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

**FEDERAL TRADE  
COMMISSION,**

Plaintiff,

v.

**INTERCONTINENTAL  
SOLUTIONS LLC, et al.,**

Defendants.

Case No. 8:23-cv-01495-SB-JDEx

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

**FILED UNDER SEAL**

Plaintiff, the Federal Trade Commission (“FTC”), has 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 U.S.C. §§ 53(b) and 57b, Section 6(b) of the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6105(b), and Section 522(a) of the Gramm-Leach-Bliley Act (“GLB Act”), 15 U.S.C. § 6822(a), and has moved, pursuant to Fed. R. Civ. P. 65(b), for a temporary restraining order, asset freeze, other equitable relief, and an order to show cause why a preliminary injunction should not issue against Defendants.

1 **FINDINGS OF FACT**

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

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

8 B. There is good cause to believe that in numerous instances, in  
9 connection with marketing, telemarketing, and sale of student loan debt relief  
10 services, Defendants have:

- 11 1. Falsely represented that consumers who purchase Defendants’ debt  
12 relief services will be enrolled in a repayment plan that will reduce  
13 their monthly payments to a lower, specific amount or have their  
14 loan balances forgiven in whole or in part;
- 15 2. Falsely represented that most or all of consumers’ monthly  
16 payments to Defendants will be applied toward consumers’ student  
17 loans;
- 18 3. Falsely represented that Defendants are affiliated with the  
19 Department of Education or part of a federal government program;
- 20 4. Falsely represented that Defendants will assume responsibility for  
21 the servicing and repayment of consumers’ student loans;
- 22 5. Taken advance fees for their debt relief services; and
- 23 6. Created or caused to be created remotely created payment orders as  
24 payment for their debt relief services.

25 C. There is good cause to believe that Defendants have engaged in and  
26 are likely to engage in acts or practices that violate Section 5(a) of the FTC Act, 15  
27 U.S.C. § 45(a), multiple provisions of the FTC’s Telemarketing Sales Rule  
28 (“TSR”), 16 C.F.R. Part 310, and Section 521 of the GLB Act, 15 U.S.C. § 6821,

1 and that the FTC is therefore likely to prevail on the merits of this action. As  
2 demonstrated by consumer declarations, consumer complaints, and the additional  
3 documentation filed by the FTC, the FTC has established a likelihood of success in  
4 showing that, in numerous instances, Defendants have made false, misleading, and  
5 deceptive representations regarding their student loan debt relief services, taken  
6 illegal advance fees for those services, and created or caused to be created remotely  
7 created payment orders as payment for those services.

8 D. There is good cause to believe that Defendants have taken in gross  
9 revenues of at least \$8.8 million as a result of their unlawful practices.

10 E. There is good cause to believe that immediate and irreparable harm  
11 will result from Defendants' ongoing violations of the FTC Act, the TSR, and the  
12 GLB Act, unless Defendants are restrained and enjoined by order of this Court.

13 F. There is good cause to believe that immediate and irreparable damage  
14 to the Court's ability to grant effective final relief for consumers—including  
15 rescission or reformation of contracts and the refund of money or return of  
16 property—will occur from the sale, transfer, destruction or other disposition or  
17 concealment by Defendants of their assets or records, unless Defendants are  
18 immediately restrained and enjoined by order of this Court; and that, in accordance  
19 with Fed. R. Civ. P. 65(b), the interests of justice require that this Order be granted  
20 without prior notice to Defendants. Thus, there is good cause for relieving the  
21 FTC of the duty to provide Defendants with prior notice of its Motion for a  
22 Temporary Restraining Order.

23 G. Good cause exists for appointing a temporary receiver over the  
24 Receivership Entities, freezing Defendants' assets, permitting the FTC and the  
25 Receiver immediate access to the Defendants' business premises, and permitting  
26 the FTC and the Receiver to take expedited discovery.

27 H. Weighing the equities and considering the FTC's likelihood of  
28 ultimate success on the merits, a temporary restraining order with an asset freeze,

1 the appointment of a temporary receiver, immediate access to business premises,  
2 expedited discovery, and other equitable relief is in the public interest.

3 I. This Court has authority to issue this Order pursuant to Section 13(b)  
4 of the FTC Act, 15 U.S.C. § 53(b); Federal Rule of Civil Procedure 65; and the  
5 All Writs Act, 28 U.S.C. § 1651.

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

### 8 **DEFINITIONS**

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

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

12 B. **“Consumer”** means any Person.

13 C. **“Corporate Defendants”** means Intercontinental Solutions LLC, also  
14 doing business as Apex Doc Processing LLC and Apex Doc Processing, Express  
15 Enrollment LLC, also doing business as SLFD Processing, and each of their  
16 subsidiaries, affiliates, successors, and assigns.

17 D. **“Defendants”** means Corporate Defendants and Individual  
18 Defendants, individually, collectively, or in any combination.

19 E. **“Debt Relief Service”** means any program or service represented,  
20 directly or by implication, to renegotiate, settle, or in any way alter the terms of  
21 payment or other terms of the debt between a person and one or more unsecured  
22 creditors or debt collectors, including, but not limited to, a reduction in the balance,  
23 interest rate, or fees owed by a person to an unsecured creditor or debt collector.

24 F. **“Document”** is synonymous in meaning and equal in scope to the  
25 usage of “document” and “electronically stored information” in Federal Rule of  
26 Civil Procedure 34(a), Fed. R. Civ. P. 34(a), and includes writings, drawings,  
27 graphs, charts, photographs, sound and video recordings, images, Internet sites,  
28 web pages, websites, electronic correspondence, including e-mail and instant

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

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

14 H. **“Individual Defendants”** means, Marco Manzi, also known as Marco  
15 Manzi Pumar, Ivan Esquivel, also known as Ivan Alexander, and Robert Kissinger  
16 individually, collectively, or in any combination.

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

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

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

28

1 **ORDER**

2 **PROHIBITED CONDUCT**

3 **I. IT IS THEREFORE ORDERED** that Defendants, Defendants’  
4 officers, agents, employees, and attorneys, and all other persons in active  
5 concert or participation with them, who receive actual notice of this Order by  
6 personal service or otherwise, whether acting directly or indirectly, in  
7 connection with the advertising, marketing, promoting, or offering for sale of  
8 any goods or services, are temporarily restrained and enjoined from engaging in  
9 or assisting others engaged in:

10 A. Misrepresenting, directly or indirectly, expressly or by implication:

11 1. That Consumers who purchase any Debt Relief Service will be  
12 enrolled in a repayment plan that will reduce their monthly payments to a  
13 lower, specific amount or have their loan balances forgiven in whole or in part;

14 2. That most or all of Consumers’ monthly payments to any Person will  
15 be applied toward consumers’ student loans;

16 3. That any Person will assume responsibility for the servicing and  
17 repayment of consumers’ student loans;

18 4. That any Person is affiliated with the U.S. Department of Education or  
19 part of a federal government program; or

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

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

26 C. Creating or causing to be created, directly or indirectly, a remotely  
27 created payment order, including a remotely created check, as payment for any  
28 good or service offered or sold through telemarketing.

1                   **PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

2           **II. IT IS FURTHER ORDERED** that Defendants, Defendants’ officers,  
3 agents, employees, and attorneys, and all other persons in active concert or  
4 participation with any of them, who receive actual notice of this Order, whether  
5 acting directly or indirectly, are hereby temporarily restrained and enjoined from:

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

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

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

21                   **ASSET FREEZE**

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

26           A. Transferring, liquidating, converting, encumbering, pledging, loaning,  
27 selling, concealing, dissipating, disbursing, assigning, relinquishing, spending,  
28

1 withdrawing, granting a lien or security interest or other interest in, or otherwise  
2 disposing of any Assets that are:

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

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

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

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

23 E. The Assets affected by this Section shall include: (1) all Assets of  
24 Defendants as of the time this Order is entered; and (2) Assets obtained by  
25 Defendants after this Order is entered if those Assets are derived from any activity  
26 that is the subject of the Complaint in this matter or that is prohibited by this Order.  
27 This Section does not prohibit any transfers to the Receiver or repatriation of  
28 foreign Assets specifically required by this order.



1           **DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES**

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

21           A. Hold, preserve, and retain within its control and prohibit the  
22 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,  
23 disbursement, dissipation, relinquishment, conversion, sale, or other disposal of  
24 any such Document or Asset, as well as all Documents or other property related to  
25 such Assets, except by further order of this Court or, with respect to any Document  
26 or Asset owned by, held in the name of, for the benefit of, or otherwise controlled  
27 by any Receivership Entity, as directed in writing by the Receiver; provided,  
28 however, that this provision does not prohibit an Individual Defendant from

1 incurring charges on a personal credit card established prior to entry of this Order,  
2 up to the pre-existing credit limit;

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

6 C. Provide the FTC's counsel and the Receiver, within three (3) days of  
7 receiving a copy of this Order, a sworn statement setting forth, for each Asset or  
8 account covered by this Section:

9 1. The identification number of each such account or Asset;

10 2. The balance of each such account, or a description of the nature and  
11 value of each such Asset as of the close of business on the day on which this  
12 Order is served, and, if the account or other Asset has been closed or removed,  
13 the date closed or removed, the total funds removed in order to close the  
14 account, and the name of the person or entity to whom such account or other  
15 Asset was remitted; and

16 3. The identification of any safe deposit box, commercial mail box, or  
17 storage facility that is either titled in the name, individually or jointly, of any  
18 Defendant, or is otherwise subject to access by any Defendant; and

19 D. Upon the request of FTC counsel or the Receiver, promptly provide  
20 FTC counsel and the Receiver with copies of all records or other Documents  
21 pertaining to any account covered by this Section or Asset, including originals or  
22 copies of account applications, account statements, signature cards, checks, drafts,  
23 deposit tickets, transfers to and from the accounts, including wire transfers and  
24 wire transfer instructions, all other debit and credit instruments or slips, currency  
25 transaction reports, 1099 forms, and all logs and records pertaining to safe deposit  
26 boxes, commercial mail boxes, and storage facilities.

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

1 **FINANCIAL DISCLOSURES**

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

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

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

11 **FOREIGN ASSET REPATRIATION**

12 **VI. IT IS FURTHER ORDERED** that within five (5) days following the  
13 service of this Order, each Defendant shall:

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

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

26 C. Transfer to the territory of the United States all Documents and Assets  
27 located in foreign countries which are: (1) titled in the name, individually or  
28 jointly, of any Defendant; (2) held by any person or entity for the benefit of any

1 Defendant or for the benefit of, any corporation, partnership, asset protection trust,  
2 or other entity that is directly or indirectly owned, managed or controlled by any  
3 Defendant; or (3) under the direct or indirect control, whether jointly or singly, of  
4 any Defendant; and

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

9 **NON-INTERFERENCE WITH REPATRIATION**

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

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

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

26 **CONSUMER CREDIT REPORTS**

27 **VIII. IT IS FURTHER ORDERED** that the FTC may obtain credit reports  
28 concerning any Defendants pursuant to Section 604(a)(1) of the Fair Credit

1 Reporting Act, 15 U.S.C. 1681b(a)(1), and that, upon written request, any credit  
2 reporting agency from which such reports are requested shall provide them to the  
3 FTC.

#### 4 **PRESERVATION OF RECORDS**

5 **IX. 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 temporarily restrained and enjoined from:

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

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

#### 19 **REPORT OF NEW BUSINESS ACTIVITY**

20 **X. IT IS FURTHER ORDERED** that Defendants, Defendants' officers,  
21 agents, employees, and attorneys, and all other persons in active concert or  
22 participation with any of them, who receive actual notice of this Order, whether  
23 acting directly or indirectly, are hereby temporarily restrained and enjoined from  
24 creating, operating, or exercising any control over any business entity, whether  
25 newly formed or previously inactive, including any partnership, limited  
26 partnership, joint venture, sole proprietorship, or corporation, without first  
27 providing FTC counsel and the Receiver with a written statement disclosing: (1)  
28 the name of the business entity; (2) the address and telephone number of the

1 business entity; (3) the names of the business entity’s officers, directors, principals,  
2 managers, and employees; and (4) a detailed description of the business entity’s  
3 intended activities.

4 **TEMPORARY RECEIVER**

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

9 **DUTIES AND AUTHORITY OF RECEIVER**

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

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

16 B. Take exclusive custody, control, and possession of all Assets and  
17 Documents of, or in the possession, custody, or under the control of, any  
18 Receivership Entity, wherever situated;

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

25 D. Conserve, hold, manage, and prevent the loss of all Assets of the  
26 Receivership Entities, and perform all acts necessary or advisable to preserve the  
27 value of those Assets. The Receiver shall assume control over the income and  
28 profits therefrom and all sums of money now or hereafter due or owing to the

1 Receivership Entities. The Receiver shall have full power to sue for, collect, and  
2 receive, all Assets of the Receivership Entities and of other persons or entities  
3 whose interests are now under the direction, possession, custody, or control of, the  
4 Receivership Entities. Provided, however, that the Receiver shall not attempt to  
5 collect any amount from a consumer if the Receiver believes the consumer's debt  
6 to the Receivership Entities has resulted from the deceptive acts or practices or  
7 other violations of law alleged in the Complaint in this matter, without prior Court  
8 approval;

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

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

24 G. Make payments and disbursements from the receivership estate that  
25 are necessary or advisable for carrying out the directions of, or exercising the  
26 authority granted by, this Order, and to incur, or authorize the making of, such  
27 agreements as may be necessary and advisable in discharging his or her duties as  
28 Receiver. The Receiver shall apply to the Court for prior approval of any payment

1 of any debt or obligation incurred by the Receivership Entities prior to the date of  
2 entry of this Order, except payments that the Receiver deems necessary or  
3 advisable to secure Assets of the Receivership Entities, such as rental payments;

4 H. Take all steps necessary to secure and take exclusive custody of each  
5 location from which the Receivership Entities operate their businesses. Such steps  
6 may include, but are not limited to, any of the following, as the Receiver deems  
7 necessary or advisable: (1) securing the location by changing the locks and alarm  
8 codes and disconnecting any internet access or other means of access to the  
9 computers, servers, internal networks, or other records maintained at that location;  
10 and (2) requiring any persons present at the location to leave the premises, to  
11 provide the Receiver with proof of identification, and/or to demonstrate to the  
12 satisfaction of the Receiver that such persons are not removing from the premises  
13 Documents or Assets of the Receivership Entities. Law enforcement personnel,  
14 including, but not limited to, police or sheriffs, may assist the Receiver in  
15 implementing these provisions in order to keep the peace and maintain security. If  
16 requested by the Receiver, the United States Marshal will provide appropriate and  
17 necessary assistance to the Receiver to implement this Order and is authorized to  
18 use any necessary and reasonable force to do so;

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

24 J. Enter into and cancel contracts and purchase insurance as advisable or  
25 necessary;

26 K. Prevent the inequitable distribution of Assets and determine, adjust,  
27 and protect the interests of consumers who have transacted business with the  
28 Receivership Entities;



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

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

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

13 O. Open one or more bank accounts at designated depositories for funds  
14 of the Receivership Entities. The Receiver shall deposit all funds of the  
15 Receivership Entities in such designated accounts and shall make all payments and  
16 disbursements from the receivership estate from such accounts. The Receiver shall  
17 serve copies of monthly account statements on all parties;

18 P. Maintain accurate records of all receipts and expenditures incurred as  
19 Receiver;

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

28

1 R. Allow the FTC’s representatives, agents, and assistants, as well as  
2 Defendants and their representatives reasonable access to all Documents in the  
3 possession, custody, or control of the Receivership Entities;

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

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

9 U. If the Receiver identifies a nonparty entity as a Receivership Entity,  
10 promptly notify the entity as well as the parties, and inform the entity that it can  
11 challenge the Receiver’s determination by filing a motion with the Court.

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

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

26 **TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER**

27 **XIII. IT IS FURTHER ORDERED** that Defendants and any other Person,  
28 with possession, custody or control of property of, or records relating to, the

1 Receivership Entities shall, upon notice of this Order by personal service or  
2 otherwise, fully cooperate with and assist the Receiver in taking and maintaining  
3 possession, custody, or control of the Assets and Documents of the Receivership  
4 Entities and immediately transfer or deliver to the Receiver possession, custody,  
5 and control of, the following:

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

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

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

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

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

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

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

27

28

1                   **PROVISION OF INFORMATION TO RECEIVER**

2       **XIV.       IT IS FURTHER ORDERED** that Defendants shall immediately  
3 provide to the Receiver:

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

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

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

14                   **COOPERATION WITH THE RECEIVER**

15       **XV.       IT IS FURTHER ORDERED** that Defendants; Receivership  
16 Entities; Defendants' or Receivership Entities' officers, agents, employees, and  
17 attorneys, all other persons in active concert or participation with any of them, and  
18 any other person with possession, custody, or control of property of or records  
19 relating to the Receivership entities who receive actual notice of this Order shall  
20 fully cooperate with and assist the Receiver. This cooperation and assistance shall  
21 include, but is not limited to, providing information to the Receiver that the  
22 Receiver deems necessary to exercise the authority and discharge the  
23 responsibilities of the Receiver under this Order; providing any keys, codes, user  
24 names and passwords required to access any computers, electronic devices, mobile  
25 devices, and machines (onsite or remotely) and any cloud account (including  
26 specific method to access account) or electronic file in any medium; advising all  
27 persons who owe money to any Receivership Entity that all debts should be paid  
28

1 directly to the Receiver; and transferring funds at the Receiver’s direction and  
2 producing records related to the Assets and sales of the Receivership Entities.

3 **NON-INTERFERENCE WITH THE RECEIVER**

4 **XVI. IT IS FURTHER ORDERED** that Defendants; Receivership  
5 Entities; Defendants’ or Receivership Entities’ officers, agents, employees,  
6 attorneys, and all other persons in active concert or participation with any of them,  
7 who receive actual notice of this Order, and any other person served with a copy of  
8 this Order, are hereby restrained and enjoined from directly or indirectly:

9 A. Interfering with the Receiver’s efforts to manage, or take custody,  
10 control, or possession of, the Assets or Documents subject to the receivership;

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

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

16 D. Refusing to cooperate with the Receiver or the Receiver’s duly  
17 authorized agents in the exercise of their duties or authority under any order of this  
18 Court.

19 **STAY OF ACTIONS**

20 **XVII. IT IS FURTHER ORDERED** that, except by leave of this Court,  
21 during the pendency of the receivership ordered herein, Defendants, Defendants’  
22 officers, agents, employees, attorneys, and all other persons in active concert or  
23 participation with any of them, who receive actual notice of this Order, and their  
24 corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,  
25 stockholders, lessors, customers and other persons seeking to establish or enforce  
26 any claim, right, or interest against or on behalf of Defendants, and all others  
27 acting for or on behalf of such persons, are hereby enjoined from taking action that  
28 would interfere with the exclusive jurisdiction of this Court over the Assets or

1 Documents of the Receivership Entities, including, but not limited to:

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

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

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

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

22 **COMPENSATION OF RECEIVER**

23 **XVIII. IT IS FURTHER ORDERED** that the Receiver and all personnel  
24 hired by the Receiver as herein authorized, including counsel to the Receiver and  
25 accountants, are entitled to reasonable compensation for the performance of duties  
26 pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by  
27 them, from the Assets now held by, in the possession or control of, or which may  
28 be received by, the Receivership Entities. The Receiver shall file with the Court

1 and serve on the parties periodic requests for the payment of such reasonable  
2 compensation, with the first such request filed no more than sixty (60) days after  
3 the date of entry of this Order. The Receiver shall not increase the hourly rates  
4 used as the bases for such fee applications without prior approval of the Court.

5 **RECEIVER’S BOND**

6 **XIX. IT IS FURTHER ORDERED** that the Receiver shall file with the  
7 Clerk of this Court a bond in the sum of **\$25,000** with sureties to be approved by  
8 the Court, conditioned that the Receiver will well and truly perform the duties of  
9 the office and abide by and perform all acts the Court directs. 28 U.S.C. § 754.

10 **RECEIVER’S REPORTS**

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

1           **IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS**

2           **XXI. IT IS FURTHER ORDERED** that:

3           A. In order to allow the FTC and the Receiver to preserve Assets and  
4 evidence relevant to this action and to expedite discovery, the FTC and the  
5 Receiver, and their representatives, agents, contractors, and assistants, shall have  
6 immediate access to the business premises and storage facilities, owned,  
7 controlled, or used by the Receivership Entities. Such locations include, but are  
8 not limited to, (1) 1616 E 4<sup>th</sup> Street, Suites 220, 260, and 275, Santa Ana,  
9 California 92701, (2) 1600 N Broadway, Suite 100, Santa Ana, California 92706,  
10 (3) 1100 W Town and Country Road, Suite 1340, Orange, CA 92868, and (4) any  
11 offsite location or commercial mailbox used by the Receivership Entities. The  
12 Receiver may exclude Defendants, Receivership Entities, and their employees  
13 from the business premises during the immediate access;

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

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

23           D. The FTC and the Receiver, and their representatives, agents,  
24 contractors, and assistants, are authorized to obtain the assistance of federal, state  
25 and local law enforcement officers as they deem necessary to effect service and to  
26 implement peacefully the provisions of this Order;

27           E. If any Documents, computers, or electronic storage devices containing  
28 information related to the business practices or finances of the Receivership



1 Entities are at a location other than those listed herein, including personal  
2 residence(s) of any Defendant, then, immediately upon receiving notice of this  
3 order, Defendants and Receivership Entities shall produce to the Receiver all such  
4 Documents, computers, and electronic storage devices, along with any codes or  
5 passwords needed for access. In order to prevent the destruction of computer data,  
6 upon service of this Order, any such computers or electronic storage devices shall  
7 be powered down in the normal course of the operating system used on such  
8 devices and shall not be powered up or used until produced for copying and  
9 inspection; and

10 F. If any communications or records of any Receivership Entity are  
11 stored with an Electronic Data Host, such Entity shall, immediately upon receiving  
12 notice of this Order, provide the Receiver with the username, passwords, and any  
13 other login credential needed to access the communications and records, and shall  
14 not attempt to access, or cause a third-party to attempt to access, the  
15 communications or records.

#### 16 **DISTRIBUTION OF ORDER BY DEFENDANTS**

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

1 with them to disregard this Order or believe that they are not bound by its  
2 provisions.

3 **EXPEDITED DISCOVERY**

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

13 A. The FTC and the Receiver may take the deposition of parties and non-  
14 parties. Seventy-two (72) hours' notice shall be sufficient notice for such  
15 depositions. The limitations and conditions set forth in Rules 30(a)(2)(A) and  
16 31(a)(2)(A) of the Federal Rules of Civil Procedure regarding subsequent  
17 depositions of an individual shall not apply to depositions taken pursuant to this  
18 Section. Any such deposition taken pursuant to this Section shall not be counted  
19 towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and  
20 depositions may be taken by telephone or other remote electronic means;

21 B. The FTC and the Receiver may serve upon parties requests for  
22 production of Documents or inspection that require production or inspection within  
23 five (5) days of service.

24 C. The FTC and the Receiver may serve upon parties interrogatories that  
25 require response within five (5) days after the FTC serves such interrogatories;

26 D. The FTC and the Receiver may serve subpoenas upon non-parties that  
27 direct production or inspection within five (5) days of service.  
28

1 E. Service of discovery upon a party to this action, taken pursuant to this  
2 Section, shall be sufficient if made by facsimile, email, or by overnight delivery.

3 F. Any expedited discovery taken pursuant to this Section is in addition  
4 to, and is not subject to, the limits on discovery set forth in the Federal Rules of  
5 Civil Procedure and the Local Rules of this Court. The expedited discovery  
6 permitted by this Section does not require a meeting or conference of the parties,  
7 pursuant to Rules 26(d) & (f) of the Federal Rules of Civil Procedure.

8 G. The Parties are exempted from making initial disclosures under Fed.  
9 R. Civ. P. 26(a)(1) until further order of this Court.

10 **SERVICE OF THIS ORDER**

11 **XXIV. IT IS FURTHER ORDERED** that copies of this Order as well as the  
12 Motion for Temporary Restraining Order and all other pleadings, Documents, and  
13 exhibits filed contemporaneously with that Motion (other than the complaint and  
14 summons), may be served by any means, including facsimile transmission,  
15 electronic mail or other electronic messaging, personal or overnight delivery, U.S.  
16 Mail or FedEx, by agents and employees of the FTC, by any law enforcement  
17 agency, or by private process server, upon any Defendant or any person (including  
18 any financial institution) that may have possession, custody or control of any Asset  
19 or Document of any Defendant, or that may be subject to any provision of this  
20 Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For  
21 purposes of this Section, service upon any branch, subsidiary, affiliate or office of  
22 any entity shall effect service upon the entire entity.

23 **CORRESPONDENCE AND SERVICE ON THE FTC**

24 **XXV. IT IS FURTHER ORDERED** that, for the purpose of this Order, all  
25 correspondence and service of pleadings on the FTC shall be addressed to: Carlton  
26 Mosley and Gregory Ashe, 600 Pennsylvania Ave. NW, CC-10232, Washington,  
27 DC 20580, email: cmosley@ftc.gov and gashe@ftc.gov.



1 and telephone number of each proposed witness, a detailed summary or affidavit  
2 revealing the substance of each proposed witness’s expected testimony, and an  
3 explanation of why the taking of live testimony would be helpful to this Court.  
4 Any papers opposing a timely motion to present live testimony or to present live  
5 testimony in response to another party’s timely motion to present live testimony  
6 shall be filed with this Court and served on the other parties at least **four** days prior  
7 to the preliminary injunction hearing.

8 C. Provided, however, that service shall be performed by personal or  
9 overnight delivery, facsimile or email, and Documents shall be delivered so that  
10 they shall be received by the other parties no later than 5:00 p.m. (PT) on the  
11 appropriate dates provided in this Section.

12 **DURATION OF THE ORDER**

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

16 **RETENTION OF JURISDICTION**

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

19 **IT IS SO ORDERED.**

20 Dated: August 16, 2023

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Stanley Blumenfeld, Jr.  
24 United States District Judge  
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