

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

NOTE: CHANGES MADE BY THE COURT

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

**FEDERAL TRADE COMMISSION,**

Plaintiff,

v.

**APEX CAPITAL GROUP, LLC, et al.,**

Defendants.

Case No. 2:18-cv-09573-JFW (JPR)

**STIPULATED PRELIMINARY  
INJUNCTION WITH ASSET  
FREEZE, RECEIVER, AND  
OTHER EQUITABLE RELIEF  
AGAINST CORPORATE  
DEFENDANTS AND DEFENDANT  
PHILLIP PEIKOS [37]**

This matter comes before the Court upon the Stipulation of Plaintiff, the Federal Trade Commission (“FTC”), and Defendants Phillip Peikos, Apex Capital Group, LLC, Capstone Capital Solutions Limited, Klik Trix Limited, Empire Partners Limited, Interzoom Capital Limited, Lead Blast Limited, Mountain Venture Solutions Limited, Nutra Global Limited, Omni Group Limited, Rendezvous IT Limited, Sky Blue Media Limited, and Tactic Solutions Limited for the entry of a preliminary injunction.

On November 13, 2018, Plaintiff, the Federal Trade Commission, filed its Complaint for Permanent Injunction and Other Equitable Relief pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15

1 U.S.C. §§ 53(b) and 57b, the Restore Online Shoppers' Confidence Act  
2 ("ROSCA"), 15 U.S.C. § 8404, and Section 918(c) of the Electronic Fund Transfer  
3 Act ("EFTA"), 15 U.S.C. § 1693o(c), and moved, pursuant to Fed. R. Civ. P.  
4 65(b), for a temporary restraining order, asset freeze, other equitable relief, and an  
5 order to show cause why a preliminary injunction should not issue against  
6 Defendants.

7 The Court granted the application, issuing a temporary restraining order  
8 ("TRO") on November 16, 2018, including an asset freeze, appointment of a  
9 receiver, immediate access to Defendants' business premises, and other temporary  
10 relief. (Dkt. 16.) The TRO also ordered Defendants to appear on November 30,  
11 2018 and show cause why a preliminary injunction should not issue against them.  
12 The parties stipulated to a continuance of the show cause hearing and the Court  
13 granted that request, extending the TRO and continuing the hearing to December  
14 21, 2018.

15 Now, the FTC, the Corporate Defendants (as defined below), and Defendant  
16 Phillip Peikos have consented to entry of this Stipulated Order for Preliminary  
17 Injunction with Asset Freeze, Receiver, and Other Equitable Relief ("Order") to  
18 remain in effect until the final resolution of this matter, with the following findings  
19 of fact and Order:

#### 20 **FINDINGS OF FACT**

21 The Court, having entered a Temporary Restraining Order and having  
22 considered the declarations, exhibits, and the memorandum of points and  
23 authorities filed in support thereof, and being otherwise advised, finds that:

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

27 B. There is good cause to believe that, in numerous instances,  
28 Defendants misrepresented the price associated with purported trial offers of their

1 products and misrepresented that consumers' orders were incomplete, when in fact  
2 they were complete. Defendants did not clearly and conspicuously disclose to  
3 consumers that after ordering a trial, they would be charged the full amount for the  
4 product and enrolled in continuity plans resulting in additional charges to their  
5 credit cards or withdrawals from their debit accounts. Defendants did not obtain  
6 consumers' express informed consent before such charges, nor did they provide a  
7 simple mechanism to stop the recurring charges. Defendants also did not clearly  
8 and conspicuously disclose their return, cancellation, and refund policies.  
9 Defendants also unfairly injured consumers by charging them without their  
10 authorization and by engaging in credit card laundering, through which they  
11 unlawfully used shell companies and straw owners to obtain access to merchant  
12 accounts needed to accept consumers' credit and debit card payments.

13 C. There is good cause to believe that Defendants Phillip Peikos, Apex  
14 Capital Group, LLC, Capstone Capital Solutions Limited, Klik Trix Limited,  
15 Empire Partners Limited, Interzoom Capital Limited, Lead Blast Limited,  
16 Mountain Venture Solutions Limited, Nutra Global Limited, Omni Group Limited,  
17 Rendezvous IT Limited, Sky Blue Media Limited, and Tactic Solutions Limited  
18 have engaged in and are likely to engage in acts or practices that violate Section  
19 5(a) of the FTC Act, 15 U.S.C. § 45(a), Section 4 of ROSCA, 15 U.S.C. § 8403,  
20 and Section 907(a) of EFTA, 15 U.S.C. § 1693e(a) and Section 1005.10(b) of  
21 Regulation E, 12 C.F.R. § 1005.10(b), and that Plaintiff is therefore likely to  
22 prevail on the merits of this action. As demonstrated by consumer complaints and  
23 declarations; records of undercover purchases; corporate, banking, and payment  
24 processing records; and the additional documentation filed by the FTC, the FTC  
25 has established a likelihood of success in showing that Defendants misrepresented  
26 the price associated with purported trial offers of their products, misrepresented  
27 that consumers' orders of these products were incomplete, failed to adequately  
28 disclose the material terms of their purported trial offers, failed to clearly and

1 conspicuously disclose material terms of their continuity plans before collecting  
2 consumers' billing information, charged consumers' credit and debit cards without  
3 their authorization, and unfairly injured consumers by engaging in credit card  
4 laundering.

5 D. There is good cause to believe that immediate and irreparable harm  
6 will result from Defendants' ongoing violations of the FTC Act, ROSCA, EFTA,  
7 and Regulation E unless Defendants are restrained and enjoined by order of this  
8 Court.

9 E. There is good cause to believe that immediate and irreparable damage  
10 to the Court's ability to grant effective final relief for consumers – including  
11 monetary restitution, rescission, disgorgement or refunds – will occur from the  
12 sale, transfer, destruction or other disposition or concealment by Defendants of  
13 their assets or records, unless Defendants are restrained and enjoined by order of  
14 this Court.

15 F. Good cause exists for continuing the receivership and the asset freeze  
16 imposed pursuant to the TRO issued in this case, and permitting Plaintiff and the  
17 Receiver to take limited expedited discovery.

18 G. Weighing the equities and considering Plaintiff's likelihood of  
19 ultimate success on the merits, this Order is in the public interest.

20 H. This Court has authority to issue this Order pursuant to Sections 13(b)  
21 and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b; Federal Rule of Civil  
22 Procedure 65; and the All Writs Act, 28 U.S.C. § 1651.

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

25 **DEFINITIONS**

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

27 \\  
28

1           A.     “**Asset**” means any legal or equitable interest in, right to, or claim to,  
2 any property, wherever located and by whomever held, including any digital assets  
3 such as cryptocurrencies.

4           B.     “**Clear and Conspicuous**” or “**Clearly and Conspicuously**” means  
5 that a required disclosure is difficult to miss (i.e., easily noticeable) and easily  
6 understandable by ordinary consumers, including in all of the following ways:

7                 1.     In any communication that is solely visual or solely audible, the  
8 disclosure must be made through the same means through which the  
9 communication is presented. In any communication made through both visual and  
10 audible means, such as a television advertisement, the disclosure must be presented  
11 simultaneously in both the visual and audible portions of the communication even  
12 if the representation requiring the disclosure is made in only one means;

13                 2.     A visual disclosure, by its size, contrast, location, the length of  
14 time it appears, and other characteristics, must stand out from any accompanying  
15 text or other visual elements so that it is easily noticed, read, and understood;

16                 3.     An audible disclosure, including by telephone or streaming  
17 video, must be delivered in a volume, speed, and cadence sufficient for ordinary  
18 consumers to easily hear and understand it;

19                 4.     In any communication using an interactive electronic medium,  
20 such as the Internet or software, the disclosure must be unavoidable;

21                 5.     On a product label, the disclosure must be presented on the  
22 principal display panel;

23                 6.     The disclosure must use diction and syntax understandable to  
24 ordinary consumers and must appear in each language in which the representation  
25 that requires the disclosure appears;

26                 7.     The disclosure must comply with these requirements in each  
27 medium through which it is received, including all electronic devices and  
28 face-to-face communications;

1           8.     The disclosure must not be contradicted or mitigated by, or  
2 inconsistent with, anything else in the communication; and

3           9.     When the representation or sales practice targets a specific  
4 audience, such as children, the elderly, or the terminally ill, “ordinary consumers”  
5 includes reasonable members of that group.

6           C.     **“Corporate Defendants”** means Apex Capital Group, LLC, Capstone  
7 Capital Solutions Limited, Clik Trix Limited, Empire Partners Limited, Interzoom  
8 Capital Limited, Lead Blast Limited, Mountain Venture Solutions Limited, Nutra  
9 Global Limited, Omni Group Limited, Rendezvous IT Limited, Sky Blue Media  
10 Limited, and Tactic Solutions Limited, and each of their subsidiaries, affiliates,  
11 successors, and assigns.

12           D.     **“Defendant(s)”** means the Corporate Defendants and individual  
13 defendant Phillip Peikos, individually, collectively, or in any combination.

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

28 \\\

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

5 G. **“Negative Option Feature”** means, in an offer or agreement to sell  
6 or provide any product, service, or program, a provision under which the  
7 consumer’s silence or failure to take affirmative action to reject a product, service,  
8 or program, or to cancel the agreement, is interpreted by the seller or provider as  
9 acceptance or continuing acceptance of the offer.

10 H. **“Peikos”** means individual defendant Phillip Peikos.

11 I. **“Preauthorized Electronic Fund Transfer”** means an electronic  
12 fund transfer authorized in advance to recur at substantially regular intervals.

13 J. **“Receiver”** means the receiver identified in Section XIV of this Order  
14 and any deputy receivers that shall be named by the receiver.

15 K. **“Receivership Entities”** means the Corporate Defendants, the  
16 Wyoming Related Companies, the UK Related Companies, Albright Solutions  
17 LLC, Apex Capital International Sarl, Asus Capital Solutions LLC, Brandooza  
18 LLC, DMB Marketing LLC, Element Media Group LLC, Jaci, LLC, Jaci Holding  
19 LLC, Jaci PR LL, NextG Payments, LLC, NextLevel Solutions LLC, and Vortex  
20 Media Group LLC, as well as any other entity that has conducted any business  
21 related to Defendants’ marketing or sale of products with a Negative Option  
22 Feature, including receipt of Assets derived from any activity that is the subject of  
23 the Complaint in this matter, and that the Receiver determines is controlled or  
24 owned by any Defendant.

25 L. **“UK Related Companies”** means the companies identified in **Exhibit**  
26 **2** to this Order and each of their subsidiaries, affiliates, successors, and assigns  
27  
28

1 M. “**Wyoming Related Companies**” means the companies identified in  
2 **Exhibit 1** to this Order and each of their subsidiaries, affiliates, successors, and  
3 assigns.

4 **ORDER**

5 **I. PROHIBITED MISREPRESENTATIONS**

6 **IT IS THEREFORE ORDERED** that Defendants, Defendants’ officers,  
7 agents, employees, and attorneys, and all other persons in active concert or  
8 participation with them, who receive actual notice of this Order by personal service  
9 or otherwise, whether acting directly or indirectly, in connection with the  
10 advertising, marketing, promoting, or offering for sale of any goods or services  
11 with a Negative Option Feature, are preliminarily restrained and enjoined from  
12 misrepresenting or assisting others in misrepresenting, expressly or by implication,  
13 any material fact, including, but not limited to:

14 A. Any cost to the consumer to purchase, receive, use, or return the  
15 initial good or service;

16 B. That the consumer will not be charged for any good or service;

17 C. That a good or service is offered on a “free,” “trial,” “sample,”  
18 “bonus,” “gift,” “no commitment,” “discounted” basis, or words of similar import,  
19 denoting or implying the absence of an obligation on the part of the recipient of the  
20 offer to affirmatively act in order to avoid charges, including where a charge will  
21 be assessed pursuant to the offer unless the consumer takes affirmative steps to  
22 prevent or stop such a charge;

23 D. That the consumer can obtain a good or service for a processing,  
24 service, shipping, handling, or administrative fee with no further obligation;

25 E. That a transaction has been authorized by the consumer;

26 F. That a consumer’s order is incomplete; or

27 G. Any material aspect of the nature or terms of a refund, cancellation,  
28 exchange, or repurchase policy for the good or service.

1 **II. PROHIBITION AGAINST UNFAIR AND DECEPTIVE**  
2 **NEGATIVE OPTION MARKETING PRACTICES**

3 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,  
4 agents, employees, and attorneys, and all other persons in active concert or  
5 participation with any of them, who receive actual notice of this Order, whether  
6 acting directly or indirectly, are preliminarily restrained and enjoined from  
7 charging, causing to be charged, assisting others in charging, or attempting to  
8 charge any consumer in any sale of a good or service with a Negative Option  
9 Feature without:

10 A. Clearly and Conspicuously disclosing all material terms of the  
11 Negative Option Feature before obtaining the consumer's billing information;

12 B. Obtaining a consumer's express informed consent, written or similarly  
13 authorized, to the Negative Option Feature before making any charge; and

14 C. Providing a simple mechanism for a consumer to stop recurring  
15 charges from being placed on the consumer's credit card, debit card, or other  
16 financial account.

17 **III. PROHIBITION AGAINST DEBITING CONSUMERS' BANK**  
18 **ACCOUNTS WITHOUT AUTHORIZATION**

19 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,  
20 agents, employees, and attorneys, and all other persons in active concert or  
21 participation with any of them, who receive actual notice of this Order, whether  
22 acting directly or indirectly, in connection with the sale of any good or service, are  
23 preliminarily restrained and enjoined from:

24 A. Failing to timely obtain written authorization signed or similarly  
25 authenticated by the consumer for any Preauthorized Electronic Fund Transfer  
26 from a consumer's account before initiating any Preauthorized Electronic Fund  
27 Transfer; and

28 B. Failing to provide the consumer a copy of a valid written

1 authorization signed or similarly authenticated by the consumer for any  
2 Preauthorized Electronic Fund Transfer.

3 **IV. PROHIBITION RELATED TO OBTAINING MERCHANT**  
4 **ACCOUNTS AND RESPONDING TO CHARGEBACKS**

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

9 A. Failing to disclose to any bank, payment processor, credit card  
10 processor, independent sales organization, third party processor, payment gateway,  
11 or other financial institution any material fact relating to obtaining a merchant  
12 account, including, but not limited to, the identity of the bona fide owner, manager,  
13 director, or officer of an entity applying for or holding a merchant account, and  
14 whether such owner, manager, director, or officer:

15 1. Has been or is placed in a merchant account monitoring  
16 program;

17 2. Has had a merchant account terminated by a bank, payment  
18 processor, or other financial institution; or

19 3. Has been fined or otherwise disciplined by a bank, payment  
20 processor, or other financial institution, in connection with a merchant account.

21 B. Making, or causing or assisting others in making, directly or by  
22 implication, any false or misleading statements in order to obtain a merchant  
23 account or respond to a chargeback.

24 **V. PROHIBITION ON RELEASE OF CUSTOMER**  
25 **INFORMATION**

26 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers,  
27 agents, employees, and attorneys, and all other persons in active concert or  
28

1 participation with any of them, who receive actual notice of this Order, whether  
2 acting directly or indirectly, are hereby preliminarily restrained and enjoined from:

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

8 B. Benefitting from or using the name, address, birth date, telephone  
9 number, email address, credit card number, bank account number, Social Security  
10 number, or other financial or identifying information of any person that any  
11 Defendant obtained in connection with any activity that pertains to the subject of  
12 the Complaint in this matter.

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

18 **VI. ASSET FREEZE**

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

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

- 27 1. owned or controlled, directly or indirectly, by any Defendant;
- 28 2. held, in part or in whole, for the benefit of any Defendant;

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

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

10          C.     Incurring charges or cash advances on any credit, debit, or ATM card  
11 issued in the name, individually or jointly, of any Corporate Defendant,  
12 Receivership Entity, or any corporation, partnership, or other entity directly or  
13 indirectly owned, managed, or controlled by any Defendant or of which any  
14 Defendant is an officer, director, member, or manager. This includes any  
15 corporate bankcard or corporate credit card account for which any Defendant is, or  
16 was on the date that this Order was signed, an authorized signor. Provided,  
17 however, that this provision does not prohibit Peikos from opening and incurring  
18 charges in connection with a new corporate bankcard or corporate credit card  
19 account so long as such account is unrelated to the business of the Corporate  
20 Defendants, the Receivership Entities, or the conduct underlying the Complaint.  
21 For purposes of this provision, conduct underlying the Complaint includes, but is  
22 not limited to, the sale of products or services with a Negative Option Feature in  
23 violation of this Order; or

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

26          The Assets affected by this Section shall include: (1) all Assets of  
27 Defendants as of the time this Order is entered; and (2) Assets obtained by  
28 Defendants after this Order is entered if those Assets are derived from any activity

1 that is the subject of the Complaint in this matter or that is prohibited by this Order.  
2 This Section does not prohibit any transfers to the Receiver or repatriation of  
3 foreign Assets specifically required by this Order.

4 **VII. DUTIES OF ASSET HOLDERS AND OTHER THIRD**  
5 **PARTIES**

6 **IT IS FURTHER ORDERED** that any financial or brokerage institution,  
7 Electronic Data Host, credit card processor, payment processor, merchant bank,  
8 acquiring bank, independent sales organization, third party processor, payment  
9 gateway, insurance company, currency exchange or cryptocurrency exchange or  
10 service provider, business entity, or person who receives actual notice of this Order  
11 that:

12 (a) has held, controlled, or maintained custody, through an account  
13 or otherwise, of any Document on behalf of any Defendant or any Asset that has  
14 been: owned or controlled, directly or indirectly, by any Defendant; held, in part  
15 or in whole, for the benefit of any Defendant; in the actual or constructive  
16 possession of any Defendant; or owned or controlled by, in the actual or  
17 constructive possession of, or otherwise held for the benefit of, any corporation,  
18 partnership, asset protection trust, or other entity that is directly or indirectly  
19 owned, managed or controlled by any Defendant;

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

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

28 \

1           A.     Hold, preserve, and retain within its control and prohibit the  
2 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,  
3 disbursement, dissipation, relinquishment, conversion, sale, or other disposal of  
4 any such Document or Asset, as well as all Documents or other property related to  
5 such Assets, except by further order of this Court; provided, however, that this  
6 provision does not prohibit Peikos from incurring charges on a personal credit  
7 card established prior to entry of this Order, up to the pre-existing credit limit;

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

11           C.     Provide Plaintiff's counsel and the Receiver, within five (5) business  
12 days of receiving a copy of this Order, unless already provided in compliance with  
13 the TRO previously issued in this matter and the required information is  
14 unchanged since such time, a sworn statement setting forth, for each Asset or  
15 account covered by this Section:

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

28     \\

1           4.     The cryptographic hash value, time stamp, transaction data,  
2                 public addresses or other information sufficient to identify,  
3                 locate, and track cryptocurrency in any blockchain or  
4                 distributed ledger technology system that is belonging to, for  
5                 the use or benefit of, under the control of, or subject to access  
6                 by any Defendant; and

7           D.     Upon the request of Plaintiff's counsel or the Receiver, promptly  
8     provide Plaintiff's counsel and the Receiver with copies of all records or other  
9     Documents pertaining to each Asset or account covered by this Section, including  
10    originals or copies of account applications, account statements, signature cards,  
11    checks, drafts, deposit tickets, transfers to and from the accounts, including wire  
12    transfers and wire transfer instructions, all other debit and credit instruments or  
13    slips, currency transaction reports, 1099 forms, and all logs and records pertaining  
14    to safe deposit boxes, commercial mail boxes, and storage facilities.  
15    Provided, however, that this Section does not prohibit any transfers to the Receiver  
16    or repatriation of foreign Assets specifically required by this Order.

17    **VIII.         FINANCIAL DISCLOSURES**

18           **IT IS FURTHER ORDERED** that each Defendant, within five (5) business  
19    days of service of this Order upon them, unless already provided in compliance  
20    with the TRO previously issued in this matter and the required information is  
21    unchanged since such time, shall prepare and deliver to Plaintiff's counsel and the  
22    Receiver:

23           A.     Completed financial statements on the forms attached to this Order as  
24    **Attachment A** (Financial Statement of Individual Defendant) for individual  
25    defendant Peikos, and **Attachment B** (Financial Statement of Corporate  
26    Defendant) for each Corporate Defendant;

27           B.     Completed cryptocurrency financial statement on the form attached to  
28    this Order as **Attachment C**; and

1 C. Completed **Attachment D** (IRS Form 4506, Request for Copy of a  
2 Tax Return) for Peikos and each Corporate Defendant.

3 **IX. FOREIGN ASSET REPATRIATION**

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

6 A. Provide Plaintiff's counsel and the Receiver with a full accounting,  
7 verified under oath and accurate as of the date of this Order, of all Assets,  
8 Documents, and accounts outside of the United States which are: (1) titled in the  
9 name, individually or jointly, of any Defendant; (2) held by any person or entity  
10 for the benefit of any Defendant or for the benefit of, any corporation, partnership,  
11 asset protection trust, or other entity that is directly or indirectly owned, managed  
12 or controlled by any Defendant; or (3) under the direct or indirect control, whether  
13 jointly or singly, of any Defendant, unless already provided in compliance with the  
14 TRO previously issued in this matter and the required information is unchanged  
15 since such time;

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

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

27 D. The same business day as any repatriation, (1) notify the Receiver and  
28 counsel for Plaintiff of the name and location of the financial institution or other

1 entity that is the recipient of such Documents or Assets; and (2) serve this Order on  
2 any such financial institution or other entity.

3 **X. NON-INTERFERENCE WITH REPATRIATION**

4 **IT IS FURTHER ORDERED** that Defendants, Defendants’ officers,  
5 agents, employees, and attorneys, and all other persons in active concert or  
6 participation with any of them, who receive actual notice of this Order, whether  
7 acting directly or indirectly, are hereby preliminarily restrained and enjoined from  
8 taking any action, directly or indirectly, which may result in the encumbrance or  
9 dissipation of foreign Assets, or in the hindrance of the repatriation required by this  
10 Order, including, but not limited to:

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

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

20 **XI. CONSUMER CREDIT REPORTS**

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

26 **XII. PRESERVATION OF RECORDS**

27 **IT IS FURTHER ORDERED** that Defendants, Defendants’ officers,  
28 agents, employees, and attorneys, and all other persons in active concert or

1 participation with any of them, who receive actual notice of this Order, whether  
2 acting directly or indirectly, are hereby preliminarily restrained and enjoined from:

3       A.     Destroying, erasing, falsifying, writing over, mutilating, concealing,  
4 altering, transferring, or otherwise disposing of, in any manner, directly or  
5 indirectly, Documents that relate to: (1) the business, business practices, Assets, or  
6 business or personal finances of any Defendant; (2) the business practices or  
7 finances of entities directly or indirectly under the control of any Defendant; or  
8 (3) the business practices or finances of entities directly or indirectly under  
9 common control with any other Defendant; and

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

13 **XIII.       REPORT OF NEW BUSINESS ACTIVITY**

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

26 **XIV.       CONTINUATION OF THE RECEIVERSHIP**

27       **IT IS FURTHER ORDERED** that Thomas McNamara shall continue to  
28 serve as the Receiver of the Receivership Entities with full powers of an equity

1 receiver. The Receiver shall be solely the agent of this Court in acting as Receiver  
2 under this Order.

3 **XV. DUTIES AND AUTHORITY OF RECEIVER**

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

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

10 B. Take exclusive custody, control, and possession of all Assets and  
11 Documents of, or in the possession, custody, or under the control of, any  
12 Receivership Entity, wherever situated;

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

19 D. Conserve, hold, manage, and prevent the loss of all Assets of the  
20 Receivership Entities, and perform all acts necessary or advisable to preserve the  
21 value of those Assets. The Receiver shall assume control over the income and  
22 profits therefrom and all sums of money now or hereafter due or owing to the  
23 Receivership Entities. The Receiver shall have full power to sue for, collect, and  
24 receive, all Assets of the Receivership Entities and of other persons or entities  
25 whose interests are now under the direction, possession, custody, or control of, the  
26 Receivership Entities. Provided, however, that the Receiver shall not attempt to  
27 collect any amount from a consumer if the Receiver believes the consumer's debt  
28 to the Receivership Entities has resulted from the deceptive acts or practices or

1 other violations of law alleged in the Complaint in this matter, without prior Court  
2 approval;

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

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

18 G. Make payments and disbursements from the receivership estate that  
19 are necessary or advisable for carrying out the directions of, or exercising the  
20 authority granted by, this Order, and to incur, or authorize the making of, such  
21 agreements as may be necessary and advisable in discharging his or her duties as  
22 Receiver. The Receiver shall apply to the Court for prior approval of any payment  
23 of any debt or obligation incurred by the Receivership Entities prior to the date of  
24 entry of this Order, except payments that the Receiver deems necessary or  
25 advisable to secure Assets of the Receivership Entities, such as rental payments;

26 H. Take all steps necessary to secure and take exclusive custody of each  
27 location from which the Receivership Entities operate their businesses. Such steps  
28 may include, but are not limited to, any of the following, as the Receiver deems

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

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

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

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

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

26 M. Institute, compromise, adjust, appear in, intervene in, defend, dispose  
27 of, or otherwise become party to any legal action in state, federal or foreign courts  
28 or arbitration proceedings as the Receiver deems necessary and advisable to

1 preserve or recover the Assets of the Receivership Entities, or to carry out the  
2 Receiver's mandate under this Order, including but not limited to, actions  
3 challenging fraudulent or voidable transfers;

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

7 O. Open one or more bank accounts at designated depositories for funds  
8 of the Receivership Entities. The Receiver shall deposit all funds of the  
9 Receivership Entities in such designated accounts and shall make all payments and  
10 disbursements from the receivership estate from such accounts. The Receiver shall  
11 serve copies of monthly account statements on all parties;

12 P. Maintain accurate records of all receipts and expenditures incurred as  
13 Receiver;

14 Q. Allow the Plaintiff's representatives, agents, and assistants, as well as  
15 Defendants' representatives and Defendants themselves, reasonable access to the  
16 premises of the Receivership Entities, or any other premises where the  
17 Receivership Entities conduct business. The purpose of this access shall be to  
18 inspect and copy any and all books, records, Documents, accounts, and other  
19 property owned by, or in the possession of, the Receivership Entities or their  
20 agents. The Receiver shall have the discretion to determine the time, manner, and  
21 reasonable conditions of such access;

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

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

27 \\  
28

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

4 U. If the Receiver identifies a nonparty entity as a Receivership Entity,  
5 promptly notify the entity as well as the parties, and inform the entity that it can  
6 challenge the Receiver's determination by filing a motion with the Court.  
7 Provided, however, that the Receiver may delay providing such notice until the  
8 Receiver has established control of the nonparty entity and its Assets and records,  
9 if the Receiver determines that notice to the entity or the parties before the  
10 Receiver establishes control over the entity may result in the destruction of records,  
11 dissipation of Assets, or any other obstruction of the Receiver's control of the  
12 entity;

13 V. If in the Receiver's judgment the business operations cannot be  
14 continued legally and profitably, take all steps necessary to ensure that any of the  
15 Receivership Entities' web pages or websites relating to the activities alleged in the  
16 Complaint cannot be accessed by the public, or are modified for consumer  
17 education and/or informational purposes, and take all steps necessary to ensure that  
18 any telephone numbers associated with the Receivership Entities cannot be  
19 accessed by the public, or are answered solely to provide consumer education or  
20 information regarding the status of operations; and

21 W. File reports with the Court every 120 days commencing April 1, 2019.

22 **XVI. TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

23 **IT IS FURTHER ORDERED** that Defendants and any other person with  
24 possession, custody or control of property of, or records relating to, the  
25 Receivership Entities shall, upon notice of this Order, fully cooperate with and  
26 assist the Receiver in taking and maintaining possession, custody, or control of the  
27 Assets and Documents of the Receivership Entities and immediately transfer or  
28 deliver to the Receiver possession, custody, and control of, the following:

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

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

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

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

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

13 F. All keys, codes, user names and passwords necessary to gain or to  
14 secure access to any Assets or Documents of or pertaining to the Receivership  
15 Entities, including access to their business premises, means of communication,  
16 accounts, computer systems (onsite and remote), Electronic Data Hosts, or other  
17 property.

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

22 **XVII. PROVISION OF INFORMATION TO RECEIVER**

23 **IT IS FURTHER ORDERED** that Defendants shall immediately provide  
24 to the Receiver, unless already provided in compliance with the TRO previously  
25 issued in this matter and the required information is unchanged since such time:

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

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

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

8 **XVIII. COOPERATION WITH THE RECEIVER**

9 **IT IS FURTHER ORDERED** that Defendants, Receivership Entities,  
10 Defendants' or Receivership Entities' officers, agents, employees, and attorneys,  
11 all other persons in active concert or participation with any of them, and any other  
12 person with possession, custody, or control of property of or records relating to the  
13 Receivership Entities who receive actual notice of this Order shall fully cooperate  
14 with and assist the Receiver. This cooperation and assistance shall include, but is  
15 not limited to, providing information to the Receiver that the Receiver deems  
16 necessary to exercise the authority and discharge the responsibilities of the  
17 Receiver under this Order; providing any keys, codes, user names and passwords  
18 required to access any computers, electronic devices, mobile devices, and  
19 machines (onsite or remotely) and any cloud account (including specific method to  
20 access account) or electronic file in any medium; advising all persons who owe  
21 money to any Receivership Entity that all debts should be paid directly to the  
22 Receiver; and transferring funds at the Receiver's direction and producing records  
23 related to the Assets and sales of the Receivership Entities.

24 **XIX. NON-INTERFERENCE WITH THE RECEIVER**

25 **IT IS FURTHER ORDERED** that Defendants; Receivership Entities;  
26 Defendants' or Receivership Entities' officers, agents, employees, attorneys, and  
27 all other persons in active concert or participation with any of them, who receive  
28

1 actual notice of this Order, and any other person served with a copy of this Order,  
2 are hereby restrained and enjoined from directly or indirectly:

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

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

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

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

13 **XX. STAY OF ACTIONS**

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

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

27 B. Commencing, prosecuting, or continuing a judicial, administrative, or  
28 other action or proceeding against the Receivership Entities, including the issuance

1 or employment of process against the Receivership Entities, except that such  
2 actions may be commenced if necessary to toll any applicable statute of  
3 limitations;

4 C. Filing or enforcing any lien on any Asset of the Receivership Entities,  
5 taking or attempting to take possession, custody, or control of any Asset of the  
6 Receivership Entities; or attempting to foreclose, forfeit, alter, or terminate any  
7 interest in any Asset of the Receivership Entities, whether such acts are part of a  
8 judicial proceeding, are acts of self-help, or otherwise.

9 Provided, however, that this Order does not stay: (1) the commencement or  
10 continuation of a criminal action or proceeding; (2) the commencement or  
11 continuation of an action or proceeding by a governmental unit to enforce such  
12 governmental unit's police or regulatory power; or (3) the enforcement of a  
13 judgment, other than a money judgment, obtained in an action or proceeding by a  
14 governmental unit to enforce such governmental unit's police or regulatory power.

15 **XXI. COMPENSATION OF RECEIVER**

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

26 **XXII. RECEIVER'S BOND**

27 **IT IS FURTHER ORDERED** that the Receiver shall file with the Clerk of  
28 this Court, unless already filed in compliance with the TRO previously issued in

1 this matter, a bond in the sum of thirty-five thousand dollars (\$35,000) with  
2 sureties to be approved by the Court, conditioned that the Receiver will well and  
3 truly perform the duties of the office and abide by and perform all acts the Court  
4 directs. 28 U.S.C. § 754.

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

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

19 **XXIV. EXPEDITED DISCOVERY**

20 **IT IS FURTHER ORDERED** that, notwithstanding the provisions of  
21 Federal Rules of Civil Procedure 26(d) and (f) and 30(a)(2)(A)(iii), and pursuant to  
22 Federal Rules of Civil Procedure 30(a), 34, and 45, Plaintiff and the Receiver are  
23 granted leave, at any time after service of this Order, to conduct limited expedited  
24 discovery for the purpose of discovering: (1) the nature, location, status, and  
25 extent of Defendants' Assets; (2) the nature, location, and extent of Defendants'  
26 business transactions and operations; (3) Documents reflecting Defendants'  
27 business transactions and operations; or (4) compliance with this Order. The  
28 limited expedited discovery set forth in this Section shall proceed as follows:

1           A.     Plaintiff and the Receiver may take the deposition of parties and non-  
2 parties. Forty-eight (48) hours' notice shall be sufficient notice for such  
3 depositions. The limitations and conditions set forth in Rules 30(a)(2)(B) and  
4 31(a)(2)(B) of the Federal Rules of Civil Procedure regarding subsequent  
5 depositions of an individual shall not apply to depositions taken pursuant to this  
6 Section. Any such deposition taken pursuant to this Section shall not be counted  
7 towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and  
8 depositions may be taken by telephone or other remote electronic means.

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

14           C.     Plaintiff and the Receiver may serve upon parties interrogatories that  
15 require response within five (5) days after Plaintiff serves such interrogatories.

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

18           E.     Service of discovery upon a party to this action, taken pursuant to this  
19 Section, shall be sufficient if made by facsimile, overnight delivery, or email upon  
20 consent of the parties.

21 **XXV.           CORRESPONDENCE AND SERVICE ON PARTIES**

22           **IT IS FURTHER ORDERED** that, for the purpose of this Order, all  
23 correspondence and service of pleadings on the parties shall be addressed as  
24 follows:

25 **To Plaintiff:**

26 Laura A. Zuckerwise  
27 Brian N. Lasky  
28 Darren Lubetzky  
Federal Trade Commission

1 One Bowling Green, Suite 318  
New York, NY 10004  
2 Tel: (212) 607-2804, -2814, -2808  
3 Fax: (212) 607-2822  
4 Email: lzuckerwise@ftc.gov; blasky@ftc.gov; dlubetzky@ftc.gov

5 **To Defendants Phillip Peikos, Apex Capital Group, LLC, Capstone Capital**  
6 **Solutions Limited, Clik Trix Limited, Empire Partners Limited, Interzoom**  
7 **Capital Limited, Lead Blast Limited, Mountain Venture Solutions Limited,**  
8 **Nutra Global Limited, Omni Group Limited, Rendezvous IT Limited, Sky**  
9 **Blue Media Limited, and Tactic Solutions Limited:**

10 William I. Rothbard  
Law Offices of William I. Rothbard  
2333 Canyonback Road  
Los Angeles, CA 90049  
11 Tel: (310) 453-8713  
12 Fax: (310) 453-8715  
13 Email: Bill@RothbardLaw.com

14 **XXVI. DURATION OF THE ORDER**

15 **IT IS FURTHER ORDERED** that this Order shall expire upon entry of a  
16 final judgment in this case.

17 **XXVII. RETENTION OF JURISDICTION**

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

20  
21 **SO ORDERED:**

22  
23 Dated: December 18, 2018

24   
25 \_\_\_\_\_  
26 JOHN F. WALTER  
27 UNITED STATES DISTRICT JUDGE  
28

**EXHIBIT 1**  
**Wyoming Related Companies**

<i>Company</i>
Alpha Group LLC
Apres Vous Media, LLC
Based Capital LLC
Bold Media LLC
Capstone Capital, LLC
Cascade Canyon LLC
Confidential Holdings, LLC
Cornice Group LLC
Crest Capital, LLC
Fortune Ventures LLC
Future Holdings LLC
Grand Assets, LLC
Horizon Media, LLC
Interzoom, LLC
Lead Blast LLC
Lion Capital LLC
Macro Group LLC
Mountain Range Ventures LLC
Mountain Solutions, LLC
Nutra First LLC
Nutra Global LLC
Old West Equity LLC
Omega Assets LLC
Rendezvous IT, LLC
Shadow Peak, LLC
Singletrack Solutions LLC
Sky Media Group, LLC
Teton Pass LLC
Virtual Media LLC
Wonder Leads LLC
Wyoming Freedom Group LLC
Zoom Media LLC

**EXHIBIT 2**  
**UK Related Companies**

<i>Company</i>
Ace Media Group Ltd
Alpha Corporate Ventures Ltd
Apres Vous Media Ltd
Based Capital Ltd
Capstone Capital Solutions Ltd
Clik Trix Ltd
Crest Capital Ventures Ltd
Digital X Solutions Ltd
Exclusive Media Group Ltd
Empire Partners Ltd
Energy Tomorrow Ltd
Fortune Ventures Ltd
Future Hold Ventures Ltd
Future Precision Ltd
G Force Max Ltd
Grand Assets Ventures Ltd
Horizon Media Partners Ltd
Interzoom Capital Ltd
Lead Blast Ltd
Lion Capital Solutions Ltd
Maverick Pro Ltd
Mountain Venture Solutions Ltd
New Idea Group Ltd
Nutra First Ltd
Nutra Global Ltd
Omega Assets Ltd
Online Product Group Ltd
Precision Tactic Group Ltd
Rendezvous IT Ltd
Sky Blue Media Ltd
Snowdrift Solutions Ltd
Tactic Solutions Ltd
Top Quality Group Ltd
Virtual Media Solutions Ltd
Visitron Capital Ltd
Web Media Depot Ltd
Zoom Media Ltd

# **Attachment A**

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

---

**Definitions and Instructions:**

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

**Penalty for False Information:**

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

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

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

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

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

**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 ( )
------------------	---------------------

Initials: \_\_\_\_\_

<b>Item 5. Information About Dependents</b> (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	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
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	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
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	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$

Initials: \_\_\_\_\_

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

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

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

**Item 8. Safe Deposit Boxes**

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

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

Initials: \_\_\_\_\_

**FINANCIAL INFORMATION**

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

**ASSETS**

**Item 9. Cash, Bank, and Money Market Accounts**

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

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

**Item 10. Publicly Traded Securities**

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

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

Initials: \_\_\_\_\_

**Item 11. Non-Public Business and Financial Interests**

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

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

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

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

**Item 13. Life Insurance Policies**

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

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

**Item 14. Deferred Income Arrangements**

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

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

Initials: \_\_\_\_\_

**Item 15. Pending Insurance Payments or Inheritances**

List any pending insurance payments or inheritances owed to you.

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

**Item 16. Vehicles**

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

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

**Item 17. Other Personal Property**

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

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

Initials: \_\_\_\_\_

**Item 18. Real Property**  
List all real property interests (including any land contract)

Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
---------------------	------------------	--	--

Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
--------------------------------------	----------------------	---------------------	--------------------

Lender's Name and Address	Loan or Account No.	Current Balance On First Mortgage or Contract \$
		Monthly Payment \$

Other Mortgage Loan(s) (describe)	Monthly Payment \$	<input type="checkbox"/> Rental Unit Monthly Rent Received \$
	Current Balance \$	

Property's Location	Type of Property	Name(s) on Title or Contract and Ownership Percentages	
---------------------	------------------	--	--

Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation
--------------------------------------	----------------------	---------------------	--------------------

Lender's Name and Address	Loan or Account No.	Current Balance On First Mortgage or Contract \$
		Monthly Payment \$

Other Mortgage Loan(s) (describe)	Monthly Payment \$	<input type="checkbox"/> Rental Unit Monthly Rent Received \$
	Current Balance \$	

**LIABILITIES**

**Item 19. Credit Cards**  
List each credit card account held by you, your spouse, or your dependents, and any other credit cards that you, your spouse, or your dependents use, whether issued by a United States or foreign financial institution.

Name of Credit Card (e.g., Visa, MasterCard, Department Store)	Account No.	Name(s) on Account	Current Balance
			\$
			\$
			\$
			\$
			\$

**Item 20. Taxes Payable**  
List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependents.

Type of Tax	Amount Owed	Year Incurred
	\$	
	\$	
	\$	

Initials: \_\_\_\_\_

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

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

Lender/Creditor's Name, Address, and Telephone No.	Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)		
	Lender/Creditor's Relationship to You		

Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule
--	----------------------------	---------------------------	------------------

Lender/Creditor's Name, Address, and Telephone No.	Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)		
	Lender/Creditor's Relationship to You		

Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule
--	----------------------------	---------------------------	------------------

**OTHER FINANCIAL INFORMATION**

**Item 22. Trusts and Escrows**

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

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

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

**Item 23. Transfers of Assets**

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

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

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

Initials: \_\_\_\_\_

**Item 24. Document Requests**

Provide copies of the following documents with your completed Financial Statement.

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

**SUMMARY FINANCIAL SCHEDULES**

**Item 25. Combined Balance Sheet for You, Your Spouse, and Your Dependents**

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

**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: \_\_\_\_\_

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

**ATTACHMENTS**

**Item 27. Documents Attached to this Financial Statement**

List all documents that are being submitted with this financial statement. For any Item 24 documents that are not attached, explain why.

Item No. Document Relates To	Description of Document

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

Executed on:

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Signature

# **Attachment 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 &amp; Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____

**Item 5. Board Members**

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

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

**Item 6. Officers**

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

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

**Item 7. Businesses Related to the Corporation**

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

<u>Name &amp; Address</u>	<u>Business Activities</u>	<u>% Owned</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

**Item 8. Businesses Related to Individuals**

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

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

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

**Item 9. Related Individuals**

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

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

**Item 10. Outside Accountants**

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

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

**Item 11. Corporation's Recordkeeping**

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

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

**Item 12. Attorneys**

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

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

**Item 13. Pending Lawsuits Filed by the Corporation**

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 14. Current Lawsuits Filed Against the Corporation**

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 15. Bankruptcy Information**

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

Commencement Date \_\_\_\_\_ Termination Date \_\_\_\_\_ Docket No. \_\_\_\_\_

If State Court: Court & County \_\_\_\_\_ If Federal Court: District \_\_\_\_\_

Disposition \_\_\_\_\_

**Item 16. Safe Deposit Boxes**

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

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

**FINANCIAL INFORMATION**

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

**Item 17. Tax Returns**

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

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

**Item 18. Financial Statements**

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

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

**Item 19. Financial Summary**

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

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

**Item 20. Cash, Bank, and Money Market Accounts**

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

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

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

**Item 21. Government Obligations and Publicly Traded Securities**

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

Issuer \_\_\_\_\_ Type of Security/Obligation \_\_\_\_\_

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

Issuer \_\_\_\_\_ Type of Security/Obligation \_\_\_\_\_

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

**Item 22. Real Estate**

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

Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Current Value \$ \_\_\_\_\_ Loan or Account No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

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

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

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

Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Current Value \$ \_\_\_\_\_ Loan or Account No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

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

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

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

**Item 23. Other Assets**

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

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

**Item 24. Trusts and Escrows**

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

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

**Item 25. Monetary Judgments and Settlements Owed To the Corporation**

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

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

**Item 26. Monetary Judgments and Settlements Owed By the Corporation**

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date \_\_\_\_\_ Amount \$ \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

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

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

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

**Item 27. Government Orders and Settlements**

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

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

**Item 28. Credit Cards**

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

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

**Item 29. Compensation of Employees**

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

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

**Item 30. Compensation of Board Members and Officers**

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

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

**Item 31. Transfers of Assets Including Cash and Property**

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

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



# Attachment C

Cryptocurrency Financial Statement

Full Name: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

When an item asks for information regarding your cryptocurrency, include **ALL** cryptocurrency, whether held in 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 or you, your spouse, or any of your dependents.

This Cryptocurrency Financial Statement does NOT request information necessary to transfer, dispose of, or otherwise exert control over the cryptocurrency.

Place your initial in the bottom right corner of each page. If you need additional space, attach a page to this form and note the item to which the information is responsive and place your initial in the bottom right corner of each page you add.

Item 1.

For all your cryptocurrency, state the following:

- a. The type of cryptocurrency;
- b. The amount of cryptocurrency and its current value;
- c. The location and method of storage of the private keys necessary to exert control over the cryptocurrency (e.g. third party custodian, web wallet, hardware wallet, personal computer, handwritten document, etc.), and if applicable, the name and manufacturer of any software or hardware storage methods;
- d. Any public addresses or public keys associated with the cryptocurrency; and
- e. The owners of your cryptocurrency and the percentage of ownership of each owner.

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---









Initial: \_\_\_\_\_

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 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: \_\_\_\_\_

Printed name: \_\_\_\_\_

# **Attachment D**

Form **4506**

**Request for Copy of Tax Return**

(September 2018)

- ▶ **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](http://www.irs.gov/form4506).**

OMB No. 1545-0429

Department of the Treasury  
Internal Revenue Service

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

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

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

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

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

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

\_\_\_\_\_

\_\_\_\_\_

<b>8 Fee.</b> There is a \$50 fee for each return requested. <b>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.</b>	
<b>a</b> Cost for each return . . . . .	\$ 50.00
<b>b</b> Number of returns requested on line 7 . . . . .	
<b>c</b> Total cost. Multiply line 8a by line 8b . . . . .	\$
<b>9</b> If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here <input type="checkbox"/>	

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

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

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

Phone number of taxpayer on line 1a or 2a

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

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

**Future Developments**

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

**General Instructions**

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

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

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

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

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

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

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

**Chart for individual returns (Form 1040 series)**

**If you filed an individual return and lived in:**

**Mail to:**

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

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

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

Internal Revenue Service  
RAIVS Team  
Stop 37106  
Fresno, CA 93888

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

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

**Chart for all other returns**

**If you lived in or your business was in:**

**Mail to:**

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, 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 your employer identification number (EIN) if you are requesting a copy of a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

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

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

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

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



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

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

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

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

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

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

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

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

**Privacy Act and Paperwork Reduction Act**

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

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

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

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

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

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

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

# Attachment E

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

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

**FEDERAL TRADE COMMISSION,**

Plaintiff,

v.

**APEX CAPITAL GROUP, LLC, et al.,**

Defendants.

Case No. 2:18-cv-09573-JFW (JPR)

**CONSENT TO RELEASE OF  
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. Apex Capital Group, LLC, et al.*, now pending in the United States District Court of the Central District of California, and this shall be irrevocable authority for so doing.

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

6  
7 Dated:\_\_\_\_\_ Signature:\_\_\_\_\_  
8 Printed Name:\_\_\_\_\_

9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**CERTIFICATE OF SERVICE**

1  
2 I hereby certify that on December 17, 2018, I electronically filed the  
3 attached document along with the [PROPOSED] STIPULATED PRELIMINARY  
4 INJUNCTION WITH ASSET FREEZE, RECEIVER, AND OTHER  
5 EQUITABLE RELIEF AGAINST CORPORATE DEFENDANTS AND  
6 DEFENDANT PHILLIP PEIKOS with the Clerk of the Court using the CM/ECF  
7 system.

8 I also sent the above-referenced documents via Federal Express to  
9 Defendant Phillip Peikos, individually and on behalf of Defendants Apex Capital  
10 Group, LLC, Capstone Capital Solutions Limited, Klik Trix Limited, Empire  
11 Partners Limited, Interzoom Capital Limited, Lead Blast Limited, Mountain  
12 Venture Solutions Limited, Nutra Global Limited, Omni Group Limited,  
13 Rendezvous IT Limited, Sky Blue Media Limited, and Tactic Solutions Limited.

14 /s/ Brian N. Lasky  
15 BRIAN N. LASKY  
16 Federal Trade Commission  
17 One Bowling Green, Suite 318  
18 New York, NY 10004  
19 (212) 607-2814  
20 (212) 607-2822 (Fax)  
21 blasky@ftc.gov  
22  
23  
24  
25  
26  
27  
28