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FILED
CLERK, U.S. DISTRICT COURT
OCT 11 2011
CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Case no.

ED CV 11 - 01623

VAP

v.

RINCON MANAGEMENT SERVICES, LLC, a California limited liability company, also d/b/a "Rincon Debt Management," "Rincon Filing Services," and "Pacific Management Recovery"; PRIME WEST MANAGEMENT RECOVERY, LLC, a Delaware limited liability company; UNION MANAGEMENT SERVICES, LLC, a California limited liability company, also d/b/a "Union Filing Services"; NATIONAL FILING SERVICES, LLC, a California limited liability company; CITY INVESTMENT SERVICES, LLC, a California limited liability company; GLOBAL FILING SERVICES, LLC, a California limited liability company; PACIFIC MANAGEMENT RECOVERY, LLC, a Delaware limited liability company; JASON R. BEGLEY, an individual; and WAYNE W. LUNSFORD, an individual,

Defendants.

~~PROPOSED~~ TEMPORARY RESTRAINING ORDER WITH ASSET FREEZE, APPOINTMENT OF TEMPORARY RECEIVER, IMMEDIATE ACCESS TO BUSINESS PREMISES, EXPEDITED DISCOVERY, AND ORDER TO SHOW CAUSE WHY A PRELIMINARY INJUNCTION SHOULD NOT ISSUE

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10 FEDERAL TRADE COMMISSION

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CLERK, U.S. DISTRICT COURT
OCT 11 2011
CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION BY DEPUTY

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA

13 FEDERAL TRADE COMMISSION,

Case no.

14 v. Plaintiff,
15 **ED CV 11 - 01623**

VAP SPX

16 RINCON MANAGEMENT
17 SERVICES, LLC, a California limited
18 liability company, also d/b/a "Rincon
19 Debt Management," "Rincon Filing
20 Services," and "Pacific Management
21 Recovery"; PRIME WEST
22 MANAGEMENT RECOVERY, LLC,
23 a Delaware limited liability company;
24 UNION MANAGEMENT
25 SERVICES, LLC, a California limited
26 liability company, also d/b/a "Union
27 Filing Services"; NATIONAL FILING
28 SERVICES, LLC, a California limited
liability company; CITY
INVESTMENT SERVICES, LLC, a
California limited liability company;
GLOBAL FILING SERVICES, LLC,
a California limited liability company;
PACIFIC MANAGEMENT
RECOVERY, LLC, a Delaware limited
liability company; JASON R.
BEGLEY, an individual; and WAYNE
W. LUNSFORD, an individual,

Defendants.

[PROPOSED] TEMPORARY
RESTRAINING ORDER WITH
ASSET FREEZE, APPOINTMENT
OF TEMPORARY RECEIVER,
IMMEDIATE ACCESS TO
BUSINESS PREMISES, EXPEDITED
DISCOVERY, AND ORDER TO
SHOW CAUSE WHY A
PRELIMINARY INJUNCTION
SHOULD NOT ISSUE

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CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
RIVERSIDE

1 Plaintiff Federal Trade Commission (“Commission” or “FTC”), pursuant to
2 Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15
3 U.S.C. §§ 53(b) and 57b, and Section 814 of the Fair Debt Collection Practices Act
4 (“FDCPA”), 15 U.S.C. §1692l, has filed its Complaint for injunctive and other
5 equitable relief, and applied *ex parte* for a temporary restraining order with asset
6 freeze, the appointment of a temporary receiver, immediate access to business
7 premises, expedited discovery, and an order to show cause why a preliminary
8 injunction should not issue pursuant to Rule 65 of the Federal Rules of Civil
9 Procedure.

10 **FINDINGS OF FACT**

11 This Court has considered plaintiff’s Complaint, *ex parte* Application for
12 Temporary Restraining Order (“TRO Application”), Memorandum of Points and
13 Authorities, Declarations and Exhibits in support of Plaintiff’s TRO Application,
14 and all other papers filed herein. It appears to the satisfaction of the Court that:

15 1. This Court has jurisdiction over the subject matter of this case. There
16 is also good cause to believe the Court will have jurisdiction over the parties, and
17 that venue in this district is proper.

18 2. There is good cause to believe that Defendants Rincon Management
19 Services, LLC also d/b/a “Rincon Debt Management,” “Rincon Filing Services,”
20 and “Pacific Management Recovery”; Prime West Management Recovery, LLC;
21 Union Management Services, LLC also d/b/a “Union Filing Services”; National
22 Filing Services, LLC; City Investment Services, LLC; Global Filing Services,
23 LLC; Pacific Management Recovery, LLC; Jason R. Begley; and Wayne W.

24 Lunsford have engaged in and are likely to engage in acts or practices that violate
25 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FDCPA, 15 U.S.C. § 1692
26 - 1692p, and that the Commission is likely to prevail on the merits of this action;

27 3. There is good cause to believe that immediate and irreparable harm
28 will result from Defendants’ ongoing violations of the FTC Act and the FDCPA

1 unless Defendants are immediately restrained and enjoined by order of this Court.

2 4. There is good cause to believe that immediate and irreparable damage
3 to the Court’s ability to grant effective final relief for consumers in the form of
4 monetary restitution and disgorgement of ill-gotten gains will occur from the
5 transfer, dissipation, or concealment by Defendants of their assets or business
6 records unless Defendants are immediately restrained and enjoined by order of this
7 Court; and that in accordance with Fed. R. Civ. P.65(b) and Local Rules 7-19 and
8 65-1, there is good cause for issuing this Temporary Restraining Order.

9 5. Good cause exists for appointment of a Temporary Receiver over
10 Business Entity Defendants Rincon Management Services, LLC also d/b/a “Rincon
11 Debt Management,” “Rincon Filing Services,” and “Pacific Management
12 Recovery”; Prime West Management Recovery, LLC; Union Management
13 Services, LLC also d/b/a “Union Filing Services”; National Filing Services, LLC;
14 City Investment Services, LLC; Global Filing Services, LLC; and Pacific
15 Management Recovery, LLC.

16 6. Weighing the equities and considering the Commission’s likelihood of
17 ultimate success, a Temporary Restraining Order (“Order”) with an asset freeze, the
18 appointment of a Temporary Receiver, immediate access, and other equitable relief
19 is in the public interest.

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

22 **ORDER**

23 **Definitions**

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

- 25 1. **“Plaintiff”** means the Federal Trade Commission.
- 26 2. **“Defendants”** means Defendants Rincon Management Services, LLC
27 also d/b/a “Rincon Debt Management,” “Rincon Filing Services,” and “Pacific
28 Management Recovery”; Prime West Management Recovery, LLC; Union

1 Management Services, LLC also d/b/a “Union Filing Services”; National Filing
2 Services, LLC; City Investment Services, LLC; Global Filing Services, LLC;
3 Pacific Management Recovery, LLC; Jason R. Begley; and Wayne W. Lunsford,
4 and each of them by whatever names each might be known, as well as their
5 successors and assigns, whether acting directly or through any corporation,
6 subsidiary, division, or other device, including, but not limited to, fictitious business
7 names.

8 3. **“Business Entity Defendants”** means Defendants Rincon Management
9 Services, LLC also d/b/a “Rincon Debt Management,” “Rincon Filing Services,” and
10 “Pacific Management Recovery”; Prime West Management Recovery, LLC; Union
11 Management Services, LLC also d/b/a “Union Filing Services”; National Filing
12 Services, LLC; City Investment Services, LLC; Global Filing Services, LLC; and
13 Pacific Management Recovery, LLC and each of them by whatever names each
14 might be known.

15 4. **“Individual Defendants”** means Jason R. Begley and Wayne W.
16 Lunsford, and each of them by whatever names each might be known.

17 5. **“Receivership Defendants”** refers to Defendants Rincon Management
18 Services, LLC also d/b/a “Rincon Debt Management,” “Rincon Filing Services,” and
19 “Pacific Management Recovery”; Prime West Management Recovery, LLC; Union
20 Management Services, LLC also d/b/a “Union Filing Services”; National Filing
21 Services, LLC; City Investment Services, LLC; Global Filing Services, LLC; and
22 Pacific Management Recovery, LLC, as well as any successors, assigns, affiliates,
23 and subsidiaries that conduct any business related to the Defendants’ debt collection
24 business and which the Temporary Receiver has reason to believe are owned or
25 controlled in whole or in part by any of the Defendants.

26 6. **“Assets”** means any legal or equitable interest in, right to, or claim to,
27 any real or personal property, including, without limitation, chattels, goods,
28 instruments, equipment, fixtures, general intangibles, leaseholds, mail or other

1 deliveries, inventory, checks, notes, accounts, credits, contracts, receivables, shares
2 of stock, and all cash, wherever located.

3 7. **“Debt”** means any obligation or alleged obligation to pay money
4 arising out of a transaction, whether or not such obligation has been reduced to
5 judgment.

6 8. **“Document”** is equal in scope and synonymous in meaning to the
7 terms “document” and “electronically stored information,” as described and used in
8 Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs,
9 charts, photographs, audio and video recordings, computer records, and any other
10 data compilations from which information can be obtained. A draft or non-identical
11 copy is a separate document within the meaning of the term.

12 9. **“Financial Institution”** means any bank, savings and loan institution,
13 credit union, or any financial depository of any kind, including but not limited to
14 any brokerage house, trustee, broker-dealer, escrow agent, title company, money
15 market or mutual fund, commodity trading company, merchant account processor,
16 payment processor, or precious metal dealer, or any entity or person that holds,
17 controls, or maintains custody of any account or asset of any Defendant.

18 11. **“Material”** means likely to affect: (1) a person’s choice of, or conduct
19 regarding, goods or services, or (2) a person’s conduct regarding payment of a debt.

20 12. **“Person”** means a natural person, organization, or other legal entity,
21 including a corporation, partnership, proprietorship, association, cooperative, or any
22 other group or combination acting as an entity.

23 13. **“Temporary Receiver”** means the temporary receiver appointed by
24 the Court herein.

25 **I.**

26 **PROHIBITION AGAINST DEFENDANTS’ USE OF UNFAIR, DECEPTIVE,**
27 **OR ABUSIVE ACTS OR PRACTICES**

28 **IT IS THEREFORE ORDERED** that in connection with the collection or

1 attempted collection of debts, Defendants and their officers, directors, agents,
2 servants, employees, representatives, divisions, attorneys, successors, and assigns,
3 and all other persons or entities in active concert or participation with any of them
4 who receive actual notice of this Order by personal service, ^{personal delivery} facsimile, email, ~~or~~
5 ~~otherwise~~, are hereby temporarily restrained and enjoined from, directly or
6 indirectly violating Section 5 of the FTC Act, 15 U.S.C. § 45, and any Section of
7 the FDCPA, 15 U.S.C. §§ 1692-1692p, by engaging in unfair, deceptive, or abusive
8 acts or practices, including but not limited to:

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9 A. Misrepresenting, either orally or in writing, expressly or by
10 implication:

11 1. That Defendants' agent is a process server seeking to serve the
12 consumer with pleadings or legal papers pertaining to a lawsuit filed, or to be filed,
13 against the consumer;

14 2. That Defendants' agent is an attorney, or Defendants'
15 communication is from an attorney;

16 3. That nonpayment of a debt will result in a consumer's
17 imprisonment, arrest, or in the seizure, garnishment, or attachment of a consumer's
18 property or wages;

19 4. That Defendants have filed or intend to file a lawsuit against a
20 consumer;

21 5. The character, amount, or legal status of a debt;

22 6. Any material fact in the collection of a debt, in the attempt to
23 collect a debt, or in obtaining information concerning a consumer.

24 B. Failing to disclose or disclose adequately:

25 1. The debt collector's name and position, and that the purpose of
26 the call is to collect a debt when speaking with the consumer;

27 2. The consumer's right to dispute his or her debt and to obtain
28 verification of the debt, either in the initial communication with the consumer, or

1 within five days thereafter; and

2 3. All material information relating to a consumer's decision to pay
3 any alleged debt.

4 C. Communicating with third parties for purposes other than acquiring
5 location information about a consumer; without having obtained directly the prior
6 consent of the consumer or the express permission of a court of competent
7 jurisdiction.

8 **II.**

9 **ASSET FREEZE**

10 **IT IS FURTHER ORDERED** that each of the Defendants is hereby
11 temporarily restrained and enjoined, until further order of this Court, from:

12 A. Transferring, encumbering, selling, concealing, pledging,
13 hypothecating, assigning, spending, withdrawing, disbursing, conveying, ^{giving}~~gifting~~,
14 dissipating, or otherwise disposing of any funds, property, coins, lists of consumer
15 names, shares of stock, or other assets, wherever located, that are:

16 1. owned or controlled by any of the Defendants, in whole or in
17 part;

18 2. in the actual or constructive possession of any of the
19 Defendants;

20 3. held by an agent of any of the Defendants, as a retainer for the
21 agent's provision of services to a Defendant;

22 4. owned, controlled by, or in the actual or constructive possession
23 of, or otherwise held for the benefit of, any corporation, partnership, or other entity
24 directly or indirectly owned or controlled by any of the Defendants; including, but
25 not limited to assets held by any Defendant in any account at any bank or savings
26 and loan institution, such as accounts over which the Individual Defendants, Jason
27 R. Begley or Wayne W. Lunsford, have signatory authority, with any broker-dealer,
28 escrow agent, title company, commodity trading company, precious metal dealer,

1 merchant account processor, credit card processing agent, automated clearing
2 house, transaction processor, bank debt processing agent, customer service agent,
3 commercial mail receiving or forwarding agency, freight holding or forwarding
4 agency, or other financial institution of any kind, including, but not limited to the
5 following accounts:

- 6 1. HSBC Account in the name of any Defendant;
- 7 2. Bank of America Account in the name of any Defendant;
- 8 3. Bank of America Account #xxxxxx7915 (Rincon Management
9 Services, LLC);
- 10 4. Bank of America Account #xxxxxx8122 (National Filing
11 Services, LLC);
- 12 5. Bank of America Account #xxxxxx8108 (Global Filing
13 Services, LLC);
- 14 6. Bank of America Account #xxxxxx8130 (Heavy Hitters
15 Investments, Inc.);
- 16 7. Citibank Account # xxxxx2924 (Wayne W. Lunsford);
- 17 8. Citibank Account # xxxxx0762 (City Investment Services,
18 LLC);
- 19 9. Citibank Account #xxxxx1419 (Pacific Management Recovery,
20 LLC);
- 21 10. Citibank Account #xxxxx7686 (Prime West Management
22 Recovery, LLC);
- 23 11. Citibank Account #xxxxx0671 (Union Management Services,
24 LLC);
- 25 12. Citibank Account #xxxxx4965 (Portfolio Investment Group,
26 LP);
- 27 13. Citibank Account #xxxxx7793 (Lunsford Investment and
28 Management Services, Inc.);

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- 14. Citibank Account #xxxxx9206 (Universal Filing Services, Inc.);
- 15. Citibank Account #xxxxx5332 (Portfolio Investment Financial, Inc.);
- ~~16. Citibank Account #xxxxx8869 (Asset Filing Services, Inc.);~~
- 17. Citibank Account #xxxxx5407 (Portfolio Investment Partners, Inc.);
- ~~18. Citibank Account #xxxxx8653 (County Filing Services, Inc.);~~
- 19. Citibank Account #xxxxx9903 (Raincross Filing Services, Inc.);
- ~~20. Citibank Account #xxxxx9937 (Raincross Filing Services, Inc.);~~
- 21. Citibank Account #xxxxx2402 (National Filing Services, Inc.);
- 22. Citibank Account #xxxxx2286 (National Filing Services, Inc.);
- ~~23. Citibank Account #xxxxx7716 (Capital Filing Services, Inc.);~~
- 24. Citibank Account #xxxxx7724 (Capital Filing Services, Inc.);
- 25. Citibank Account #xxxxx8729 (Capital Filing Services, Inc.);
- 26. Citibank Account #xxxxx4068 (Worldwide Filing Services, Inc.);
- 27. Citibank Account #xxxxx4076 (Worldwide Filing Services, Inc.);
- 28. Citibank Account #xxxxx6732 (Asset Filing Services, Inc.);
- 29. Citibank Account #xxxxx2212 (County Filing Services, Inc.);
- 30. Citibank Account #xxxxx2204 (County Filing Services, Inc.);
- 31. Citibank Account #xxxxx0033 (Superior Filing Services, Inc.);
- 32. Citibank Account #xxxxx0041 (Superior Filing Services, Inc.);
- 33. Citibank Account #xxxxx0009 (Eagle Filing Services, Inc.);
- 34. Citibank Account #xxxxx9977 (Eagle Filing Services, Inc.);
- 35. Citibank Account #xxxxx2147 (Southcoast Financial Services, Inc.);
- ~~36. Citibank Account #xxxxx2154 (Southcoast Financial Services, Inc.);~~

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- ~~Inc.);~~
- 37. Citibank Account #xxxxx1867 (West Coast Filing Services, Inc.);
- 38. Citibank Account #xxxxx1883 (West Coast Filing Services, Inc.);
- 39. Citibank Account #xxxxx9993 (Universal Filing Services, Inc.);
- and
- 40. Citibank Account #xxxxx9985 (Universal Filing Services, Inc.).
- 41. Wells Fargo Bank N.A. #xxxxxx2611 (Bagels Consulting Firm, Inc.);
- 42. Wells Fargo Bank N.A. Account #xxxxxx8664 (WAL Legacy Gift and Trust); and

43. Wells Fargo Bank N.A. Account in the name of Skyridge Legacy and Trust; *provided, however, that during the pendency of this Order, each individual Defendant may withdraw no more than \$1,500.00 from a personal bank account.*

B. Opening or causing to be opened any safe deposit boxes titled in the name of any of the Defendants, or subject to access by any of the Defendants;

C. Incurring charges or cash advances on any credit or debit card issued in the name, singly or jointly, of any of the Defendants, or any corporation, partnership, or other entity directly or indirectly owned or controlled by any of the Defendants; and

D. Failing to disclose to Plaintiff and the Temporary Receiver, immediately upon service of this Order, information that fully identifies each asset of the Defendants, and each entity holding such asset, including, without limitation, the entity's name, address, and telephone number, the number of the account, and the name under which the account is held.

Provided, that the freeze imposed in this Section shall be construed to not apply to assets that an Individual Defendant acquires following service of this Order if the Individual Defendant can prove that such assets are not derived from activity

1 prohibited by this Order.

2 **III.**

3 **FINANCIAL REPORTS**

4 **IT IS FURTHER ORDERED** that within forty-eight (48) hours after
5 service of this Order:

6 A. Each Individual Defendant shall complete and deliver to Plaintiff the
7 Financial Statement form titled "Financial Statement of Individual Defendant," a
8 copy of which is attached as Attachment 1 to the "Financial Statement Forms for
9 Section III (Financial Reports) of the Temporary Restraining Order with Asset
10 Freeze, Appointment of Temporary Receiver, Immediate Access, and Other
11 Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should
12 Not Issue and a Permanent Receiver Should Not Be Appointed" lodged in this
13 action;

14 B. Each Individual Defendant shall complete and deliver to Plaintiff and
15 the Temporary Receiver, on behalf of each Business Entity Defendant, the Financial
16 Statement form titled "Financial Statement of Business Entity Defendant," a copy
17 of which is attached as Attachment 2 to the "Financial Statement Forms for Section
18 III (Financial Reports) of the Temporary Restraining Order with Asset Freeze,
19 Appointment of Temporary Receiver, Immediate Access, and Other Equitable
20 Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue
21 and a Permanent Receiver Should Not Be Appointed" filed in this action;

22 C. Each of the Individual Defendants shall, complete and deliver to
23 Plaintiff and the Temporary Receiver, on behalf of each business entity (whether a
24 partnership, limited partnership, joint venture, sole proprietorship, limited liability
25 company, corporation, or otherwise) of which he is the ^{officer, partner} majority owner, or ^{sole proprietor} ~~that he~~
26 ~~otherwise controls~~, other than the Business Entity Defendants, a separate copy of
27 the "Financial Statement of Business Entity Defendant"; and

28 D. Defendants shall provide access to records and documents pertaining

1 to assets of any of the Defendants that are held by financial institutions outside the
2 territory of the United States by signing a Consent to Release of Financial Records
3 if requested by Plaintiff or the Temporary Receiver.

4 **IV.**

5 **PRESERVATION OF RECORDS**

6 **IT IS FURTHER ORDERED** that Defendants, and their officers, agents,
7 servants, employees, and attorneys, and all persons or entities directly or indirectly
8 under the control of any of them, and all other persons or entities in active concert
9 or participation with any of them who receive actual notice of this Order by
10 personal service or otherwise, and each such person, are hereby temporarily
11 restrained and enjoined from destroying, erasing, mutilating, concealing, altering,
12 transferring or otherwise disposing of, in any manner, directly or indirectly, any
13 documents that relate to the business practices or finances of any of the Defendants,
14 including, but not limited to, such documents as any contracts, accounting data,
15 correspondence, advertisements, computer tapes, discs or other computerized
16 records, books, written or printed records, handwritten notes, telephone logs,
17 telephone scripts, receipt books, ledgers, personal and business canceled checks and
18 check registers, bank statements, appointment books, copies of federal, state, or
19 local business or personal income or property tax returns.

20 **V.**

21 **RECORD KEEPING**

22 **IT IS FURTHER ORDERED** that each of the Individual Defendants is
23 hereby temporarily restrained and enjoined from failing to make and keep, and to
24 provide to Plaintiff's counsel promptly upon request, an accounting that, in
25 reasonable detail, accurately, fairly, and completely reflects his income (including
26 all income resulting from any services, activity, or efforts rendered by the
27 Individual Defendant), disbursements, transactions, and use of money, beginning
28 immediately upon service or actual notice of this Order, and continuing daily until

1 otherwise ordered by the Court.

2 VI.

3 NOTIFICATION OF BUSINESS OPERATIONS

4 IT IS FURTHER ORDERED that:

5 A. Each of the Individual Defendants is hereby temporarily restrained and
6 enjoined from directly or indirectly creating, operating, or exercising any control
7 over any business entity, including any partnership, limited partnership, joint
8 venture, sole proprietorship, limited liability company, or corporation, without first
9 serving on counsel for the Commission a written statement disclosing the following:
10 (1) the name of the business entity; (2) the address and telephone number of the
11 business entity; (3) the names of the business entity's officers, directors, principals,
12 managers, and employees; and (4) a detailed description of the business entity's
13 intended activities; and

14 B. Each of the Individual Defendants shall notify the Commission at least
15 seven (7) days prior to affiliating with, becoming employed by, or performing any
16 work for any business that is not a named Defendant in this action. Each notice
17 shall include the Defendant's new business address and a statement of the nature of
18 the business or employment and the nature of his duties and responsibilities in
19 connection with that business or employment.

20 VII.

21 FINANCIAL INSTITUTIONS

22 ~~IT IS FURTHER ORDERED that any financial or brokerage institution,~~
23 any business entity, or any other person having possession, custody, or control of
24 any records of any of the Defendants, or of any account, safe deposit box, or other
25 asset titled in the name of any of the Defendants, either individually or jointly, or
26 held for the benefit of any of the Defendants, including accounts over which the
27 Individual Defendants, Jason R. Begley and Wayne W. Lunsford, either jointly or
28 separately, have signatory authority, at any time since January 1, 2009, who is

1 ~~served with a copy of this Order, or who otherwise has actual knowledge of this~~
2 Order, shall:

3 A. Hold and retain within its control and prohibit the transfer,
4 encumbrance, pledge, assignment, removal, withdrawal, dissipation, sale, or other
5 disposal of any such account or other asset, except for transfers or withdrawals
6 authorized in writing by counsel for Plaintiff, by the Temporary Receiver, or by
7 further order of this Court, including, but not limited to the financial accounts listed
8 in the Asset Freeze Section II.A.4;

9 B. Deny access to any safe deposit box titled individually or jointly in the
10 name of, or otherwise subject to access by, any of the Defendants;

11 C. Preserve and maintain all records and documentation pertaining to
12 such account or asset until otherwise directed by the Court or by counsel for the
13 Commission;

14 D. Provide to Plaintiff and to the Temporary Receiver, within three (3)
15 business days of notice of this Order, a sworn statement setting forth:

- 16 1. The identification of each account or asset;
- 17 2. The balance of each account or a description of the nature and
18 value of each asset as of the close of business on the day
19 notification of this Order is received, and, if the account or asset
20 has been closed or moved, the balance or value removed and the
21 person or entity to whom it was transferred; and
- 22 3. The identification of any safe deposit box titled in the name of
23 or subject to access by any of the Defendants.

24 E. Upon request by counsel for Plaintiff (or by the Temporary Receiver,
25 with respect to assets held for any of the Receivership Defendants), promptly
26 provide Plaintiff or the Temporary Receiver with copies of all records or other
27 documentation pertaining to such account or asset, including but not limited to
28 ~~originals or copies of account applications, account statements, signature cards,~~

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1 ~~checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and~~
2 ~~credit instruments or slips, currency transaction reports, 1099 forms, and safe~~
3 ~~deposit box logs; and~~

4 F. At the direction of Plaintiff (or the Temporary Receiver, with respect
5 to assets held for any of the Receivership Defendants), and without further order of
6 this Court, convert any stocks, bonds, options, mutual funds, or other securities to
7 ~~their cash equivalents.~~

8 **VIII.**

9 **REPATRIATION OF ASSETS**

10 **IT IS FURTHER ORDERED** that Defendants shall, within seven (7) days
11 following service of this Order, do the following:

12 A. Repatriate to the United States all funds, documents, or assets in
13 foreign countries held either: (1) by them; (2) for their benefit; or (3) under their
14 direct or indirect control, jointly or individually;

15 B. On the same business day as any repatriation under paragraph A above,
16 (1) notify the Commission and the Temporary Receiver of the name and location of
17 the financial institution or other entity that is the recipient of such funds,
18 documents, or assets; and (2) serve this Order on any such financial institution or
19 other entity;

20 C. Provide the Commission and the Temporary Receiver with a full
21 accounting of all funds, documents and assets outside of the territory of the United
22 States held either: (1) by them; (2) for their benefit; or (3) under their direct or
23 indirect control, jointly or individually; and

24 D. Hold and retain all repatriated funds, documents, and assets and
25 prevent any transfer, disposition, or dissipation whatsoever of any such assets,
26 documents, or funds in full compliance with this Order until further order of this
27 Court.

IX.

IMMEDIATE ACCESS TO DEFENDANTS' BUSINESS PREMISES, BOOKS, AND RECORDS

IT IS FURTHER ORDERED that

A. Defendants and their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, and the Temporary Receiver, shall allow Plaintiff's representatives immediate access to the business premises, mail drops, storage facilities, and all other business locations owned, controlled, or used by Defendants, including, but not limited to business premises at the following street addresses:

980 Montecito Drive, Suite 205, Corona, CA 92879

495 E. Rincon St., Suites 201 & 204, Corona, CA 92879

268 N. Lincoln Ave., #9, Corona, CA 92882

109 N. Maple St., Suite C, Corona, CA 92880

1191 Magnolia Ave., ##D-381 & D-396, Corona, CA 92879

The purpose of the access shall be to effect service and to inspect and copy materials relevant to this action. Plaintiff shall have the right to remove documents from Defendants' premises in order that they may be inspected, inventoried, and copied. Plaintiff shall return any such removed documents within three (3) business days, or such time-period that is agreed upon by Plaintiff and Defendants.

Defendants, to the extent they are in possession of documents relevant to this action, shall provide Plaintiff with the means necessary to access these documents, including without limitation keys and combinations to locks, passwords, computer access codes, and storage area access information;

B. The Temporary Receiver shall subsequently allow the Commission's representatives, the representatives of the Defendants, and each of the Individual

1 Defendants reasonable access to the business premises of the Receivership
2 Defendants. The purpose of this access shall be to inspect and copy any and all
3 books, records, accounts, and other property owned by or in the possession of the
4 Receivership Defendants. The Temporary Receiver shall have the discretion to
5 determine the time and manner of this access; and

6 C. If, at the time of service of this Order, any records or property relating
7 to Defendants' business or assets are located in the personal residence of any of the
8 Individual Defendants or in any other non-business location in their personal
9 control, then such Defendant shall, within forty-eight (48) hours of service of this
10 Order, produce to Plaintiff, at a location designated by Plaintiff, the following:

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

20 2. All computers and data in whatever form, relating, in whole or
21 in part, to Defendants' business and assets.

22 X.

23 APPOINTMENT OF TEMPORARY RECEIVER

24 IT IS FURTHER ORDERED that Richard Weissman is
25 appointed Temporary Receiver with the full power of an equity receiver, for
26 Defendants Rincon Management Services, LLC also d/b/a "Rincon Debt
27 Management," "Rincon Filing Services," and "Pacific Management Recovery";
28 Prime West Management Recovery, LLC; Union Management Services, LLC also

1 d/b/a “Union Filing Services”; National Filing Services, LLC; City Investment
2 Services, LLC; Global Filing Services, LLC; and Pacific Management Recovery,
3 LLC, as well as for any successors, assigns, affiliates, or subsidiaries that conduct
4 any business related to Defendants’ debt collection business and which the
5 Temporary Receiver has reason to believe are owned or controlled in whole or in
6 part by any of the Defendants. The Temporary Receiver shall be the agent of this
7 Court and solely the agent of this Court in acting as Receiver under this Order. The
8 Temporary Receiver shall be accountable directly to this Court. The Temporary
9 Receiver shall comply with all Local Rules of this Court governing receivers.

10 **XI.**

11 **RECEIVERSHIP DUTIES**

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

14 A. Assume full control of the Receivership Defendants by removing, as
15 the Temporary Receiver deems necessary or advisable, any director, officer,
16 manager, independent contractor, employee, or agent of the Receivership
17 Defendants, including any Individual Defendant, from control of, management of,
18 or participation in, the affairs of the Receivership Defendants;

19 B. Take exclusive custody, control, and possession of all assets and
20 documents of, or in the possession, custody, or under the control of, the
21 Receivership Defendants, wherever situated. The Temporary Receiver shall have
22 full power to divert mail and to sue for, collect, receive, take in possession, hold,
23 and manage all assets and documents of the Receivership Defendants and other
24 persons or entities whose interests are now held by or under the direction,
25 possession, custody, or control of the Receivership Defendants;

26 C. Take all steps necessary to secure all premises owned, rented, leased,
27 or otherwise controlled by the Receivership Defendants, including but not limited to
28 all such premises located at:

1 980 Montecito Drive, Suite 205, Corona, CA 92879

2 495 E. Rincon St., Suites 201 & 204, Corona, CA 92879

3 268 N. Lincoln Ave., #9, Corona, CA 92882

4 109 N. Maple St., Suite C, Corona, CA 92880

5 1191 Magnolia Ave., ##D-381 & D-396, Corona, CA 92879

6 Such steps may include, but are not limited to, the following, as the Temporary
7 Receiver deems necessary or advisable: (1) serving and filing this Order;
8 (2) completing a written inventory of all receivership assets; (3) obtaining pertinent
9 information from all employees and other agents of the Receivership Defendants,
10 including, but not limited to, the name, home address, social security number, job
11 description, method of compensation, and all accrued and unpaid commissions and
12 compensation of each such employee or agent; (4) photographing and video taping
13 all portions of the location; (5) securing the location by changing the locks and
14 disconnecting any computer modems or other means of access to the computer or
15 other records maintained at that location; or (6) requiring any persons present on the
16 premises at the time this Order is served to leave the premises, to provide the
17 Temporary Receiver with proof of identification, or to demonstrate to the
18 satisfaction of the Temporary Receiver that such persons are not removing from the
19 premises documents or assets of the Receivership Defendants. Law enforcement
20 officers may assist the Temporary Receiver in implementing these provisions to
21 keep the peace and maintain security;

22 D. Continue to conduct the business, or cease operation of the business, of
23 the Receivership Defendants in such manner, to such extent, and for such duration
24 as the Temporary Receiver may in good faith deem to be necessary or appropriate
25 to operate the businesses profitably and lawfully;

26 E. Conserve, hold, and manage all receivership assets, and perform all
27 acts necessary or advisable to preserve the value of those assets, in order to prevent
28 any irreparable loss, damage, or injury to consumers or to creditors of the

1 Receivership Defendants, including, but not limited to, obtaining an accounting of
2 the assets and preventing transfer, withdrawal, or misapplication of assets;

3 F. Enter into contracts and purchase insurance as advisable or necessary;

4 G. Prevent the inequitable distribution of assets and to determine, adjust,
5 and protect the interests of consumers and creditors who have transacted business
6 with the Receivership Defendants;

7 H. Manage and administer the business of the Receivership Defendants
8 until further order of this Court by performing all incidental acts that the Temporary
9 Receiver deems to be advisable or necessary, which includes retaining, hiring, or
10 dismissing any employees, independent contractors, or agents;

11 I. Choose, engage, and employ attorneys, accountants, appraisers, and
12 other independent contractors and technical specialists, as the Temporary Receiver
13 deems advisable or necessary in the performance of duties and responsibilities
14 under the authority granted by this Order;

15 J. Make payments and disbursements from the receivership estate that are
16 necessary or advisable for carrying out the directions of, or exercising the authority
17 granted by, this Order. The Temporary Receiver shall apply to the Court for prior
18 approval of any payment of any debt or obligation incurred by the Receivership
19 Defendants prior to the date of entry of this Order, except payments that the
20 Temporary Receiver deems necessary or advisable to secure assets of the
21 Receivership Defendants, such as rental payments;

22 K. Determine and implement the manner in which the Receivership
23 Defendants will comply with, and prevent violations of, this Order and all other
24 applicable laws;

25 L. Institute, compromise, adjust, appear in, intervene in, or become party
26 to such actions or proceedings in state, federal, or foreign courts that the Temporary
27 Receiver deems necessary and advisable to preserve or recover the assets of the
28 Receivership Defendants or that the Temporary Receiver deems necessary and

1 advisable to carry out the Temporary Receiver's mandate under this Order;

2 M. Defend, compromise, adjust, or otherwise dispose of any or all actions
3 or proceedings instituted in the past or in the future against the Temporary Receiver
4 in his role as Temporary Receiver, or against the Receivership Defendants that the
5 Temporary Receiver deems necessary and advisable to preserve the assets of the
6 Receivership Defendants or that the Temporary Receiver deems necessary and
7 advisable to carry out the Temporary Receiver's mandate under this Order;

8 N. Issue subpoenas to obtain documents and records pertaining to the
9 receivership, and conduct discovery in this action on behalf of the receivership
10 estate;

11 O. Open one or more bank accounts as designated depositories for funds
12 of the Receivership Defendants. The Temporary Receiver shall deposit all funds of
13 the Receivership Defendants in such designated accounts and shall make all
14 payments and disbursements from the receivership estate from such accounts;

15 P. Maintain accurate records of all receipts and expenditures that he
16 makes as Temporary Receiver; and

17 Q. Cooperate with reasonable requests for information or assistance from
18 any state or federal law enforcement agency.

19 **XII.**

20 **COOPERATION WITH THE TEMPORARY RECEIVER**

21 **IT IS FURTHER ORDERED** that Defendants, and their officers, agents,
22 servants, employees, and attorneys, and all persons or entities directly or indirectly
23 under the control of any of them, and all other persons or entities in active concert
24 or participation with any of them who receive actual notice of this Order by
25 personal service or otherwise, and each such person, shall fully cooperate with and
26 assist the Temporary Receiver. Such cooperation and assistance shall include, but
27 not be limited to, providing any information to the Temporary Receiver that the
28 Temporary Receiver deems necessary to exercising the authority and discharging

1 the responsibilities of the Temporary Receiver under this Order; providing any
2 password required to access any computer or electronic files in any medium; or
3 advising all persons who owe money to the Receivership Defendants that all debts
4 should be paid directly to the Temporary Receiver. Defendants are hereby
5 temporarily restrained and enjoined from directly or indirectly:

6 A. Transacting any of the business of the Receivership Defendants, or
7 transacting business under the name Rincon Management Services, Rincon Debt
8 Management, Rincon Filing Services, Pacific Management Recovery, Prime West
9 Management Recovery, Union Management Services, Union Filing Services,
10 National Filing Services, City Investment Services, Global Filing Services, Pacific
11 Management Recovery, or any substantially similar name;

12 B. Destroying, secreting, defacing, transferring, or otherwise altering or
13 disposing of any documents of the Receivership Defendants, including, but not
14 limited to, books, records, accounts, or any other papers of any kind or nature;

15 C. Transferring, receiving, altering, selling, encumbering, pledging,
16 assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in
17 the possession or custody of, or in which an interest is held or claimed by, the
18 Receivership Defendants, or the Temporary Receiver;

19 D. Excusing debts owed to the Receivership Defendants;

20 E. Failing to notify the Temporary Receiver of any asset, including
21 accounts, of any Receivership Defendant held in any name other than the name of
22 any Receivership Defendant, or by any person or entity other than the Receivership
23 Defendants, or failing to provide any assistance or information requested by the
24 Temporary Receiver in connection with obtaining possession, custody, or control of
25 such assets; or

26 F. Doing any act or refraining from any act whatsoever to interfere with
27 the Temporary Receiver's taking custody, control, possession, or managing of the
28 assets or documents subject to this receivership; or to harass or interfere with the

1 Temporary Receiver in any way; or to interfere in any manner with the exclusive
2 jurisdiction of this Court over the assets or documents of the Receivership
3 Defendants; or to refuse to cooperate with the Temporary Receiver or the
4 Temporary Receiver's duly authorized agents in the exercise of their duties or
5 authority under any order of this Court.

6 **XIII.**

7 **DELIVERY OF RECEIVERSHIP PROPERTY**

8 **IT IS FURTHER ORDERED** that:

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

- 14 1. All assets of the Receivership Defendants;
- 15 2. All documents of the Receivership Defendants, including, but
16 not limited to, books and records of accounts, all financial and
17 accounting records, balance sheets, income statements, bank
18 records (including monthly statements, canceled checks, records
19 of wire transfers, and check registers), client lists, title
20 documents and other papers;
- 21 3. All assets belonging to members of the public now held by the
22 Receivership Defendants; and
- 23 4. All keys and codes necessary to gain or to secure access to any
24 assets or documents of the Receivership Defendants, including,
25 but not limited to, access to their business premises, means of
26 communication, accounts, computer systems, or other property.

27 B. In the event any person or entity fails to deliver or transfer any asset or
28 otherwise fails to comply with any provision of this Section, the Temporary

1 Receiver may file, on an *ex parte* basis, an Affidavit of Non-Compliance regarding
2 the failure. Upon filing of the affidavit, the Court may authorize, without additional
3 process or demand, Writs of Possession or Sequestration or other equitable writs
4 requested by the Temporary Receiver. The writs shall authorize and direct the
5 United States Marshal or any sheriff or deputy sheriff of any county to seize the
6 asset, document, or other thing and to deliver it to the Temporary Receiver.

7 **XIV.**

8 **BANKRUPTCY PETITIONS**

9 ~~IT IS FURTHER ORDERED~~ that, in light of the asset freeze and
10 appointment of the Temporary Receiver, Defendants are hereby prohibited from
11 filing, or causing to be filed, on behalf of any of the Receivership Defendants, a
12 petition for relief under the United States Bankruptcy Code, 11 U.S.C. § 101 *et.*
13 ~~seq.~~, without prior permission from this Court.

✓

14 **XV.**

15 **TRANSFER OF FUNDS TO THE RECEIVER**

16 **IT IS FURTHER ORDERED** that, upon service of a copy of this Order, all
17 banks, broker-dealers, savings and loans, escrow agents, title companies,
18 commodity trading companies, or other financial institutions shall cooperate with
19 all reasonable requests of the Temporary Receiver relating to implementation of this
20 Order, including transferring funds at the Temporary Receiver's direction and
21 producing records related to the assets of the Receivership Defendants.

22 **XVI.**

23 **STAY OF ACTIONS**

24 **IT IS FURTHER ORDERED** that:

25 A. Except by leave of this Court, during pendency of the receivership
26 ordered herein, Defendants and all other persons and entities (except for Plaintiff)
27 are hereby stayed from taking any action to establish or enforce any claim, right, or
28 interest for, against, on behalf of, in, or in the name of: a) any of the Business

1 Entity Defendants, or b) any of their assets, or c) the Temporary Receiver or the
2 Temporary Receiver's duly authorized agents acting in their capacities as such,
3 including, but not limited to, the following actions:

4 1. Commencing, prosecuting, continuing, entering, or enforcing
5 any suit or proceeding, except that such actions may be filed to toll any applicable
6 statute of limitations;

7 2. Accelerating the due date of any obligation or claimed
8 obligation; filing or enforcing any lien; taking or attempting to take possession,
9 custody, or control of any asset; attempting to foreclose, forfeit, alter, or terminate
10 any interest in any asset, whether such acts are part of a judicial proceeding, are acts
11 of self-help, or otherwise;

12 3. Executing, issuing, serving, or causing the execution, issuance
13 or service of, any legal process, including, but not limited to, attachments,
14 garnishments, subpoenas, writs of replevin, writs of execution, or any other form of
15 process whether specified in this Order or not; or

16 4. Doing any act or thing whatsoever to interfere with the
17 Temporary Receiver taking custody, control, possession, or management of the
18 assets or documents subject to this receivership, or to harass or interfere with the
19 Temporary Receiver in any way, or to interfere in any manner with the exclusive
20 jurisdiction of this Court over the assets or documents of the Receivership
21 Defendants.

22 B. This paragraph does not stay:

23 1. The commencement or continuation of a criminal action or
24 proceeding;

25 2. The commencement or continuation of an action or proceeding
26 by a governmental unit to enforce such governmental unit's police or regulatory
27 power;

28 3. The enforcement of a judgment, other than a money judgment,

1 obtained in an action or proceeding by a governmental unit to enforce such
2 governmental unit's police or regulatory power;

3 4. The commencement of any action by the Secretary of the United
4 States Department of Housing and Urban Development to foreclose a mortgage or
5 deed of trust in any case in which the mortgage or deed of trust held by the
6 Secretary is insured or was formerly insured under the National Housing Act and
7 covers property, or combinations of property, consisting of five or more living
8 units; or

9 5. The issuance to a Receivership Defendant of a notice of tax
10 deficiency.

11 C. Except as otherwise provided in this Order, all persons and entities in
12 need of documentation from the Temporary Receiver shall in all instances first
13 attempt to secure such information by submitting a formal written request to the
14 Temporary Receiver, and, if such request has not been responded to within thirty
15 (30) days of receipt by the Temporary Receiver, any such person or entity may
16 thereafter seek an Order of this Court with regard to the relief requested.

17 **XVII.**

18 **COMPENSATION OF TEMPORARY RECEIVER**

19 **IT IS FURTHER ORDERED** that the Temporary Receiver and all
20 personnel hired by the Temporary Receiver as herein authorized, including counsel
21 to the Temporary Receiver and accountants, are entitled to reasonable compensation
22 for the performance of duties pursuant to this Order and for the cost of actual out-
23 of-pocket expenses incurred by them, from the assets now held by or in the
24 possession or control of or which may be received by the Receivership Defendants.
25 The Temporary Receiver shall file with the Court and serve on the parties periodic
26 requests for the payment of such reasonable compensation, with the first such
27 request filed no more than sixty days after the date of this Order. The Temporary
28 Receiver shall not increase the hourly rates used as the bases for such fee

1 applications without prior approval of the Court.

2 **XVIII.**

3 **RECEIVER'S BOND**

4 **IT IS FURTHER ORDERED** that the Temporary Receiver shall file with
5 the Clerk of this Court a bond in the sum of \$100,000, with sureties
6 to be approved by the Court, conditioned that the Temporary Receiver will well and
7 truly perform the duties of the office and abide by and perform all acts the Court
8 directs.

vr

9 **XIX.**

10 **DISTRIBUTION OF ORDER**

11 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a
12 copy of this Order to each of the Business Entity Defendants' affiliates, franchises,
13 subsidiaries, divisions, successors, assigns, directors, officers, managing agents,
14 employees, representatives, and independent contractors and shall, within three (3)
15 business days from the date of service of this Order, serve on Plaintiff affidavits
16 identifying the names, titles, addresses, and telephone numbers of the persons and
17 entities whom they have served pursuant to this provision. The Temporary
18 Receiver has no obligation under this provision.

19 **XX.**

20 **CREDIT REPORTS**

21 **IT IS FURTHER ORDERED** that Plaintiff may obtain credit reports
22 concerning any of the Defendants 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 **XXI.**

27 **LIMITED EXPEDITED DISCOVERY**

28 **IT IS FURTHER ORDERED** that the Commission is granted leave at any

1 time after service of this Order to:

2 A. Take the deposition of any person or entity, without limitation, for the
3 purpose of:

4 1. discovering the nature, location, status, and extent of assets of
5 any of the Defendants, including Receivership Defendants, or of their affiliates or
6 of their subsidiaries;

7 2. discovering the nature, location, status, and extent of documents
8 reflecting the business transactions of any of the Defendants; and

9 3. discovering the nature and extent of Defendants' business
10 activities.

11 B. Demand the production of documents from any person or entity
12 relating to the nature, status, location, and extent of any of the Defendants' assets,
13 and the location of any documents reflecting the Defendants' business transactions
14 or the nature and extent of Defendants' business operations.

15 Thirty-six (36) hours notice shall be deemed sufficient for any such
16 deposition and forty-eight (48) hours notice shall be deemed sufficient for the
17 production of any such documents. The limitations and conditions set forth in Fed.
18 R. Civ. P. 30(a)(2) and 31(a)(2) shall not apply to depositions taken pursuant to this
19 Section. Any such depositions taken pursuant to this Section shall not be counted
20 toward the ten-deposition limit set forth in Fed. R. Civ. P. 30(a)(2)(A) and
21 31(a)(2)(A). Service of discovery taken pursuant to this Section shall be sufficient
22 if made by facsimile or by overnight delivery.

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XXII.

CORRESPONDENCE

IT IS FURTHER ORDERED that, for the purposes of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Maricela Segura and Raymond E. McKown
Federal Trade Commission
10877 Wilshire Blvd., Suite 700
Los Angeles, CA 90024
Fax: (310) 824-4380
E-mail: msegura@ftc.gov and rmckown@ftc.gov

XXIII.

PRELIMINARY INJUNCTION HEARING

IT IS FURTHER ORDERED that Defendants Rincon Management Services, LLC also d/b/a “Rincon Debt Management,” “Rincon Filing Services,” and “Pacific Management Recovery”; Prime West Management Recovery, LLC; Union Management Services, LLC also d/b/a “Union Filing Services”; National Filing Services, LLC; City Investment Services, LLC; Global Filing Services, LLC; Pacific Management Recovery, LLC; Jason R. Begley; and Wayne W. Lunsford shall appear before this Court on the 24th day of October, 2011, at 11 o'clock a.m., to show cause, if any there be, why this Court should not enter a preliminary injunction, pending final ruling on the Complaint, against said Defendants enjoining them from violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 - 1692p, imposing such additional relief as may be appropriate, and appointing a permanent receiver over Rincon Management Services, LLC also d/b/a “Rincon Debt Management,” “Rincon Filing Services,” and “Pacific Management Recovery”; Prime West Management Recovery, LLC; Union Management Services, LLC also d/b/a “Union Filing Services”; National Filing Services, LLC; City Investment Services, LLC; Global Filing Services, LLC; and Pacific Management Recovery, LLC.

vr

IT IS FURTHER ORDERED that, in support of its application for a

1 preliminary injunction, Plaintiff may submit supplemental evidence discovered
2 subsequent to the filing of its application for a TRO, as well as a supplemental
3 memorandum. Plaintiff shall file and serve any supplemental evidence and
4 memorandum by no later than 4:30 p.m. on the sixth court day prior to the
5 preliminary injunction hearing as scheduled above. Such documents may be served
6 on each Defendant by e-mailing, faxing or delivering the document(s) to the attorney
7 for the Defendant, or, if the Defendant is not represented by counsel, to a fax number
8 or email address previously designated by the Defendant in writing to counsel for
9 Plaintiff; if the Defendant has not so designated a fax number or email address,
10 service may be effected by mailing the documents to an address designated in
11 writing by the Defendant to counsel for Plaintiff; if no address has been so
12 designated, service shall be complete upon filing of the documents with this Court.

13 **IT IS FURTHER ORDERED** that Defendants shall file and serve any
14 declarations, exhibits, memoranda or other evidence on which they intend to rely,
15 and objections to any evidence submitted by Plaintiff, by no later than 4:30 p.m. of
16 the fourth court day prior to the hearing on the preliminary injunction. Such
17 documents may be served by e-mail or fax upon Plaintiff's counsel and the
18 Temporary Receiver.

19 **IT IS FURTHER ORDERED** that Plaintiff shall file and serve any reply to
20 Defendants' opposition by no later than the second court day prior to the
21 preliminary injunction hearing.

by email or fax
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vr

22 ~~**IT IS FURTHER ORDERED** that there will be no direct examination of~~
23 ~~witnesses at the preliminary injunction hearing in this matter. Direct testimony~~
24 ~~shall be presented in the form of declarations or affidavits.~~

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25 **XXIV.**

26 **EXPIRATION**

27 **IT IS FURTHER ORDERED** that this Order shall expire as to each
28 Defendant fourteen (14) court days after entry unless, within such time, for good

1 cause shown, it is extended for a like period, or unless the Defendant consents that
2 it may be extended for a longer period and the reasons therefor are entered of
3 record.

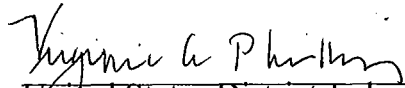
4 **XXV.**

5 **SERVICE OF THIS ORDER ON THIRD PARTIES**

6 **IT IS FURTHER ORDERED** that copies of this Order may be served by
7 any means, including facsimile transmission, upon any financial institution or other
8 entity or person that may have possession, custody, or control of any documents or
9 assets of any Defendant, or that may be subject to any provision of this Order.

10 **SO ORDERED:**

11 Dated this 11th day of October, 2011, at 5:00 o'clock ~~a.m.~~/p.m.

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14 United States District Judge
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