18 Forty-eight (48) hours' notice shall be sufficient notice for such depositions.

19 The limitations and conditions set forth in Rules 30(a)(2)(A) and 31(a)(2)(A)
20 of the Federal Rules of Civil Procedure regarding subsequent depositions of an
21 individual shall not apply to depositions taken pursuant to this Section. Any
22 such deposition taken pursuant to this Section shall not be counted towards the
23 deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and depositions
24 may be taken by telephone or other remote electronic means;
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- 1 B. The FTC and the Receiver may serve upon parties requests for production of
2 Documents or inspection that require production or inspection within five (5)
3 days of service, *provided, however*, that three (3) days of notice shall be
4 deemed sufficient for the production of any such Documents that are
5 maintained or stored only in an electronic format;
6
7 C. The FTC and the Receiver may serve upon parties interrogatories that require
8 response within five (5) days after the FTC serves such interrogatories;
9
10 D. The FTC and the Receiver may serve subpoenas upon non-parties that direct
11 production or inspection within five (5) days of service;
12
13 E. Service of discovery upon a party to this action, taken pursuant to this Section,
14 shall be sufficient if made by facsimile, email, or by overnight delivery;
15
16 F. Any expedited discovery taken pursuant to this Section is in addition to, and is
17 not subject to, the limits on discovery set forth in the Federal Rules of Civil
18 Procedure and the Local Rules of this Court. The expedited discovery
19 permitted by this Section does not require a meeting or conference of the
20 parties, pursuant to Rules 26(d) & (f) of the Federal Rules of Civil Procedure;
21
22 G. The Parties are exempted from making initial disclosures under Fed. R. Civ. P.
23 26(a)(1) until further order of this Court.

24 **SERVICE OF THIS ORDER**

25 **XXIV. IT IS FURTHER ORDERED** that copies of this Order as well as the
26 Motion for Temporary Restraining Order and all other pleadings, Documents, and
27 exhibits filed contemporaneously with that Motion (other than the complaint and

1 summons), may be served by any means, including facsimile transmission,
2 electronic mail or other electronic messaging, personal or overnight delivery, U.S.
3 Mail or FedEx, by agents and employees of the FTC, by any law enforcement
4 agency, or by private process server, upon any Defendant or any person (including
5 any financial institution) that may have possession, custody or control of any
6 Asset or Document of any Defendant, or that may be subject to any provision of
7 this Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For
8 purposes of this Section, service upon any branch, subsidiary, affiliate or office of
9 any entity shall effect service upon the entire entity.
10
11

12 **CORRESPONDENCE AND SERVICE ON THE FTC**

13 **XXV. IT IS FURTHER ORDERED** that, for the purpose of this Order, all
14 correspondence and service of pleadings on the FTC shall be addressed to Gregory
15 Ashe and Sally Tieu, 600 Pennsylvania Avenue, Mail Drop CC-10232,
16 Washington, D.C. 20580, email gashe@ftc.gov and stieu@ftc.gov.
17

18 **PRELIMINARY INJUNCTION HEARING**

19 **XXVI. IT IS FURTHER ORDERED** that, pursuant to Fed. R. Civ. P. 65(b),
20 Defendants shall appear before this Court at 10:00 A.M. on the 28th day of July,
21 2025, at the Sandra Day O'Connor United States Courthouse, Courtroom 506, 401
22 West Washington Street, Phoenix, Arizona, to show cause, if there is any, why this
23 Court should not enter a preliminary injunction, pending final ruling on the
24 Complaint against Defendants, enjoining the violations of the law alleged in the
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1 Complaint, continuing the freeze of their Assets, continuing the receivership, and
2 imposing such additional relief as may be appropriate.

3 **BRIEFS AND AFFIDAVITS CONCERNING PRELIMINARY INJUNCTION**

4 **XXVII. IT IS FURTHER ORDERED** that:
5

6 A. The FTC's motion for temporary restraining order is also deemed to be a
7 motion for a preliminary injunction, and the FTC is not required to file or serve
8 a separate motion for a preliminary injunction in order to seek the entry of a
9 preliminary injunction under Federal Rule of Civil Procedure 65. The Court
10 will consider all materials filed by the FTC in connection with its motion for
11 temporary restraining order to have been filed in connection with the FTC's
12 motion for a preliminary injunction.
13

14 B. Defendants shall file with the Court and serve on the FTC's counsel any
15 answering pleadings, affidavits, motions, expert reports or declarations, or
16 legal memoranda no later than four (4) days prior to the order to show cause
17 hearing scheduled pursuant to this Order. The FTC may file responsive or
18 supplemental pleadings, materials, affidavits, or memoranda with the Court
19 and serve the same on counsel for Defendants no later than one (1) day prior to
20 the order to show Cause hearing. Provided that such affidavits, pleadings,
21 motions, expert reports, declarations, legal memoranda or oppositions must be
22 served by personal or overnight delivery, facsimile or email, and be received
23 by the other party or parties no later than 5:00 p.m. (PST) on the appropriate
24 dates set forth in this Section.
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1 C. An evidentiary hearing on the FTC's request for a preliminary injunction is not
2 necessary unless Defendants demonstrate that they have, and intend to
3 introduce, evidence that raises a genuine and material factual issue. The
4 question of whether this Court should enter a preliminary injunction shall be
5 resolved on the pleadings, declarations, exhibits, and memoranda filed by, and
6 oral argument of, the parties. Live testimony shall be heard only on further
7 order of this Court. Any motion to permit such testimony shall be filed with
8 the Court and served on counsel for the other parties at least five (5) days prior
9 to the preliminary injunction hearing in this matter. Such motion shall set forth
10 the name, address, and telephone number of each proposed witness, a detailed
11 summary or affidavit revealing the substance of each proposed witness's
12 expected testimony, and an explanation of why the taking of live testimony
13 would be helpful to this Court. Any papers opposing a timely motion to
14 present live testimony or to present live testimony in response to another
15 party's timely motion to present live testimony shall be filed with this Court
16 and served on the other parties at least three (3) days prior to the order to show
17 cause hearing.
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22 D. *Provided, however*, that service shall be performed by personal or overnight
23 delivery, facsimile or email, and Documents shall be delivered so that they
24 shall be received by the other parties no later than 5:00 p.m. (PST) on the
25 appropriate dates provided in this Section.
26
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DURATION OF THE ORDER

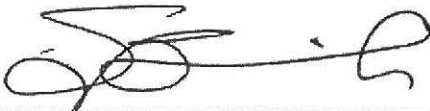
XXVIII. IT IS FURTHER ORDERED that this Order shall expire fourteen (14) days from the date of entry noted below, unless within such time, the Order is extended for an additional period pursuant to Fed. R. Civ. P. 65(b)(2).

RETENTION OF JURISDICTION

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

IT IS SO ORDERED.

Dated this 14th day of July, 2025.



Honorable Susan M. Brnovich
United States District Judge

cc: Cnsl for Plaintiff