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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Ambrosia Web Design LLC, an Arizona limited liability company, also d/b/a AWD; Concord Financial Advisors LLC, an Arizona limited liability company; CAM Services Direct LLC, an Arizona limited liability company; AFB LLC, an Arizona limited liability company; Western GPS LLC, an Arizona limited liability company; Chris Ambrosia, individually and as a manager of Ambrosia Web Design LLC, AFB LLC, and CAM Services Direct LLC; and LeRoy Castine, a/k/a Lee Castine, individually and as a manager of Ambrosia Web Design LLC, Concord Financial Advisors LLC, AFB LLC, and Western GPS LLC;

Defendants.

No. CV-12-2248-PHX-JAT

**ORDER GRANTING
PLAINTIFF'S *EX PARTE*
APPLICATION FOR
TEMPORARY RESTRAINING
ORDER WITH OTHER
EQUITABLE RELIEF, AND
ORDER TO SHOW CAUSE
WHY A PRELIMINARY
INJUNCTION SHOULD NOT
ISSUE, AND REQUEST TO
APPOINT RECEIVER**

UNDER SEAL

Plaintiff, Federal Trade Commission (Commission), has filed its Complaint for a Permanent Injunction and Other Equitable Relief in this matter, under Section 13(b) of the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 53(b), and has moved for an *ex parte* Temporary Restraining Order and other relief under Rule 65 of the Federal Rules

1 of Civil Procedure, Fed. R. Civ. P. 65. The Court, having considered the Complaint,
2 declarations, exhibits and memorandum of law filed in support thereof, and now being
3 advised in the premises, grants Plaintiff's application (Doc. 4). The Court finds that:

4 **FINDINGS OF FACT**

5 1. This Court has jurisdiction over the subject matter of this case and there is
6 also good cause to believe it will have jurisdiction over Defendants.

7 2. Venue lies properly with this Court.

8 3. There is good cause to believe that Defendants Ambrosia Web Design
9 LLC, d/b/a AWD, Concord Financial Advisors LLC, CAM Services Direct LLC, AFB
10 LLC, Western GPS LLC, Chris Ambrosia, and LeRoy Castine have engaged in, and are
11 likely to engage in, acts and practices that violate Section 5(a) of the FTC Act, 15 U.S.C.
12 § 45(a), and the Commission's Trade Regulation Rule entitled Telemarketing Sales Rule
13 (TSR), 16 C.F.R. Part 310, and that the Commission is likely to prevail on the merits of
14 this action.

15 4. There is good cause to believe that immediate and irreparable damage to
16 the Court's ability to grant effective final relief for consumers – including rescission or
17 reformation of contracts, restitution, the refund of monies paid, and the disgorgement of
18 ill-gotten monies – will occur from the sale, transfer, or other disposition or concealment
19 by Defendants of assets or records if Defendants are provided with advance notice of this
20 Order, and that therefore in accordance with Fed. R. Civ. P. 65(b), the interests of justice
21 require that this Order be granted without prior notice to Defendants.

22 5. There is good cause for relieving the Commission of the duty to provide
23 Defendants with prior notice of the Commission's application.

24 6. Good cause exists for the appointment of a Temporary Receiver over
25 Corporate Defendants Ambrosia Web Design LLC, d/b/a AWD, Concord Financial
26 Advisors LLC, CAM Services Direct LLC, AFB LLC, and Western GPS LLC.

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1 7. Considering the Commission’s likelihood of ultimate success and weighing
2 the equities, a Temporary Restraining Order with an asset freeze, appointment of a
3 Temporary Receiver, and other equitable relief is in the public interest.

4 8. No security is required of any agency of the United States for issuance of a
5 restraining order. Fed. R. Civ. P. 65(c).

6 **DEFINITIONS**

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

9 A. **“Corporate Defendants”** means Ambrosia Web Design LLC, d/b/a AWD,
10 Concord Financial Advisors LLC, CAM Services Direct LLC, AFB LLC, Western GPS
11 LLC, and their successors and assigns.

12 B. **“Defendants”** means all of the Individual Defendants and the Corporate
13 Defendants, individually, collectively, or in any combination.

14 C. **“Electronic data host”** means any person or entity that stores, hosts, or
15 otherwise maintains electronically stored information or computer equipment.

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

20 E. **“Individual Defendants”** means Chris Ambrosia and LeRoy Castine, a/k/a
21 Lee Castine.

22 F. **“National Do Not Call Registry”** means the “do-not-call” registry
23 maintained by the Federal Trade Commission under 16 C.F.R. § 310.4(b)(1)(iii)(B).

24 G. **“Mail”** includes, but is not limited to, all envelopes, papers, or other items
25 delivered, whether by United States Mail, United Parcel Service, FedEx, email, or similar
26 delivery service.

1 H. **“Receivership Defendants”** means the Corporate Defendants, as well as
2 any affiliates and subsidiaries that conduct any business related to the Corporate
3 Defendants’ credit card interest rate reduction services and that the Temporary Receiver
4 has reason to believe are owned or controlled in whole or in part by any of the
5 Defendants.

6 I. **“Telemarketing”** means any plan, program, or campaign that is conducted
7 to induce the purchase of goods or services by use of one or more telephones, and which
8 involves a telephone call, whether or not covered by the TSR, 16 C.F.R. Part 310.

9 J. **“Temporary Receiver”** refers to the receiver identified in Paragraph XV.

10 **ORDER**

11 **PROHIBITIONS AND CONDUCT REQUIREMENTS**

12 **I. PROHIBITIONS AGAINST MISREPRESENTATIONS**

13 **IT IS THEREFORE ORDERED** that Defendants, their members, officers,
14 agents, servants, employees, and attorneys, and all other persons in active concert or
15 participation with any of them, who receive actual notice of this Order by personal
16 service, facsimile transmission, email, or otherwise, whether acting directly or indirectly,
17 in connection with the advertising, marketing, promotion, offering for sale, or sale of any
18 credit card interest rate reduction service, are temporarily restrained and enjoined from
19 misrepresenting, or assisting others in misrepresenting, expressly or by implication, any
20 material fact, including, but not limited to, that:

21 A. Purchasers will receive a low interest rate credit card, will have their credit
22 card interest rates reduced substantially, or will save thousands of dollars;

23 B. Purchasers will get full or partial refunds if they do not receive the
24 guaranteed interest rate reduction or dollar savings; and

25 C. Defendants are carrying out a government program or are otherwise
26 affiliated with the United States government.

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1 **II. PROHIBITION AGAINST UNAUTHORIZED BILLING**

2 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
3 servants, employees, and attorneys, and all other persons in active concert or participation
4 with any of them, who receive actual notice of this Order by personal service, facsimile
5 transmission, email, or otherwise, whether acting directly or indirectly, are temporarily
6 restrained and enjoined from causing, or assisting others in causing, billing information to
7 be submitted for payment without having obtained previously consumers' express
8 informed consent.

9 **III. PROHIBITED BUSINESS ACTIVITIES UNDER THE TSR**

10 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
11 servants, employees, and attorneys, and all other persons in active concert or participation
12 with any of them, who receive actual notice of this Order by personal service, facsimile
13 transmission, email, or otherwise, whether acting directly or indirectly, in connection
14 with the telemarketing of goods and services, are temporarily restrained and enjoined
15 from violating, or assisting others in violating, any provision of the TSR, 16 C.F.R. Part
16 310, including, but not limited to:

17 A. Misrepresenting, directly or by implication, material aspects of the
18 performance, efficacy, nature, or central characteristics of such goods and services,
19 16 C.F.R. §310.3(a)(2)(iii);

20 B. Misrepresenting, directly or by implication, material aspects of the
21 performance, efficacy, nature, or central characteristics of debt relief services, 16 C.F.R.
22 §310.3(a)(2)(x);

23 C. Misrepresenting, directly or by implication, that Defendants will provide
24 full or partial refunds if consumers do not achieve the guaranteed results, 16 C.F.R.
25 §310.3(a)(2)(iv);

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1 D. Failing to disclose to consumers that Defendants have a policy of not
2 making refunds or allowing cancellations, if this is Defendants' policy, 16 C.F.R.
3 § 310.3(a)(1)(iii);

4 E. Misrepresenting, directly or by implication, that Defendants are carrying
5 out a government program or are otherwise affiliated with the United States government,
6 16 C.F.R. § 310.3(a)(2)(vii);

7 F. Requesting or receiving payment of any fee or consideration in advance of
8 obtaining a loan or other extension of credit, when Defendants have guaranteed or
9 represented a high likelihood of success in obtaining or arranging a loan or other
10 extension of credit for a consumer, 16 C.F.R. § 310.4(a)(4);

11 G. Requesting or receiving payment of any fee or consideration for a debt
12 relief service, before: (a) Defendants have renegotiated, settled, reduced, or otherwise
13 altered the terms of at least one debt pursuant to a settlement agreement, debt
14 management plan, or other such valid contractual agreement executed by the consumer;
15 and (b) the consumer has made at least one payment pursuant to that agreement,
16 16 C.F.R. § 310.4(a)(5)(i);

17 H. Causing billing information to be submitted for payment without the
18 express informed consent of the consumer, 16 C.F.R. § 310.4(a)(7);

19 I. Engaging in, or causing a telemarketer to engage in, initiating an outbound
20 telephone call to a person's telephone number that is on the National Do Not Call
21 Registry, 16 C.F.R. § 310.4(b)(1)(iii)(B), unless the Defendants have:

22 1. obtained an express agreement, in writing, from such person, that
23 clearly evidences the person's authorization that calls made by or on behalf
24 of Defendants may be placed to that person, and that includes the telephone
25 number to which the calls may be placed and the signature of the person; or
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1 2. an established business relationship with such person, and that
2 person has not stated that he or she does not wish to receive outbound
3 telephone calls made by or on behalf of Defendants; and

4 J. Initiating, or causing others to initiate, an outbound telephone call that
5 delivers a prerecorded message to induce the purchase of any good or service, 16 C.F.R.
6 § 310.4(b)(1)(v), unless the Defendants have obtained from the recipient of the call an
7 express agreement, in writing, that:

- 8 1. Defendants obtained only after a clear and conspicuous disclosure
9 that the purpose of the agreement is to authorize Defendants to place
10 prerecorded calls to that person;
- 11 2. Defendants obtained without requiring, directly or indirectly, that the
12 agreement be executed as a condition of purchasing any good or service;
- 13 3. evidences the willingness of the recipient of the call to receive calls
14 that deliver prerecorded messages by or on behalf of Defendants; and
- 15 4. includes that person's telephone number and signature.

16 **IV. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

17 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
18 servants, employees, and attorneys, and all other persons in active concert or participation
19 with any of them, who receive actual notice of this Order by personal service, facsimile
20 transmission, email, or otherwise, whether acting directly or indirectly, are temporarily
21 restrained and enjoined from selling, renting, leasing, transferring, or otherwise
22 disclosing the name, address, telephone number, Social Security number, credit card
23 number, bank account number, email address, or other identifying information of any
24 person who paid money to any of the Defendants for the purchase of any good or service
25 or who were contacted or are on a list to be contacted by any of the Defendants.
26 Provided, however, that Defendants may disclose the identifying information to a law
27 enforcement agency or as required by any law, regulation, or court order.

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ASSET FREEZE AND REPATRIATION OF ASSETS

V. ASSET FREEZE

IT IS FURTHER ORDERED that Defendants, their members, officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or indirectly, or any of them, except as provided herein, as stipulated by parties, or as directed by further order of the Court, are temporarily restrained and enjoined from:

A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any funds, real or personal property, accounts, contracts, shares of stock, lists of consumer names, or other assets, or any interest therein, wherever located, including outside the territorial United States, that are:

1. owned, controlled, or held by, in whole or in part, for the benefit of, or subject to access by, or belonging to, any Defendant;
2. in the actual or constructive possession of any Defendant; or
3. in the actual or constructive possession of, or owned, controlled, or held by, or subject to access by, or belonging to, any other corporation, partnership, trust, or any other entity directly or indirectly owned, managed, or controlled by, or under common control with, any Defendant, including, but not limited to, any assets held by or for any Defendant in any account at any bank or savings and loan institution, or with any credit card processing agent, automated clearing house processor, network transaction processor, bank debit processing agent, customer service agent, commercial mail receiving agency, or mail holding or forwarding company, or any credit union, retirement fund custodian, money market or mutual fund,

1 storage company, trustee, or with any broker-dealer, escrow agent, title
2 company, commodity trading company, precious metal dealer, or other
3 financial institution or depository of any kind, either within or outside the
4 territorial United States;

5 B. Opening or causing to be opened any safe deposit boxes, commercial mail
6 boxes, or storage facilities titled in the name of any Defendant, or subject to access by
7 any Defendant or under any Defendant's control, without providing the Commission
8 prior notice and an opportunity to inspect the contents in order to determine that they
9 contain no assets covered by this Paragraph;

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

12 D. Incurring charges or cash advances on any credit card issued in the name,
13 singly or jointly, of any Defendant; or

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

18 The funds, property, and assets affected by this Paragraph shall include both
19 existing assets and assets acquired after the effective date of this Order.

20 **VI. DUTIES OF ASSET HOLDERS**

21 **IT IS FURTHER ORDERED** that any financial institution, business entity, or
22 person maintaining or having custody or control of any account or other asset of any
23 Defendant, or any corporation, partnership, or other entity directly or indirectly owned,
24 managed, or controlled by, or under common control with any Defendant, that is served
25 with a copy of this Order, or otherwise has actual or constructive knowledge of this
26 Order, shall:

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1 A. Hold and retain within its control and prohibit the withdrawal, removal,
2 assignment, transfer, pledge, hypothecation, encumbrance, disbursement, dissipation,
3 conversion, sale, liquidation, or other disposal of any of the assets, funds, documents, or
4 other property held by, or under its control:

5 1. on behalf of, or for the benefit of, any Defendant or any other party
6 subject to Paragraph V., above;

7 2. in any account maintained in the name of, or for the benefit of, or
8 subject to withdrawal by, any Defendant or other party subject to
9 Paragraph V., above; and

10 3. that are subject to access or use by, or under the signatory power of,
11 any Defendant or other party subject to Paragraph V., above;

12 B. Deny Defendants access to any safe deposit boxes or storage facilities that
13 are either:

14 1. titled in the name, individually or jointly, of any Defendant, or other
15 party subject to Paragraph V., above; or

16 2. subject to access by any Defendant or other party subject to
17 Paragraph V., above;

18 C. Provide the Commission, within 5 days of the date of service of this Order,
19 a sworn statement setting forth:

20 1. the identification number of each account or asset titled in the name,
21 individually or jointly, of any Defendant, or held on behalf of, or for the
22 benefit of, any Defendant or other party subject to Paragraph V., above,
23 including all trust accounts managed on behalf of any Defendant or subject
24 to any Defendant's control;

25 2. the balance of each such account, or a description of the nature and
26 value of such asset;

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- 1 3. the identification and location of any safe deposit box, commercial
- 2 mail box, or storage facility that is either titled in the name, individually or
- 3 jointly, of any Defendant, or is otherwise subject to access or control by
- 4 any Defendant or other party subject to Paragraph V., above, whether in
- 5 whole or in part;
- 6 4. the identification of any Defendant or other party subject to
- 7 Paragraph V., above, that has attempted to access any account, safe deposit
- 8 box, storage facility since the date of this Order; and
- 9 5. if the account, safe deposit box, storage facility, or other asset has
- 10 been closed or removed, the date closed or removed and the balance on said
- 11 date;

12 D. Allow representatives of the Commission immediate access to inspect and
13 copy, or upon the Commission's request, within 5 business days of said request, provide
14 the Commission with copies of, all records or other documentation pertaining to each
15 such account or asset, including, but not limited to, originals or copies of account
16 applications, account statements, corporate resolutions, signature cards, checks, drafts,
17 deposit tickets, transfers to and from the accounts, all other debit and credit instruments
18 or slips, currency transaction reports, 1099 forms, and safe deposit box logs; and

19 E. This Paragraph shall apply to existing accounts and assets, assets deposited
20 or accounts opened after the effective date of this Order, and any accounts or assets
21 maintained, held or controlled 2 years prior to the effective date of this Order. This
22 Paragraph shall not prohibit transfers in accordance with any provision of this Order, any
23 further order of the Court, or by written agreement of the parties.

24 **VII. REPATRIATION OF ASSETS AND DOCUMENTS**

25 **IT IS FURTHER ORDERED** that Defendants shall:

- 26 A. Within 3 business days following service of this Order, take such steps as
- 27 are necessary to repatriate to the territory of the United States of America all documents

1 and assets that are located outside such territory and are held by or for Defendants or are
2 under Defendants' direct or indirect control, jointly, severally, or individually;

3 B. Within 3 business days following service of this Order, provide the
4 Commission with a full accounting of all documents and assets that are located outside of
5 the territory of the United States of America or that have been transferred to the territory
6 of the United States of America under Subparagraph A, above and are held by or for any
7 Defendant or are under any Defendant's direct or indirect control, jointly, severally, or
8 individually, including the addresses and names of any foreign or domestic financial
9 institution or other entity holding the documents and assets, along with the account
10 numbers and balances;

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

13 D. Within 3 business days following service of this Order, provide the
14 Commission access to Defendants' records and documents held by financial institutions
15 or other entities outside the territorial United States, by signing and delivering to the
16 Commission's counsel the Consent to Release of Financial Records attached to this Order
17 as Attachment A.

18 **VIII. INTERFERENCE WITH REPATRIATION**

19 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
20 servants, employees, and attorneys, and all other persons in active concert or participation
21 with any of them, who receive actual notice of this Order by personal service, facsimile
22 transmission, email, or otherwise, whether acting directly or indirectly, are temporarily
23 restrained and enjoined from taking any action that may result in the encumbrance or
24 dissipation of foreign assets, or in the hindrance of the repatriation required by Paragraph
25 VII. of this Order, including, but not limited to:

26 A. Sending any statement, letter, fax, email or wire transmission, telephoning,
27 or engaging in any other act, directly or indirectly, that results in a determination by a
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1 foreign trustee or other entity that a “duress” event has occurred under the terms of a
2 foreign trust agreement until such time as all assets have been fully repatriated according
3 to Paragraph VII. of this Order; or

4 B. Notifying any trustee, protector, or other agent of any of the Defendants of
5 the existence of this Order, or of the fact that repatriation is required under a Court Order,
6 until such time as all assets have been fully repatriated according to Paragraph VII. of this
7 Order.

8 **FINANCIAL STATEMENTS AND ACCESS TO RECORDS**

9 **IX. FINANCIAL STATEMENTS AND ACCOUNTING**

10 **IT IS FURTHER ORDERED** that within 5 business days following the service
11 of this Order:

12 A. Each Individual Defendant shall prepare and deliver to Commission
13 counsel a completed financial statement on the form captioned “Financial Statement of
14 Individual Defendant,” that is attached to this Order as Attachment B;

15 B. Each Defendant shall also prepare and deliver to Commission counsel a
16 completed statement, verified under oath:

17 1. specifying the name and address of each financial institution and
18 brokerage firm at which the Defendant has accounts or safe deposit boxes.

19 The statements shall include assets held in foreign as well as domestic
20 accounts; and

21 2. listing all persons who have received payments, transfers, or
22 assignment of funds, assets, or property that totals \$10,000 or more in any
23 12-month period since January 1, 2011. This list shall specify: (a) the
24 amount(s) transferred or assigned; (b) the name of each transferee or
25 assignee; (c) the date of the assignment or transfer; and (d) the type and
26 amount of consideration paid to the Defendant; and

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1 C. Unless otherwise agreed upon with Commission counsel and the
2 Temporary Receiver, Defendants shall also prepare and deliver to Commission counsel:

3 1. a completed financial statement on the form captioned "Financial
4 Statement of Corporate Defendant," that is attached to this Order as
5 Attachment C, for each Corporate Defendant, and for each business
6 entity owned, controlled or managed by Individual Defendants,
7 regardless of whether it is a defendant in this case. The financial
8 statements shall be accurate as of the date and time of entry of this
9 Order; and

10 2. for each credit card interest rate reduction service advertised,
11 marketed, promoted, offered for sale, or sold by Defendants, a detailed
12 accounting, verified under oath, of:

13 a. all gross revenues obtained from the sale of each such good or
14 service (broken down by month and year) from January 1, 2011,
15 through the date of the issuance of this Order;

16 b. all net profits obtained from the sale of each such good or
17 service (broken down by month and year) from January 1, 2011,
18 through the date of the issuance of this Order;

19 c. the total amount of each such good or service sold (broken
20 down by month and year) from January 1, 2011, through the date of
21 the issuance of this Order; and

22 d. the full name, address, and telephone number of every
23 purchaser or recipient of each such good or service, and the amount
24 paid by each, from January 1, 2011, through the date of the issuance
25 of this Order.

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1 **X. RECORDS MAINTENANCE AND NEW BUSINESS ACTIVITY**

2 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
3 servants, employees, and attorneys, and all other persons in active concert or participation
4 with any of them, who receive actual notice of this Order by personal service, facsimile
5 transmission, email, or otherwise, whether acting directly or indirectly, or any of them,
6 are temporarily restrained and enjoined from:

7 A. Failing to create and maintain books, records, accounts, bank statements,
8 current accountants' reports, general ledgers, general journals, cash receipt ledgers, cash
9 disbursement ledgers and source documents, documents indicating title to real or personal
10 property, electronically stored information, and any other data which, in reasonable
11 detail, accurately, fairly and completely reflect the incomes, disbursements, transactions,
12 dispositions, and uses of Defendants' assets;

13 B. Destroying, erasing, mutilating, concealing, altering, transferring, or
14 otherwise disposing of, in any manner, directly or indirectly, any documents, including
15 electronically stored information, that relate in any way to the business practices or
16 business or personal finances of Defendants; to the business practices or finances of
17 entities directly or indirectly under the control of Defendants; or to the business practices
18 or finances of entities directly or indirectly under common control with any other
19 Defendant; and

20 C. Creating, operating, or exercising any control over any new business entity,
21 whether newly formed or previously inactive, including any partnership, limited
22 partnership, joint venture, sole proprietorship, or corporation, without first providing the
23 Commission with a written statement disclosing: (1) the name of the business entity; (2)
24 the address and telephone number of the business entity; (3) the names of the business
25 entity's officers, directors, principals, managers, and employees; and (4) a detailed
26 description of the business entity's intended activities.

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1 **XI. CONSUMER CREDIT REPORTS**

2 **IT IS FURTHER ORDERED** that, under Section 604(1) of the Fair Credit
3 Reporting Act, 15 U.S.C. § 1681b(1), any consumer reporting agency may furnish to the
4 Commission and the Temporary Receiver a consumer report concerning any of the
5 Defendants.

6 **XII. PRESERVATION OF EXISTING RECORDS**

7 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
8 servants, employees, and attorneys, and all other persons in active concert or participation
9 with any of them, who receive actual notice of this Order by personal service, facsimile
10 transmission, email, or otherwise, whether acting directly or indirectly, are temporarily
11 restrained and enjoined from destroying, erasing, mutilating, concealing, altering,
12 transferring, or otherwise disposing of, in any manner, directly or indirectly, any
13 contracts, accounting data, correspondence, email, advertisements, computer tapes, discs,
14 electronically stored information, or other computerized storage media, books, written or
15 printed records, handwritten notes, telephone logs, telephone scripts, recordings, receipt
16 books, ledgers, personal and business cancelled checks and check registers, bank
17 statements, appointment books, copies of federal, state or local business or personal
18 income or property tax returns, and other documents or records of any kind related to the
19 business practices or business or personal finances of Defendants, individually and
20 jointly.

21 **XIII. DUTIES OF ELECTRONIC DATA HOSTS**

22 **IT IS FURTHER ORDERED** that pending determination of the Commission's
23 request for a Preliminary Injunction, any electronic data host for Defendants shall:

24 A. Discontinue the provision of products and services to any Defendant or any
25 other person using a Defendant's account, and take no step to provide products or
26 services to any Defendant except as authorized by further order of this Court;

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1 B. Disconnect any such computer equipment from the Internet and from any
2 other means of remote access by Defendants or any other person, and take no step to
3 reconnect the computer equipment except as authorized by further order of this Court;

4 C. Deny Defendants and any other person access to Defendants' accounts for
5 computer products and services except as authorized by further order of this Court;

6 D. Deny Defendants and any other person access to the computer equipment
7 except as authorized by further order of this Court;

8 E. Prevent the modification or removal of Defendants' electronically stored
9 information or computer equipment from its present location except as authorized by
10 further order of this Court; and

11 F. Provide counsel for the Commission, within 5 business days of receipt of a
12 copy of this Order, with a sworn statement disclosing the identity of any electronic data
13 host, and the location of the computer equipment, and describing, to the extent known,
14 the make(s) and model(s) of the computer equipment, as well as the operating system(s)
15 in use, and the number, size, and capacity of any mass storage arrays or devices, in order
16 that the Commission may arrange for imaging of the contents of any of the mass storage
17 arrays or devices.

18 **XIV. IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS**

19 **IT IS FURTHER ORDERED** that:

20 A. Defendants and their members, officers, agents, servants, employees, and
21 attorneys, and all other persons in active concert or participation with any of them, who
22 receive actual notice of this Order by personal service, facsimile transmission, email, or
23 otherwise, whether acting directly or indirectly, shall immediately identify for the
24 Commission's counsel and the Temporary Receiver:

- 25 1. All of Defendants' business premises;
- 26 2. Any non-residence premises where any Defendant conducts
27 business, sales operations, or customer service operations;

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1 3. Any non-residence premises where documents or
2 electronically stored information related to the business, sales
3 operations, or customer service operations of any Defendant are
4 hosted, stored, or otherwise maintained, including but not limited to
5 the name and location of any electronic data hosts; and

6 4. Any non-residence premises where assets belonging to any
7 Defendant are stored or maintained; and

8 B. Defendants and their members, officers, agents, servants, employees, and
9 attorneys, and all other persons in active concert or participation with any of them, who
10 receive actual notice of this Order by personal service, facsimile transmission, email, or
11 otherwise, whether acting directly or indirectly, and the Temporary Receiver shall allow
12 the Commission's representatives, agents, and assistants immediate access to the business
13 premises, mail drops, storage facilities, electronically stored information, and all other
14 business locations owned, controlled, or used by Defendants, including, but not limited to
15 business premises at or in the vicinity of the following street addresses: 123 E. Baseline
16 Road, Suites D-208, D-207, D-206, and D-204, Tempe, Arizona 85283; and 209 E.
17 Baseline Road, Suite E-201, Tempe, Arizona 85283. The purpose of the access shall be
18 to effect service and to inspect and copy materials relevant to this action. The
19 Commission shall have the right to remove documents from Defendants' premises in
20 order that they may be inspected, inventoried, and copied. The Commission shall return
21 any removed documents within 5 business days, or such time-period that is agreed upon
22 by the Commission and Defendants. Defendants, to the extent they are in possession of
23 documents and electronically stored information relevant to this action, shall provide the
24 Commission with the means necessary to access these documents and electronically
25 stored information, including without limitation keys and combinations to locks,
26 computer passwords and access codes, and storage area access information;

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1 C. The Temporary Receiver shall subsequently allow the Commission's
2 representatives and Defendants and their representatives reasonable access to the business
3 premises of Receivership Defendants. The purpose of this access shall be to inspect and
4 copy any and all books, records, accounts, electronically stored information, and other
5 property owned by or in the possession of Receivership Defendants. The Temporary
6 Receiver shall have the discretion to determine the time and manner of this access; and

7 D. If, at the time of service of this Order, any records, electronically stored
8 information, or property relating to Receivership Defendants, or to any Defendant's
9 assets are located in the personal residence of any Individual Defendant, or in any other
10 non-business location under the personal control of any Individual Defendant, then such
11 Defendant(s) shall, within 48 hours of service of this Order, produce to the Commission,
12 at a location designated by the Commission, the following:

13 1. all contracts, accounting data, written or electronic correspondence,
14 advertisements, computer tapes, discs, electronically stored information, or
15 other computerized or electronic records, books, written or printed records,
16 handwritten notes, telephone logs, telephone scripts, telephone bills, receipt
17 books, ledgers, customer records and lists, refund records, receipts, ledgers,
18 bank records (including personal and business monthly statements,
19 canceled checks, records of wire transfers, and check registers),
20 appointment books, copies of federal, state, and local business or personal
21 income or property tax returns, 1099 forms, title records, and other
22 documents or records of any kind related to Defendants' business and
23 assets; and

24 2. all computers, electronically stored information, and data in
25 whatever form, used by Defendants, in whole or in part, relating to
26 Defendants' business and assets.

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1 **RECEIVERSHIP**

2 **XV. APPOINTMENT OF TEMPORARY RECEIVER**

3 **IT IS FURTHER ORDERED** that Thomas W. McNamara is appointed
4 Temporary Receiver for Receivership Defendants, as well as for any successors, assigns,
5 affiliates, and subsidiaries that conduct any business related to Defendants' credit card
6 interest rate reduction services, and that the Temporary Receiver has reason to believe is
7 owned or controlled in whole or in part by any of the Receivership Defendants, with the
8 full power of an equity receiver. The Temporary Receiver shall be the agent of this Court
9 and solely the agent of this Court in acting as Temporary Receiver under this Order. The
10 Temporary Receiver shall be accountable directly to this Court. The Temporary Receiver
11 shall comply with all Local Rules of this Court governing receivers.

12 **XVI. RECEIVERSHIP DUTIES**

13 **IT IS FURTHER ORDERED** that the Temporary Receiver is directed and
14 authorized to perform and accomplish the following:

15 A. Assume full control of Receivership Defendants by removing Defendants
16 Chris Ambrosia and LeRoy Castine, and any other officer, manager, independent
17 contractor, employee, or agent of Receivership Defendants from control and management
18 of the affairs of Receivership Defendants;

19 B. Collect, marshal, and take custody, control and possession of all the funds,
20 property, premises, accounts, mail, and other assets of, or in the possession or under the
21 control of Receivership Defendants, wherever situated, the income and profits, and all
22 sums of money now or hereafter due or owing to Receivership Defendants with full
23 power to: collect, receive, and take possession of all goods, chattels, rights, credits,
24 monies, effects, lands, leases, books and records, work papers, records of accounts,
25 including computer-maintained information and electronically stored information,
26 contracts, financial records, monies on hand in banks and other financial institutions, and
27 other papers and documents of Receivership Defendants and other individuals or

1 corporations whose interests are now held by or under the direction, possession, custody
2 or control of the Receivership Defendants;

3 C. Collect, marshal, and take custody, control, and possession of all
4 electronically stored information maintained or stored on any Smartphones, flash drives,
5 telephones, PDAs, desktop personal computers and workstations, laptops, notebooks, and
6 other portable computers, or other electronic storage media, whether personal or business,
7 for the purposes of the Temporary Receiver to determine whether the device contains
8 electronically stored information relating to Receivership Defendants' business practices.
9 The Temporary Receiver shall make available for copying and imaging by Plaintiff and
10 Defendants all business-related electronically stored information maintained or stored on
11 the devices;

12 D. Perform all acts necessary to conserve, hold, manage, and preserve the
13 value of those assets in order to prevent any irreparable loss, damage and injury to
14 business venture purchasers, and all acts incidental thereto, including the suspension of
15 operations;

16 E. Perform all acts necessary to ensure that Receivership Defendants are in
17 compliance with the provisions of this Order, including ceasing all advertising,
18 marketing, offering, or providing credit card interest rate reduction services, or assisting
19 others in doing the same, that contain any false or misleading statements of material fact
20 or that fails to disclose all information material to a consumer's decision to seek the
21 services of Defendants;

22 F. Make best efforts to notify Receivership Defendants' customers about this
23 Order, the efforts can include posting this Order on Receivership Defendants' websites;

24 G. Enter into agreements in connection with administration of the receivership,
25 including, but not limited to:

26 1. the retention and employment of investigators, attorneys, or
27 accountants of the Temporary Receiver's choice, including, without
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1 limitation, members and employees of the Temporary Receiver's firm, to
2 assist, advise, and represent the Temporary Receiver; and
3 2. the movement and storage of any equipment, furniture, records, files,
4 or other physical property of Receivership Defendants; and

5 H. Institute, prosecute, compromise, adjust, intervene in, or become party to
6 such actions or proceedings in state, federal, or foreign courts that the Temporary
7 Receiver deems necessary and advisable to preserve the value of the properties of
8 Receivership Defendants or that the Temporary Receiver deems necessary and advisable
9 to carry out the Temporary Receiver's mandate under this Order, and likewise to defend,
10 compromise or adjust or otherwise dispose of any or all actions or proceedings instituted
11 against the Temporary Receiver or Receivership Defendants that the Temporary Receiver
12 deems necessary and advisable to preserve the properties of Receivership Defendants or
13 that the Temporary Receiver deems necessary and advisable to carry out the Temporary
14 Receiver's mandate under this Order.

15 **XVII. TEMPORARY RECEIVER'S BOND**

16 **IT IS FURTHER ORDERED** that the Temporary Receiver shall file with the
17 Clerk of this Court a bond in the sum of \$50,000.00, with sureties to be approved by the
18 Court, conditioned that the Temporary Receiver will well and truly perform the duties of
19 the office and abide by and perform all acts the Court directs.

20 **XVIII. COOPERATION WITH THE TEMPORARY RECEIVER**

21 **IT IS FURTHER ORDERED** that Defendants, their members, officers, agents,
22 servants, employees, and attorneys, and all other persons in active concert or participation
23 with any of them, who receive actual notice of this Order by personal service, facsimile
24 transmission, email, or otherwise, whether acting directly or indirectly:

25 A. Shall fully cooperate with and assist the Temporary Receiver. This
26 cooperation and assistance shall include, but not be limited to, providing any information
27 to the Temporary Receiver that the Temporary Receiver deems necessary to exercising
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1 the authority and discharging the responsibilities of the Temporary Receiver under this
2 Order; providing any password required to access any computer, electronically stored
3 information, or electronic files in any medium; or advising all persons who owe money to
4 Receivership Defendants that all debts should be paid directly to the Temporary
5 Receiver; and

6 B. Are temporarily restrained and enjoined from directly or indirectly:

- 7 1. transacting any of the business of Receivership Defendants, or
8 transacting business under the name of Receivership Defendants, or any
9 substantially similar name;
- 10 2. destroying, concealing, defacing, transferring, or otherwise altering
11 or disposing of any documents of Receivership Defendants, including, but
12 not limited to, books, records, accounts, documents, electronically stored
13 information, or any other papers of any kind or nature;
- 14 3. transferring, receiving, altering, selling, encumbering, pledging,
15 assigning, liquidating, or otherwise disposing of any assets owned,
16 controlled, or in the possession or custody of, or in which an interest is held
17 or claimed by, Receivership Defendants or the Temporary Receiver;
- 18 4. excusing debts owed to Receivership Defendants;
- 19 5. failing to notify the Temporary Receiver of any asset, including
20 accounts, of any Receivership Defendant held in any name other than the
21 name of any Receivership Defendant, or by any person or entity other than
22 Receivership Defendants, or failing to provide any assistance or
23 information requested by the Temporary Receiver in connection with
24 obtaining possession, custody, or control of such assets; or
- 25 6. doing any act or refraining from any act whatsoever to interfere with
26 the Temporary Receiver's taking custody, control, possession, or managing
27 of the assets or documents subject to this receivership; or to harass or
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1 interfere with the Temporary Receiver in any way; or to interfere in any
2 manner with the exclusive jurisdiction of this Court over the assets or
3 documents of Receivership Defendants; or to refuse to cooperate with the
4 Temporary Receiver or the Temporary Receiver's duly authorized agents in
5 the exercise of their duties or authority under any order of this Court.

6 **XIX. DELIVERY OF RECEIVERSHIP PROPERTY**

7 **IT IS FURTHER ORDERED** that:

8 A. Immediately upon service of this Order upon them, or within a period
9 permitted by the Temporary Receiver, Defendants and all other persons in possession,
10 custody, and control of assets or documents of Receivership Defendants shall transfer or
11 deliver possession, custody, and control of the following to the Temporary Receiver:

- 12 1. all assets of Receivership Defendants;
- 13 2. all documents of Receivership Defendants, including, but not limited
14 to, books and records of accounts, all financial and accounting records,
15 balance sheets, income statements, bank records (including monthly
16 statements, canceled checks, records of wire transfers, and check registers),
17 client lists, title documents, electronically stored information, and other
18 papers; and
- 19 3. all assets belonging to members of the public now held by
20 Receivership Defendants.

21 B. In the event any person or entity fails to deliver or transfer any asset or
22 otherwise fails to comply with any provision of this Paragraph, the Temporary Receiver
23 may file, on an *ex parte* basis, an Affidavit of Non-Compliance regarding the failure.
24 Upon filing of the affidavit, the Court may authorize, without additional process or
25 demand, Writs of Possession or Sequestration or other equitable writs requested by the
26 Temporary Receiver. The writs shall authorize and direct the United States Marshal or
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1 any sheriff or deputy sheriff of any county to seize the asset, document, or other thing and
2 to deliver it to the Temporary Receiver.

3 **XX. TEMPORARY RECEIVER'S REPORTS**

4 **IT IS FURTHER ORDERED** that the Temporary Receiver shall report to this
5 Court on or before the date set for the hearing to Show Cause regarding the Preliminary
6 Injunction regarding: (1) the steps taken by the Temporary Receiver to implement the
7 terms of this Order; (2) the value of all liquidated and unliquidated assets of Receivership
8 Defendants; (3) the sum of all liabilities of Receivership Defendants; (4) the steps the
9 Temporary Receiver intends to take in the future to: (a) prevent any diminution in the
10 value of assets of Receivership Defendants; (b) pursue receivership assets from third
11 parties; and (c) adjust the liabilities of Receivership Defendants, if appropriate; and (5)
12 any other matters that the Temporary Receiver believes should be brought to the Court's
13 attention. Provided, however, if any of the required information would hinder the
14 Temporary Receiver's ability to pursue receivership assets, the portions of the Temporary
15 Receiver's report containing the information may be filed under seal and not served on
16 the parties.

17 **XXI. BANKRUPTCY PETITIONS**

18 **IT IS FURTHER ORDERED** that:

19 A. In light of the asset freeze and appointment of the Temporary Receiver,
20 Defendants are prohibited from filing, or causing to be filed, on behalf of any
21 Receivership Defendant, a petition for relief under the United States Bankruptcy Code,
22 11 U.S.C. § 101 *et seq.*, without prior permission from this Court.

23 B. In light of the asset freeze, Individual Defendants must give 21 days' notice
24 to the Commission prior to filing, or causing to be filed, on behalf of any Individual
25 Defendant, a petition for relief under the United States Bankruptcy Code, 11 U.S.C.
26 § 101 *et seq.*

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1 **XXII. TRANSFER OF FUNDS TO THE TEMPORARY RECEIVER**

2 **IT IS FURTHER ORDERED** that, upon service of a copy of this Order, all
3 banks, broker-dealers, savings and loans, escrow agents, title companies, commodity
4 trading companies, or other financial institutions shall cooperate with all reasonable
5 requests of the Temporary Receiver relating to implementation of this Order, including
6 producing records related to the assets of Receivership Defendants.

7 **XXIII. STAY OF ACTIONS**

8 **IT IS FURTHER ORDERED** that:

9 A. Except by leave of this Court, during pendency of the receivership,
10 Defendants and all other persons and entities (except for the Commission) are stayed
11 from taking any action to establish or enforce any claim, right, or interest for, against, on
12 behalf of, in, or in the name of: (a) Receivership Defendants, or (b) any of assets of
13 Receivership Defendants, or (c) the Temporary Receiver or the Temporary Receiver's
14 duly authorized agents acting in their capacities as such, including, but not limited to, the
15 following actions:

- 16 1. commencing, prosecuting, continuing, entering, or enforcing any suit
17 or proceeding, except that the actions may be filed to toll any applicable
18 statute of limitations;
- 19 2. accelerating the due date of any obligation or claimed obligation;
20 filing or enforcing any lien; taking or attempting to take possession,
21 custody, or control of any asset; attempting to foreclose, forfeit, alter, or
22 terminate any interest in any asset, whether such acts are part of a judicial
23 proceeding, are acts of self-help, or otherwise;
- 24 3. executing, issuing, serving, or causing the execution, issuance or
25 service of, any legal process, including, but not limited to, attachments,
26 garnishments, subpoenas, writs of replevin, writs of execution, or any other
27 form of process whether specified in this Order or not; and
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1 4. doing any act or thing whatsoever to interfere with the Temporary
2 Receiver taking custody, control, possession, or management of the assets
3 or documents subject to this receivership, or to harass or interfere with the
4 Temporary Receiver in any way, or to interfere in any manner with the
5 exclusive jurisdiction of this Court over the assets or documents of
6 Receivership Defendants.

7 B. Subparagraph A of this Paragraph does not stay:

- 8 1. the commencement or continuation of a criminal action or
9 proceeding;
- 10 2. the commencement or continuation of an action or proceeding by a
11 governmental unit to enforce the governmental unit's police or regulatory
12 power;
- 13 3. the enforcement of a judgment, other than a money judgment,
14 obtained in an action or proceeding by a governmental unit to enforce the
15 governmental unit's police or regulatory power; or
- 16 4. the issuance to Receivership Defendants of a notice of tax
17 deficiency.

18 C. Except as otherwise provided in this Order, all persons and entities who
19 need documentation from the Temporary Receiver shall in all instances first attempt to
20 secure the information by submitting a formal written request to the Temporary Receiver,
21 and, if the request has not been responded to within 30 days of receipt by the Temporary
22 Receiver, any person or entity may thereafter seek an order of this Court with regard to
23 the relief requested.

24 **XXIV. COMPENSATION OF TEMPORARY RECEIVER**

25 **IT IS FURTHER ORDERED** that the Temporary Receiver and personnel hired
26 by the Temporary Receiver to perform the duties under this Order, are entitled to a
27 reasonable compensation for the performance of duties under this Order, and for the cost
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1 of actual out-of-pocket expenses incurred by them, from Defendants' assets. To obtain
2 payment, the Temporary Receiver shall file with the Court and serve on the parties
3 periodic requests for the payment of reasonable compensation, with the first request filed
4 no more than 60 days after the date of this Order. The Temporary Receiver shall not
5 increase the hourly rates used as the bases for the fee applications without prior approval
6 of the Court.

7 **XXV. TEMPORARY RECEIVER'S ACCESS TO PREMISES AND RECORDS**

8 **IT IS FURTHER ORDERED** that:

9 A. The Temporary Receiver, and its respective representatives, agents,
10 contractors, or assistants, are permitted, and Defendants shall allow, immediate access to
11 any business premises and storage facilities of Receivership Defendants. These locations
12 include, but are not limited to, the offices and facilities of Receivership Defendants at or
13 in the vicinity of: 123 E. Baseline Road, Suites D-208, D-207, D-206, and D-204,
14 Tempe, Arizona 85283; and 209 E. Baseline Road, Suite E-201, Tempe, Arizona 85283.

15 B. The Temporary Receiver is authorized to employ the assistance of law
16 enforcement officers, including but not limited to the Tempe Police Department, to effect
17 service, to implement peacefully the provisions of this Order, and to keep the peace. The
18 Temporary Receiver may exclude Defendants and their agents and employees from the
19 business premises and facilities.

20 C. Defendants and all agents or employees of Defendants shall provide the
21 Temporary Receiver with any necessary means of access to documents, including,
22 without limitation, the locations of Receivership Defendants' business premises, keys and
23 combinations to business premises locks, computer access codes of all computers used to
24 conduct Receivership Defendants' business, and storage area access information.

25 D. The Temporary Receiver is authorized to copy any documents related to
26 Defendants' business practices, including by forensic imaging of electronically stored
27 information. The Temporary Receiver is authorized to remove any documents related to
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1 Defendants' business practices from the premises in order that they may be inspected,
2 inventoried, and copied. The materials removed shall be returned within 5 business days
3 of completing inventory and copying.

4 **NOTIFICATION AND MONITORING PROVISIONS**

5 **XXVI. DISTRIBUTION OF ORDER BY DEFENDANTS**

6 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a copy
7 of this Order to each affiliate, sales entity, successor, assign, member, officer, employee,
8 agent, servant, attorney, subsidiary, division, and representative of any of the Defendants,
9 and shall, within 3 days from the date of entry of this Order, provide the Commission
10 with a sworn statement that Defendants have complied with this provision of the Order,
11 this statement shall include the names and addresses of each person or entity who
12 received a copy of this Order.

13 **XXVII. SERVICE OF ORDER**

14 **IT IS FURTHER ORDERED** that copies of this Order may be served by any
15 means, including facsimile transmission, email, and overnight delivery service, upon any
16 financial institution or other entity or person that may have possession, custody, or
17 control of any documents or assets of any Defendant, or that may be subject to any
18 provision of this Order. Under Fed. R. Civ. P. 4(c)(2), this Order and the initial papers
19 filed in this matter may be served on Defendants, upon the business premises of
20 Defendants, and upon any financial institution or other entity or person that may have
21 possession, custody, or control of any documents or assets of any of the Defendants, or
22 that may be subject to any provision of this Order, by employees of the Commission, by
23 employees of any other law enforcement agency, by any agent of the Commission, or by
24 any agent of any process service retained by the Commission.

25 **XXVIII. MONITORING**

26 **IT IS FURTHER ORDERED** that agents or representatives of the Commission
27 may contact Defendants or their agents or representatives directly and anonymously for
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1 the purpose of monitoring compliance with this Order, and may record any oral
2 communications that occur in the course of the contacts.

3 **PRELIMINARY INJUNCTION PROCEEDINGS**

4 **XXIX. ORDER TO SHOW CAUSE**

5 **IT IS FURTHER ORDERED** that, under Fed. R. Civ. P. 65(b), Defendants
6 Ambrosia Web Design LLC, d/b/a AWD; Concord Financial Advisors LLC; CAM
7 Services Direct LLC; AFB LLC; Western GPS LLC; Chris Ambrosia; and LeRoy
8 Castine shall appear before this Court, located at United States District Court for the
9 District of Arizona, Sandra Day O'Connor U.S. Courthouse, 401 W. Washington Street,
10 Courtroom 506, Phoenix, Arizona 85003-2118, on the 31st day of October, 2012, at 3:00
11 p.m. MST, to show cause why this Court should not enter a preliminary injunction,
12 pending final ruling on the Complaint, against Defendants enjoining them from violations
13 of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the TSR, 16 C.F.R. Part 310, and
14 imposing additional relief as may be appropriate, and appointing a permanent receiver
15 over Defendants Ambrosia Web Design LLC, d/b/a AWD; Concord Financial Advisors
16 LLC; CAM Services Direct LLC; AFB LLC; and Western GPS LLC.

17 **IT IS FURTHER ORDERED** that, in support of its application for a preliminary
18 injunction, the Commission may submit supplemental evidence discovered subsequent to
19 the filing of its application for a TRO, as well as a supplemental memorandum. The
20 Commission shall file and serve any supplemental evidence and memorandum by no later
21 than 4:30 p.m. MST on the third court day prior to the preliminary injunction hearing as
22 scheduled above. The documents may be served on each Defendant by email, or fax, or
23 by delivering the document(s) to the attorney(s) for Defendants, or, if Defendants are not
24 represented by counsel, to a fax number or email address previously designated by
25 Defendants in writing to counsel for the Commission; if Defendants have not so
26 designated a fax number or email address, service may be effected by mailing the
27 documents to an address designated in writing by Defendants to counsel for the
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1 Commission; if no address has been so designated, service shall be complete upon filing
2 of the documents with this Court.

3 **IT IS FURTHER ORDERED** that Defendants shall file and serve any opposition
4 to the issuance of a preliminary injunction and the appointment of a permanent receiver
5 over Receivership Defendants, including any declarations, exhibits, memoranda or other
6 evidence upon which they intend to rely, and objections to any evidence submitted by the
7 Commission, by no later than 4:30 p.m. MST of the third court day prior to the hearing
8 on the preliminary injunction. These documents shall be served by email or fax upon the
9 Commission's counsel.

10 **IT IS FURTHER ORDERED** that the Commission shall file and serve any reply
11 to Defendants' opposition by no later than the second court day prior to the preliminary
12 injunction hearing.

13 **XXX. PRELIMINARY INJUNCTION HEARING**

14 **IT IS FURTHER ORDERED** that there will be no direct examination of
15 witnesses at the preliminary injunction hearing in this matter. Direct testimony shall be
16 presented in the form of declarations or affidavits. The Court in ruling on whether a
17 preliminary injunction shall issue will consider oral argument by counsel and declarations
18 or affidavits that have been served and filed in a timely manner prior to the preliminary
19 injunction hearing without further need of any party moving the documents into
20 evidence.

21 **XXXI. SERVICE OF PLEADINGS**

22 **IT IS FURTHER ORDERED** that the parties shall serve upon the opposing party
23 and this Court and file all memoranda, affidavits, and other evidence upon which they
24 intend to rely at the preliminary injunction hearing set in this matter not later than 4:00
25 p.m. MST of the second day prior to the hearing date. Service on the Commission shall
26 be performed by delivery to:

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1 Jason C. Moon
2 Federal Trade Commission
3 Southwest Region
4 1999 Bryan Street, Suite 2150
5 Dallas, Texas 75201-6808
6 Fax: (214) 953-3079
7 E-mail: jmoon@ftc.gov

8 **XXXII. EXPEDITED ASSET DISCOVERY**

9 **IT IS FURTHER ORDERED** that, in anticipation of the preliminary injunction
10 hearing set herein, the Commission is granted leave to conduct expedited discovery
11 regarding Defendants' assets. The Commission may depose any witness about
12 Defendants' assets at any time after the date of this Order upon 3 business days' notice.
13 Defendants shall respond to any asset-related interrogatories, requests for admissions, or
14 requests for production of documents within 3 business days after service of the
15 discovery request. Any discovery taken or propounded by the Commission under this
16 Paragraph is in addition to, and not subject to, any limits on the quantity of permissible
17 discovery provided for in the Federal Rules of Civil Procedure or the rules of this Court.
18 Any limitations and conditions set forth in the Federal Rules of Civil Procedure or the
19 rules of this Court regarding subsequent depositions of an individual shall not apply to
20 depositions taken under this Paragraph.

21 **XXXIII. DURATION OF TEMPORARY RESTRAINING ORDER**

22 **IT IS FURTHER ORDERED** that this Temporary Restraining Order shall expire
23 on the 5th day of November, 2012, at 3:00 p.m. MST, unless before such time, the Order
24 is extended for good cause shown, or by consent of the parties.

25 **XXXIV. ACKNOWLEDGMENT OF RECEIPT OF TRO**

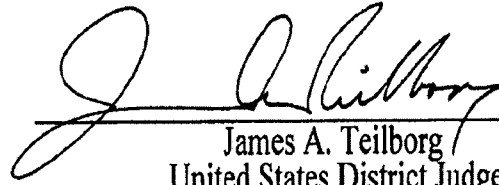
26 **IT IS FURTHER ORDERED** that each Defendant, within 5 business days of
27 receipt of this Temporary Restraining Order as entered by the Court, must submit to the
28 Commission a truthful sworn statement acknowledging receipt of the Temporary
Restraining Order.

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XXXV. RETENTION OF JURISDICTION

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

Dated this 22nd day of October, 2012.



James A. Teilborg
United States District Judge

Copies to Only: Counsel for Plaintiff

Case: 2:12cv2248

Emily B Robinson
Federal Trade Commission

1999 Bryan St., Ste. 2150
Dallas, TX 75201
