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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

FEDERAL TRADE COMMISSION,
Plaintiff,
v.

ASCEND CAPVENTURES INC., also
doing business as Ascend Ecom LLC;
Ascend Ecomm LLC; ACV; ACV
Partners; Accelerated Ecommerce
Ventures; Ascend Distribution LLC;
Ethix Capital; and ACV Nexus, a
Wyoming close corporation profit
corporation,
ASCEND ECOMMERCE INC., also
doing business as Ascend Ecom LLC, a
Wyoming close corporation profit
corporation,
ASCEND ADMINISTRATION INC., a
California general stock corporation,
ASCEND ECOM LLC, a Wyoming
limited liability company,
ASCEND DISTRIBUTION LLC, a
Texas limited liability company,
WILLIAM MICHAEL BASTA,
individually and as officer and/or owner
of Ascend Ecom LLC, Ascend
Capventures Inc., Ascend Ecommerce

Case No. 2:24-cv-07660-SPG-JPR

**ORDER GRANTING
STIPULATION FOR COURT TO
ENTER PRELIMINARY
INJUNCTION [ECF NO. 62]**

1 Inc., Ascend Administration Inc., Ascend
2 Distribution LLC, and
3 JEREMY KENNETH LEUNG,
4 individually and as officer and/or owner
5 of Ascend Ecom LLC, Ascend
6 Capventures Inc., Ascend Ecommerce
7 Inc., Ascend Administration Inc., and
8 Ascend Distribution LLC,
9
10 Defendants.

9 On September 9, 2024, Plaintiff Federal Trade Commission (“FTC”) filed its
10 Complaint for Permanent Injunction, Monetary Judgment, and Other Equitable
11 Relief pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC
12 Act”) and 15 U.S.C. §§ 53(b), 57b. (ECF No. 1). Pursuant to Fed. R. Civ. P. 65(b),
13 the FTC also filed an ex parte application for a temporary restraining order, asset
14 freeze, other equitable relief, and an order to show cause why a preliminary
15 injunction should not issue against Defendants Ascend Capventures Inc., Ascend
16 Ecommerce Inc., Ascend Administration Inc., Ascend Ecom LLC, Ascend
17 Distribution LLC, William Michael Basta, and Jeremy Kenneth Leung (collectively,
18 “Defendants”). (ECF No. 4 (“Application”)).

19 The Court granted the application, issuing a temporary restraining order
20 (“TRO”) on September 13, 2024, including an asset freeze, appointment of a receiver,
21 immediate access to Defendants’ business premises, and other temporary relief with
22 an expiration date of September 27, 2024. (ECF No. 30). The TRO also ordered
23 Defendants to appear before the Court on September 25, 2024, to show cause why a
24 preliminary injunction should not issue against them (hereinafter, “preliminary
25 injunction hearing”). Upon the parties’ several stipulations, the Court, pursuant to
26 Federal Rule of Civil Procedure 65(b)(2), continued the TRO until January 8, 2025,
27 or until the Court’s entry of the preliminary injunction, whichever is earliest. (ECF
28 Nos. 42, 55, 70, 75, and 81).

1 Before the Court is the parties’ instant Stipulation requesting the Court to grant
2 and enter the stipulated preliminary injunction. (ECF No. 62 (“Stipulation”)). The
3 Court, having considered Plaintiff’s Application and the parties’ Stipulation, and
4 finding good cause thereof, hereby GRANTS the Stipulation and ORDERS as
5 follows:

6 **FINDINGS**

7 The Court, having considered the Complaint, the application for a TRO and
8 order to show cause, declarations, exhibits, and the memorandum of points and
9 authorities filed in support thereof, and the parties’ stipulation, and being otherwise
10 advised, finds that:

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

14 B. Defendants consent to the entry of this Stipulated Preliminary Injunction
15 but reserve all rights to contest or challenge the authority of the FTC to seek and this
16 Court to award any further relief sought by the FTC.

17 C. The FTC alleges that there is good cause to believe that, in numerous
18 instances, Defendants, in the marketing and selling of business opportunities
19 (hereinafter, “Defendants’ products or services”), have violated the FTC Act and
20 rules governing their conduct. Specifically, Defendants have (1) made false or
21 unsubstantiated earnings claims, (2) violated multiple trade regulation rule provisions
22 in the selling of Defendants’ products or services, and (3) used threats and non-
23 disparagement clauses to discourage purchasers from publishing truthful reviews
24 about Defendants and their products or services.

25 D. The FTC alleges that there is good cause to believe that Defendants have
26 engaged in and are likely to engage in acts or practices that violate Section 5(a) of
27 the FTC Act, 15 U.S.C. § 45(a); the FTC’s Trade Regulation Rule entitled
28 “Disclosure Requirements and Prohibitions Concerning Business Opportunities”

1 (“Business Opportunity Rule” or “Rule”), 16 C.F.R. Part 437, as amended; and the
2 Consumer Review Fairness Act (“CRFA”), 15 U.S.C. § 45b, and that Plaintiff is
3 therefore likely to prevail on the merits of this action. As demonstrated by the
4 declarations of consumers who purchased Defendants’ products or services,
5 investigator declarations, and the additional evidence contained in the FTC’s
6 volumes of exhibits, the FTC has established a likelihood of success in showing that,
7 in numerous instances, Defendants have made false or unsubstantiated statements
8 and engaged in other unfair or deceptive acts or practices in the marketing of
9 Defendants’ products or services.

10 E. The FTC alleges that there is good cause to believe that Defendants have
11 taken at least \$25 million from consumers in connection with their unlawful practices.

12 F. The FTC alleges that there is good cause to believe that immediate and
13 irreparable harm will result from Defendants’ ongoing violations of the FTC Act, the
14 Business Opportunity Rule, and the CRFA unless Defendants are restrained and
15 enjoined by order of this Court.

16 G. The FTC alleges that good cause exists for the Court to order: (1) the
17 continued appointment of a Receiver over the Receivership Entities; (2) maintaining
18 the freeze over Defendants’ assets; and (3) the ancillary relief ordered below. The
19 FTC has demonstrated a likelihood that the Individual Defendants are individually
20 liable and properly subject to the asset freeze. An asset freeze is appropriate equitable
21 relief permitted by Section 19 of the FTC Act and the inherent equitable powers of
22 the Court.

23 H. Weighing the equities and considering Plaintiff’s likelihood of ultimate
24 success on the merits, a preliminary injunction with an asset freeze, the appointment
25 of a receiver, and other equitable relief is in the public interest.

26 I. This Court has authority to issue this Order pursuant to Sections 13(b)
27 and 19 of the FTC Act, 15 U.S.C. § 53(b) and 57b; Fed. R. Civ. P. 65; and the All
28 Writs Act, 28 U.S.C. § 1651.

1 J. The FTC is an independent agency of the United States and no security
2 is required of any agency of the United States for issuance of a preliminary injunction
3 order. Fed. R. Civ. P. 65(c).

4 **DEFINITIONS**

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

6 A. **“Asset”** means any legal or equitable interest in, right to, or claim to,
7 any property, wherever located and by whomever held.

8 B. **“Corporate Defendants”** means Ascend Capventures Inc., Ascend
9 Ecommerce Inc., Ascend Administration Inc., Ascend Ecom LLC, and Ascend
10 Distribution LLC, and each of their subsidiaries, affiliates, successors, and assigns.

11 C. **“Defendants”** means the Corporate Defendants and the Individual
12 Defendants, individually, collectively, or in any combination.

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

26 E. **“Earnings Claim(s)”** means any oral, written, or visual representation
27 to a prospective purchaser that conveys, expressly or by implication, a specific level
28 or range of actual or potential sales, or gross or net income or profits. Earnings Claims

1 include, but are not limited to: (1) any chart, table, or mathematical calculation that
2 demonstrates possible results based upon a combination of variables; and (2) any
3 statements from which a prospective purchaser can reasonably infer that he or she
4 will earn a minimum level of income.

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

9 G. **“General Media”** means any instrumentality through which a person
10 may communicate with the public, including, but not limited to, television, radio,
11 print, Internet, billboard, website, commercial bulk email, and mobile
12 communications.

13 H. **“Individual Defendants”** means William Basta and Jeremy Leung,
14 individually or collectively.

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

17 J. **“Receivership Entities”** means Corporate Defendants as well as any
18 other entity that has conducted any business related to the marketing and sale of
19 Defendants’ products or services, including receipt of Assets derived from any
20 activity that is the subject of the Complaint in this matter, and that the Receiver
21 determines is controlled or owned by any Defendant.

22 **ORDER**

23 **I. PROHIBITED BUSINESS ACTIVITIES**

24 **IT IS THEREFORE ORDERED** that Defendants, Defendants’ officers,
25 agents, employees, and all other persons in active concert or participation with them,
26 who receive actual notice of this Order by personal service or otherwise, whether
27 acting directly or indirectly, in connection with the advertising, marketing, promoting,
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1 or offering for sale of any goods or services, are preliminarily restrained and enjoined
2 from:

3 A. Making any Earnings Claims to a prospective purchaser, unless the
4 Earnings Claim is non-misleading and, at the time the Earnings Claim is made,
5 Defendants (1) have a reasonable basis for the claim; (2) have in their possession
6 written materials that substantiate the claimed earnings; and (3) make the written
7 substantiation for Earnings Claims available upon request to the consumer, the
8 potential purchaser or investor, the Receiver, and the FTC;

9 B. Making any Earnings Claims in the General Media, unless the Earnings
10 Claim is non-misleading and, at the time the Earnings Claims is made, Defendants
11 (1) have a reasonable basis for the claim; (2) have in their possession written
12 materials that substantiate the claimed earnings; and (3) state in immediate
13 conjunction with the claim (a) the beginning and ending dates when the represented
14 earnings were achieved and (b) the number and percentage of all persons who
15 purchased Defendants' products or services prior to the ending date in Section I.B.3.a
16 who achieved at least the stated level of earnings;

17 C. Disseminating any industry financial, earnings, or performance
18 information, unless Defendants have written substantiation demonstrating that the
19 information reflects, or does not exceed, the typical or ordinary financial, earnings,
20 or performance experience of purchasers of Defendants' products or services;

21 D. Failing to provide any consumer, potential purchaser, or investor with
22 disclosure documents in the form and manner required by 16 C.F.R. §§ 437.2,
23 437.3(a)(1)-(5), and 437.4;

24 E. Misrepresenting or assisting others in misrepresenting, expressly or by
25 implication, that Defendants' products or services:

26 1. Will allow purchasers to earn a specific level or range of actual
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1 or potential sales, or gross or net income or profits, revenues,
2 financial gains, percentage gains, or return on investment with
3 little to no effort on their part; and

4 2. Will use artificial intelligence to maximize revenues;

5 F. Misrepresenting or assisting others in misrepresenting, expressly or by
6 implication, any other fact material to consumers concerning any good or service,
7 such as: the total costs; any material restrictions, limitations, or conditions; or any
8 material aspect of its performance, efficacy, nature, or central characteristics; and

9 G. Prohibiting or restricting any consumer, potential purchaser, or investor
10 from communicating reviews, performance assessments, and similar analyses about
11 Defendants' products or services, or the conduct of Defendants; or threatening or
12 imposing a penalty or fee against any consumer, potential purchaser, or investor who
13 engages in such communications.

14 **II. PROHIBITION ON RELEASE OF CUSTOMER**
15 **INFORMATION**

16 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents,
17 employees, and all other persons in active concert or participation with any of them,
18 who receive actual notice of this Order, whether acting directly or indirectly, are
19 hereby preliminarily restrained and enjoined from:

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

25 B. Benefitting from or using the name, address, birth date, telephone
26 number, email address, credit card number, bank account number, Social Security
27 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 matter
2 of this Order.

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

8 **III. ASSET FREEZE**

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

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

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

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

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

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

10 The Assets affected by this Section shall only include: (1) Assets of
11 Defendants as of the time the initial TRO was entered (ECF No. 30); and (2) Assets
12 obtained by Defendants after the initial TRO was entered if those Assets are derived
13 from any activity that is the subject of the Complaint in this matter or that is
14 prohibited by this Order. This Section does not prohibit any transfers to the Receiver
15 or repatriation of foreign Assets specifically required by this order.

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

17 **IT IS FURTHER ORDERED** that any financial or brokerage institution,
18 Electronic Data Host, credit card processor, payment processor, merchant bank,
19 acquiring bank, independent sales organization, third party processor, payment
20 gateway, insurance company, business entity, or person who receives actual notice
21 of this Order (by service or otherwise) that:

22 (a) has held, controlled, or maintained custody, through an account or
23 otherwise, of any Document on behalf of any Defendant or any Asset that has been
24 owned or controlled, directly or indirectly, by any Defendant; held, in part or in whole,
25 for the benefit of any Defendant; in the actual or constructive possession of any
26 Defendant; or owned or controlled by, in the actual or constructive possession of, or
27 otherwise held for the benefit of, any corporation, partnership, asset protection trust,
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1 or other entity that is directly or indirectly owned, managed or controlled by any
2 Defendant;

3 (b) has held, controlled, or maintained custody, through an account or
4 otherwise, of any Document or Asset associated with credits, debits, or charges made
5 on behalf of any Defendant, including reserve funds held by payment processors,
6 credit card processors, merchant banks, acquiring banks, independent sales
7 organizations, third party processors, payment gateways, insurance companies, or
8 other entities; or

9 (c) has extended credit to any Defendant, including through a credit card
10 account, shall:

11 A. Hold, preserve, and retain within its control and prohibit the
12 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,
13 disbursement, dissipation, relinquishment, conversion, sale, or other disposal
14 of any such Document or Asset, as well as all Documents or other property
15 related to such Assets, except by further order of this Court; provided, however,
16 that this provision does not prohibit Individual Defendant from incurring
17 charges on a personal credit card established prior to entry of this Order, up to
18 the pre-existing credit limit;

19 B. Deny any person, except the Receiver, access to any safe deposit
20 box, commercial mailbox, or storage facility that is titled in the name of any
21 Defendant, either individually or jointly, or otherwise subject to access by any
22 Defendant;

23 C. If they have not done so already in compliance with the TRO
24 previously issued and extended in this matter (ECF Nos. 30, 42, 55, 70, 75,
25 and 81), provide Plaintiff's counsel and the Receiver, within two (2) days of
26 the issuance of this Order, a sworn statement setting forth, for each Asset or
27 account covered by this Section:
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1 1. The identification number of each such account or
2 Asset;

3 2. The balance of each such account, or a description
4 of the nature and value of each such Asset as of the close of
5 business on the day on which this Order is served, and, if the
6 account or other Asset has been closed or removed, the date
7 closed or removed, the total funds removed in order to close the
8 account, and the name of the person or entity to whom such
9 account or other Asset was remitted; and

10 3. The identification of any safe deposit box,
11 commercial mailbox, or storage facility that is either titled in the
12 name, individually or jointly, of any Defendant, or is otherwise
13 subject to access by any; and

14 D. If they have not done so already in compliance with the TRO
15 previously issued and extended in this matter (ECF Nos. 30, 42, 55, 70, 75,
16 and 81), upon the request of Plaintiff’s counsel or the Receiver, promptly
17 provide Plaintiff’s counsel and the Receiver with copies of all records or other
18 Documents pertaining to any account or Asset covered by this Section,
19 including originals or copies of account applications, account statements,
20 signature cards, checks, drafts, deposit tickets, transfers to and from the
21 accounts, including wire transfers and wire transfer instructions, all other debit
22 and credit instruments or slips, currency transaction reports, 1099 forms, and
23 all logs and records pertaining to safe deposit boxes, commercial mailboxes,
24 and storage facilities.

25 Provided, however, that this Section does not prohibit any transfers to the
26 Receiver or repatriation of foreign Assets specifically required by this order.

27 **V. FINANCIAL DISCLOSURES**

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1 **IT IS FURTHER ORDERED** that, if they have not done so already in
2 compliance with the TRO previously issued and extended in this matter (ECF Nos.
3 30, 42, 55, 70, 75, and 81), each Defendant, within five (5) days of the issuance of
4 this Order, shall prepare and deliver to Plaintiff's counsel and the Receiver:

5 A. completed financial statements on the forms attached to this Order as
6 **Attachment A** (Financial Statement of Individual Defendant) for both Individual
7 Defendants, and **Attachment B** (Financial Statement of Corporate Defendant) for
8 each Corporate Defendant; and

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

11 **VI. FOREIGN ASSET REPATRIATION**

12 **IT IS FURTHER ORDERED** that, if they have not done so already in
13 compliance with the TRO previously issued and extended in this matter (ECF Nos.
14 30, 42, 55, 70, 75, and 81), within five (5) days following the issuance of this Order,
15 each Defendant shall:

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

24 B. Take all steps necessary to provide Plaintiff's counsel and Receiver
25 access to all Documents and records that may be held by third parties located outside
26 of the territorial United States of America, including signing the Consent to Release
27 of Financial Records appended to this Order as **Attachment D**.

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

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

11 The Assets and financial accounts affected by this Section shall only include:
12 (1) Assets and financial accounts of Defendants existing as of the time the initial
13 TRO was entered (ECF No. 30); and (2) Assets and financial accounts obtained or
14 created by Defendants after the initial TRO was entered if those Assets and financial
15 accounts are derived from any activity that is the subject of the Complaint in this
16 matter or that is prohibited by this Order.

17 The Documents affected by this Section shall only include: (1) Documents of
18 Defendants existing as of the time the initial TRO was entered (ECF No. 30); and (2)
19 Documents obtained or created by Defendants after the initial TRO was entered if
20 those Documents are related to any activity that is the subject of the Complaint in
21 this matter or that is prohibited by this Order.

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

23 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,
24 agents, employees, and all other persons in active concert or participation with any
25 of them, who receive actual notice of this Order, whether acting directly or indirectly,
26 are hereby preliminarily restrained and enjoined from taking any action, directly or
27 indirectly, which may result in the encumbrance or dissipation of foreign Assets, or
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1 in the hindrance of the repatriation required by this Order, including, but not limited
2 to:

3 A. Sending any communication or engaging in any other act, directly or
4 indirectly, that results in a determination by a foreign trustee or other entity that a
5 “duress” event has occurred under the terms of a foreign trust agreement until such
6 time that all Defendants’ Assets have been fully repatriated pursuant to this Order;
7 or

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

12 **VIII. CONSUMER CREDIT REPORTS**

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

17 **IX. PRESERVATION OF RECORDS**

18 **IT IS FURTHER ORDERED** that Defendants, Defendants’ officers, agents,
19 employees, and all other persons in active concert or participation with any of them,
20 who receive actual notice of this Order, whether acting directly or indirectly, are
21 hereby preliminarily restrained and enjoined from:

22 A. Destroying, erasing, falsifying, writing over, mutilating, concealing,
23 altering, transferring, or otherwise disposing of, in any manner, directly or indirectly,
24 Documents that relate to: (1) the business, business practices, Assets, or business or
25 personal finances of any Defendant; (2) the business practices or finances of entities
26 directly or indirectly under the control of any Defendant; or (3) the business practices
27 or finances of entities directly or indirectly under common control with any other
28 Defendant; and

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

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

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

16 **XI. APPOINTMENT OF RECEIVER**

17 **IT IS FURTHER ORDERED** that Stephen Donell is appointed Receiver of
18 the Receivership Entities with full powers of an equity receiver. The Receiver shall
19 be solely the agent of this Court in acting as Receiver under this Order.

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

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

23 A. Assume full control of Receivership Entities by removing, as the
24 Receiver deems necessary or advisable, any director, officer, independent contractor,
25 employee, or agent of any Receivership Entity from control of, management of, or
26 participation in, the affairs of the Receivership Entity;

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

4 C. Take exclusive custody, control, and possession of all Documents or
5 Assets associated with credits, debits, or charges made on behalf of any Receivership
6 Entity, wherever situated, including reserve funds held by payment processors, credit
7 card processors, merchant banks, acquiring banks, independent sales organizations,
8 third party processors, payment gateways, insurance companies, or other entities;

9 D. Conserve, hold, manage, and prevent the loss of all Assets of the
10 Receivership Entities, and perform all acts necessary or advisable to preserve the
11 value of those Assets. The Receiver shall assume control over the income and profits
12 therefrom and all sums of money now or hereafter due or owing to the Receivership
13 Entities. The Receiver shall have full power to sue for, collect, and receive, all Assets
14 of the Receivership Entities and of other persons or entities whose interests are now
15 under the direction, possession, custody, or control of the Receivership Entities.
16 Provided, however, that the Receiver shall not attempt to collect any amount from a
17 consumer if the Receiver believes the consumer's debt to the Receivership Entities
18 has resulted from the deceptive acts or practices or other violations of law alleged in
19 the Complaint in this matter, without prior Court approval;

20 E. Obtain, conserve, hold, manage, and prevent the loss of all Documents
21 of the Receivership Entities, and perform all acts necessary or advisable to preserve
22 such Documents. The Receiver shall: divert mail; preserve all Documents of the
23 Receivership Entities that are accessible via electronic means (such as online access
24 to financial accounts and access to electronic documents held onsite or by Electronic
25 Data Hosts), by changing usernames, passwords, or other log-in credentials; take
26 possession of all electronic Documents of the Receivership Entities stored onsite or
27 remotely; take whatever steps necessary to preserve all such Documents; and obtain
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1 the assistance of the FTC's Digital Forensic Unit for the purpose of obtaining
2 electronic documents stored onsite or remotely.

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

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

15 H. Take all steps necessary to secure and take exclusive custody of each
16 location from which the Receivership Entities operate their businesses. Such steps
17 may include, but are not limited to, any of the following, as the Receiver deems
18 necessary or advisable: (1) securing the location by changing the locks and alarm
19 codes and disconnecting any internet access or other means of access to the
20 computers, servers, internal networks, or other records maintained at that location;
21 and (2) requiring any persons present at the location to leave the premises, to provide
22 the Receiver with proof of identification, and/or to demonstrate to the satisfaction of
23 the Receiver that such persons are not removing from the premises Documents or
24 Assets of the Receivership Entities. Law enforcement personnel, including, but not
25 limited to, police or sheriffs, may assist the Receiver in implementing these
26 provisions in order to keep the peace and maintain security. If requested by the
27 Receiver, the United States Marshal will provide appropriate and necessary
28

1 assistance to the Receiver to implement this Order and is authorized to use any
2 necessary and reasonable force to do so;

3 I. Take all steps necessary to prevent the modification, destruction, or
4 erasure of any web page or website registered to and operated, in whole or in part, by
5 any Defendants, and to provide access to all such web pages or websites to Plaintiff's
6 representatives, agents, and assistants, as well as Defendants and their representatives;

7 J. Enter into and cancel contracts and purchase insurance as advisable or
8 necessary;

9 K. Prevent the inequitable distribution of Assets and determine, adjust, and
10 protect the interests of consumers who have transacted business with the
11 Receivership Entities;

12 L. Make an accounting, as soon as practicable, of the Assets and financial
13 condition of the receivership and file the accounting with the Court and deliver copies
14 thereof to all parties;

15 M. Institute, compromise, adjust, appear in, intervene in, defend, dispose of,
16 or otherwise become party to any legal action in state, federal, or foreign courts or
17 arbitration proceedings as the Receiver deems necessary and advisable to preserve or
18 recover the Assets of the Receivership Entities, or to carry out the Receiver's mandate
19 under this Order, including but not limited to, actions challenging fraudulent or
20 voidable transfers;

21 N. Issue subpoenas to obtain Documents and records pertaining to the
22 Receivership, and conduct discovery in this action on behalf of the receivership estate,
23 in addition to obtaining other discovery as set forth in this Order;

24 O. Open one or more bank accounts at designated depositories for funds of
25 the Receivership Entities. The Receiver shall deposit all funds of the Receivership
26 Entities in such designated accounts and shall make all payments and disbursements
27 from the receivership estate from such accounts. The Receiver shall serve copies of
28 monthly account statements on all parties;

1 P. Maintain accurate records of all receipts and expenditures incurred as
2 Receiver;

3 Q. Allow Plaintiff's representatives, agents, and assistants, as well as
4 Defendants' representatives and Defendants themselves, reasonable access to the
5 premises of the Receivership Entities, or any other premises where the Receivership
6 Entities conduct business. The purpose of this access shall be to inspect and copy
7 any and all books, records, Documents, accounts, and other property owned by, or in
8 the possession of, the Receivership Entities or their agents. The Receiver shall have
9 the discretion to determine the time, manner, and reasonable conditions of such
10 access;

11 R. Allow Plaintiff's representatives, agents, and assistants, as well as
12 Defendants and their representatives, reasonable access to all Documents in the
13 possession, custody, or control of the Receivership Entities;

14 S. Cooperate with reasonable requests for information or assistance from
15 any state or federal civil or criminal law enforcement agency;

16 T. Suspend business operations of the Receivership Entities if in the
17 judgment of the Receiver such operations cannot be continued legally and profitably;

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

26 V. If in the Receiver's judgment the business operations cannot be
27 continued legally and profitably, take all steps necessary to ensure that any of the
28 Receivership Entities' web pages or websites relating to the activities alleged in the

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

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

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

13 A. All Assets held by or for the benefit of the Receivership Entities;

14 B. All Documents or Assets associated with credits, debits, or charges
15 made on behalf of any Receivership Entity, wherever situated, including reserve
16 funds held by payment processors, credit card processors, merchant banks, acquiring
17 banks, independent sales organizations, third party processors, payment gateways,
18 insurance companies, or other entities;

19 C. All Documents of or pertaining to the Receivership Entities;

20 D. All computers, electronic devices, mobile devices, and machines used
21 to conduct the business of the Receivership Entities;

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

25 F. All keys, codes, user names, and passwords necessary to gain or to
26 secure access to any Assets or Documents of or pertaining to the Receivership
27 Entities, including access to their business premises, means of communication,
28

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

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

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

8 **IT IS FURTHER ORDERED** that Defendants, if they have not already done
9 so in compliance with the TRO previously issued and extended in this matter (ECF
10 Nos. 30, 42, 55, 70, 75, and 81), shall immediately provide to the Receiver:

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

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

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

21 **XV. COOPERATION WITH THE RECEIVER**

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

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

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

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

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

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

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

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

25 **XVII. STAY OF ACTIONS**

26 **IT IS FURTHER ORDERED** that, except by leave of this Court, during the
27 pendency of the receivership ordered herein, Defendants; Defendants' officers,
28 agents, employees, attorneys; and all other persons in active concert or participation

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

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

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

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

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

26 XVIII. COMPENSATION OF RECEIVER

27 **IT IS FURTHER ORDERED** that the Receiver and all personnel hired by
28 the Receiver as herein authorized, including counsel to the Receiver and accountants,

1 are entitled to reasonable compensation for the performance of duties pursuant to this
2 Order and for the cost of actual out-of-pocket expenses incurred by them, from the
3 Assets now held by, in the possession or control of, or which may be received by, the
4 Receivership Entities. The Receiver shall file with the Court and serve on the parties
5 periodic requests for the payment of such reasonable compensation. The Receiver
6 shall not increase the hourly rates used as the bases for such fee applications without
7 prior approval of the Court.

8 **XIX. IMMEDIATE PRODUCTION OF BUSINESS RECORDS**

9 **IT IS FURTHER ORDERED** that the Corporate Defendants shall allow the
10 Receiver and FTC's employees and agents access to the Defendants' business records
11 to inspect and copy Documents and to identify and locate assets.

12 The Corporate Defendants shall, immediately upon issuance of this Order, if
13 they have not already done so in compliance with the TRO previously issued and
14 extended in this matter, (ECF Nos. 30, 42, 55, 70, 75, and 81), produce to the FTC
15 for inspection, inventory, and copying, at a location designated by FTC, the following
16 materials: (1) all customer information, including names, phone numbers, addresses,
17 e-mail addresses, customer complaints, and payment information for all consumers
18 who have purchased Corporate Defendants' business opportunities and coaching
19 services; (2) all contracts, including settlement agreements with customers; (3) any
20 correspondence, including electronic correspondence, that refers or relates to the
21 Corporate Defendants' business opportunities and coaching services; (4) an
22 electronic copy of all advertisements for the Corporate Defendants' business
23 opportunities and coaching services; (5) all telephone and videoconferencing scripts
24 used during the sales process; (6) all slide decks, sales projections, charts, and
25 spreadsheets used during the sales process; (7) all Documents pertaining to Earnings
26 Claims and other representations related to the marketing, advertising, promotion,
27 offer for sale, or sale of Defendants' business opportunities and coaching services,
28 including substantiation for any Earnings Claims; and (8) accounting information,

1 including profit and loss statements, annual reports, receipt books, ledgers, personal
2 and business canceled checks and check registers, bank statements, appointment
3 books, copies of federal, state or local business or personal income or property tax
4 returns, and 1099 forms. The FTC shall return any materials produced pursuant to
5 this Section within seven (7) days of the Corporate Defendants' production.

6 **XX. DISTRIBUTION OF ORDER BY DEFENDANTS**

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

20 **XXI. SERVICE OF THIS ORDER**

21 **IT IS FURTHER ORDERED** that copies of this Order, as well as all other
22 filings in this case, may be served by any reasonable means, including facsimile
23 transmission, email, or other electronic messaging, personal or overnight delivery,
24 U.S. Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement
25 agency, or by private process server, upon any Defendant, or any person (including
26 any financial institution) that may have possession, custody, or control of any Asset
27 or Document of any Defendant, or that may be subject to any provision of this Order
28 pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For purposes of

1 this Section, service upon any branch, subsidiary, affiliate, or office of any entity
2 shall effect service upon the entire entity.

3 **XXII. CORRESPONDENCE WITH FTC**

4 **IT IS FURTHER ORDERED** that, for the purpose of this Order, all
5 correspondence and service of pleadings on Plaintiff shall be addressed via email to
6 Jody Goodman (jgoodman1@ftc.gov) and Elsie Kappler (ekappler@ftc.gov).

7 **XXIII. RETENTION OF JURISDICTION**

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

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11 **IT IS SO ORDERED.**

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13 DATED: December 3, 2024



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HON. SHERILYN PEACE GARNETT
UNITED STATES DISTRICT JUDGE

Attachment A

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

Definitions and Instructions:

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

Penalty for False Information:

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

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

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

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

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

#4259

BACKGROUND INFORMATION

Item 1. Information About You

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

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

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

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

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

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

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

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

Item 3. Information About Your Previous Spouse

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

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

Name and Address	Phone Number ()
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Initials: _____

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

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

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

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

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

Initials: _____

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

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

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

Item 8. Safe Deposit Boxes

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

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

Initials: _____

FINANCIAL INFORMATION

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

ASSETS

Item 9. Cash, Bank, and Money Market Accounts

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

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

Item 10. Publicly Traded Securities

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

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

Initials: _____

Item 11. Non-Public Business and Financial Interests

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

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

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

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

Item 13. Life Insurance Policies

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

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

Item 14. Deferred Income Arrangements

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

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

Initials: _____

Item 15. Pending Insurance Payments or Inheritances

List any pending insurance payments or inheritances owed to you.

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

Item 16. Vehicles

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

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

Item 17. Other Personal Property

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

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

Initials: _____

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

LIABILITIES

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

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

Initials: _____

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

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

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

OTHER FINANCIAL INFORMATION

Item 22. Trusts and Escrows

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

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

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

Item 23. Transfers of Assets

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

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

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

Initials: _____

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

SUMMARY FINANCIAL SCHEDULES

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

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

Initials: _____

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

ATTACHMENTS

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

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

Executed on:

(Date)

Signature

Attachment B

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

Instructions:

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

Penalty for False Information:

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

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

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

BACKGROUND INFORMATION

Item 1. General Information

Corporation's Full Name _____

Primary Business Address _____ From (Date) _____

Telephone No. _____ Fax No. _____

E-Mail Address _____ Internet Home Page _____

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

Address _____ From/Until _____

Address _____ From/Until _____

Address _____ From/Until _____

All predecessor companies for past five years:

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Item 2. Legal Information

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

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

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

If Dissolved: Date dissolved _____ By Whom _____

Reasons _____

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

Item 3. Registered Agent

Name of Registered Agent _____

Address _____ Telephone No. _____

Item 4. Principal Stockholders

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

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

Item 5. Board Members

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

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

Item 6. Officers

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

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

Item 7. Businesses Related to the Corporation

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

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

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

Item 8. Businesses Related to Individuals

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

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

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

Item 9. Related Individuals

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

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

Item 10. Outside Accountants

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

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

Item 11. Corporation's Recordkeeping

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

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

Item 12. Attorneys

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

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

Item 13. Pending Lawsuits Filed by the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 14. Current Lawsuits Filed Against the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 15. Bankruptcy Information

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

Commencement Date _____ Termination Date _____ Docket No. _____

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

Disposition _____

Item 16. Safe Deposit Boxes

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

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

FINANCIAL INFORMATION

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

Item 17. Tax Returns

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

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

Item 18. Financial Statements

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

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

Item 19. Financial Summary

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

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

Item 20. Cash, Bank, and Money Market Accounts

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

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

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

Item 21. Government Obligations and Publicly Traded Securities

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

Issuer _____ Type of Security/Obligation _____

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

Issuer _____ Type of Security/Obligation _____

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

Item 22. Real Estate

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Item 23. Other Assets

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

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

Item 24. Trusts and Escrows

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

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

Item 25. Monetary Judgments and Settlements Owed To the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 26. Monetary Judgments and Settlements Owed By the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 27. Government Orders and Settlements

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

Name of Agency _____ Contact Person _____

Address _____ Telephone No. _____

Agreement Date _____ Nature of Agreement _____

Item 28. Credit Cards

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

Name of Credit Card or Store

Names of Authorized Users and Positions Held

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Item 29. Compensation of Employees

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

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

Item 30. Compensation of Board Members and Officers

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

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

Item 31. Transfers of Assets Including Cash and Property

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

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

Item 32. **Documents Attached to the Financial Statement**

List all documents that are being submitted with the financial statement.

<u>Item No.</u> <u>Document</u> <u>Relates To</u>	<u>Description of Document</u>

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

Executed on:

(Date)

Signature

Corporate Position

Attachment C

Form **4506**

Request for Copy of Tax Return

(January 2024)

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

OMB No. 1545-0429

Department of the Treasury
Internal Revenue Service

Tip: Get faster service: Online at www.irs.gov, **Get Your Tax Record** (Get Transcript) or by calling **1-800-908-9946** for specialized assistance. We have teams available to assist. **Note:** Taxpayers may register to use [Get Transcript](#) to view, print, or download the following transcript types: **Tax Return Transcript** (shows most line items including Adjusted Gross Income (AGI) from your original Form 1040-series tax return as filed, along with any forms and schedules), **Tax Account Transcript** (shows basic data such as return type, marital status, AGI, taxable income and all payment types), **Record of Account Transcript** (combines the tax return and tax account transcripts into one complete transcript), **Wage and Income Transcript** (shows data from information returns we receive such as Forms W-2, 1099, 1098 and Form 5498), and **Verification of Non-filing Letter** (provides proof that the IRS has no record of a filed Form 1040-series tax return for the year you request).

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

Caution: If the tax return is being sent to the third party, ensure that lines 5 through 7 are completed before signing. (see instructions).

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

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

7 Year or period requested. Enter the ending date of the tax year or period using the mm/dd/yyyy format (see instructions).

____ / ____ / ____	____ / ____ / ____	____ / ____ / ____	____ / ____ / ____
____ / ____ / ____	____ / ____ / ____	____ / ____ / ____	____ / ____ / ____

8 Fee. There is a \$30 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN, ITIN, or EIN and "Form 4506 request" on your check or money order	
a Cost for each return	\$ 30.00
b Number of returns requested on line 7	
c Total cost. Multiply line 8a by line 8b	\$

9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here

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

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

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

Phone number of taxpayer on line 1a or 2a

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

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

Future Developments

For the latest information about Form 4506 and its instructions, go to www.irs.gov/form4506.

General Instructions

Caution: Do not sign this form unless all applicable lines, including lines 5 through 7, have been completed.

Designated Recipient Notification. Internal Revenue Code, Section 6103(c), limits disclosure and use of return information received pursuant to the taxpayer's consent and holds the recipient subject to penalties for any unauthorized access, other use, or redisclosure without the taxpayer's express permission or request.

Taxpayer Notification. Internal Revenue Code, Section 6103(c), limits disclosure and use of return information provided pursuant to your consent and holds the recipient subject to penalties, brought by private right of action, for any unauthorized access, other use, or redisclosure without your express permission or request.

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

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

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

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

Chart for individual returns (Form 1040 series)

If you filed an individual return and lived in:

Mail to:

Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

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

Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New York, Vermont, Virginia, Wisconsin

Internal Revenue Service
RAIVS Team
Stop 6705 S-2
Kansas City, MO 64999

Alaska, Arizona, California, Colorado, Connecticut, District of Columbia, Hawaii, Idaho, Kansas, Maryland, Michigan, Montana, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Washington, West Virginia, Wyoming

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

Chart for all other returns

For returns not in Form 1040 series, if the address on the return was in:

Mail to:

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

Internal Revenue Service
RAIVS Team
Stop 6705 S-2
Kansas City, MO 64999

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

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

Specific Instructions

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

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

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

Note. If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party — Business, with Form 4506.

Line 7. Enter the end date of the tax year or period requested in mm/dd/yyyy format. This may be a calendar year, fiscal year or quarter. Enter each quarter requested for quarterly returns. Example: Enter 12/31/2018 for a calendar year 2018 Form 1040 return, or 03/31/2017 for a first quarter Form 941 return.

Signature and date. Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506 within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines, including lines 5 through 7, are completed before signing.



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

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

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

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

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

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

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

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

Privacy Act and Paperwork Reduction Act

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

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

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

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

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

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

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

Attachment D

CONSENT TO RELEASE FINANCIAL RECORDS

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

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

Dated: _____

Signature: _____

Printed Name: _____