

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

GRAND TETON PROFESSIONALS, LLC, *et al.*,

Defendants.

FILED UNDER SEAL

Case No.

3:19 cv 933 - VAB

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

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 FTC Act, 15 U.S.C. §§ 53(b) and 57b, Section 410(b) of the Credit Repair Organizations Act ("CROA"), 15 U.S.C. § 1679h(b), Section 6(b) of the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. § 6105(b), the Consumer Review Fairness Act ("CRFA"), 15 U.S.C. § 45b, Section 108(c) of the Truth in Lending Act ("TILA"), 15 U.S.C. § 1607(c), Section 918(c) of the Electronic Fund Transfers Act ("EFTA"), 15 U.S.C. § 1693o(c), 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 Grand Teton Professionals, LLC, 99th Floor, LLC, Mait Management Inc., Demand Dynamics LLC, Atomium Corps Inc. (Wyoming), Atomium Corps Inc. (Colorado), Startup Masters NJ Inc. (Wyoming), Startup Masters NJ Inc. (New Jersey), First Incorporation Services Inc. (Wyoming), First Incorporation Services Inc. (Florida), Douglas Filter, and Marcio G. Andrade.

FINDINGS OF FACT

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

- A. This Court has jurisdiction over the subject matter of this case, and there is good cause to believe that it will have jurisdiction over all parties hereto and that venue in this district is proper.
- B. There is good cause to believe that Defendants Grand Teton Professionals, LLC, 99th Floor, LLC, Mait Management Inc., Demand Dynamics LLC, Atomium Corps Inc. (Wyoming), Atomium Corps Inc. (Colorado), Startup Masters NJ Inc. (Wyoming), Startup Masters NJ Inc. (New Jersey), First Incorporation Services Inc. (Wyoming), First Incorporation Services Inc. (Florida), Douglas Filter, and Marcio G. Andrade have engaged in and are likely to engage in acts or practices that violate Section 5 of the FTC Act, 15 U.S.C. § 45, multiple provisions of CROA, 15 U.S.C. §§ 1679-1679l, multiple provisions of the FTC's Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310, the CRFA, 15 U.S.C. § 45b, TILA, 15 U.S.C. §§ 1601-1666j, and its implementing Regulation Z, 12 C.F.R. Part 1026, and Section 907(a) of EFTA, 15 U.S.C. § 1693e(a) and its implementing Regulation E, 12 C.F.R. Part 1005, and that the FTC is therefore likely to prevail on the merits of this action.
- C. There is good cause to believe that Defendants are violating or are about to violate the FTC Act, CROA, the TSR, the CRFA, TILA and Regulation Z, and EFTA and Regulation E.
- D. There is good cause to believe that immediate and irreparable harm will result from Defendants' ongoing violations of the FTC Act, CROA, the TSR, the CRFA, TILA and

Regulation Z, and EFTA and Regulation E unless Defendants are restrained and enjoined by order of this Court.

- E. There is good cause to believe that Defendants have caused consumer harm of at least \$6,242,745.
- F. There is good cause to believe that immediate and irreparable damage to the Court's ability to grant effective final relief for consumers—including monetary restitution, rescission, disgorgement or refunds—will occur from the sale, transfer, destruction or other disposition or concealment by Defendants of their assets or records, unless Defendants are immediately restrained and enjoined by order of this Court; and that, in accordance with Fed. R. Civ. P. 65(b), the interests of justice require that this Order be granted without prior notice to Defendants. Thus, there is good cause for relieving the FTC of the duty to provide Defendants with prior notice of its Motion for a Temporary Restraining Order.
- G. Good cause exists for freezing Defendants' assets, disabling Defendants' Internet websites, permitting the FTC immediate access to the Defendants' business premises, and permitting the FTC to take expedited discovery.
- H. Weighing the equities and considering the FTC's likelihood of ultimate success on the merits, a temporary restraining order with an asset freeze, immediate access to business premises, expedited discovery, and other equitable relief is in the public interest.
- I. This Court has authority to issue this Order pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b); Federal Rule of Civil Procedure 65; and the All Writs Act, 28 U.S.C. § 1651.
- J. No security is required of any agency of the United States for issuance of a temporary restraining order. Fed. R. Civ. P. 65(c).

DEFINITIONS

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

- A. **“Asset”** means any legal or equitable interest in, right to, or claim to, any property, wherever located and by whomever held.
- B. **“Consumer”** means any Person.
- C. **“Corporate Defendants”** means Grand Teton Professionals, LLC, 99th Floor, LLC, Mait Management Inc., Demand Dynamics LLC, Atomium Corps Inc. (a Wyoming company), Atomium Corps Inc. (a Colorado company), Startup Masters NJ Inc. (a Wyoming company), Startup Masters NJ Inc. (a New Jersey company), First Incorporation Services Inc. (a Wyoming company), First Incorporation Services Inc. (a Florida company), and each of their subsidiaries, affiliates, successors, and assigns.
- D. **“Credit Repair Service”** means any service, in return for payment of money or other valuable consideration, for the express or implied purpose of: (1) improving any consumer’s credit report, credit record, credit history, credit profile, credit score, or credit rating; or (2) providing advice or assistance to any consumer with regard to any activity or service the purpose of which is to improve a consumer’s credit report, credit record, credit history, credit profile, credit score, or credit rating.
- E. **“Defendants”** means Corporate Defendants and Individual Defendants, individually, collectively, or in any combination.
- F. **“Document”** is synonymous in meaning and equal in scope to the usage of “document” and “electronically stored information” in Federal Rule of Civil Procedure 34(a), Fed. R. Civ. P. 34(a), and includes writings, drawings, graphs, charts, photographs, sound and video recordings, images, Internet sites, web pages, websites, electronic correspondence, including

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

- G. **“Electronic Data Host”** means any person or entity in the business of storing, hosting, or otherwise maintaining electronically stored information. This includes, but is not limited to, any entity hosting a website or server, and any entity providing “cloud based” electronic storage.
- H. **“Individual Defendants”** means Douglas Filter and Marcio G. Andrade, individually, collectively, or in any combination.
- I. **“Person”** means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

ORDER

PROHIBITED CREDIT REPAIR ACTIVITIES

- I. **IT IS THEREFORE ORDERED** that Defendants, Defendants’ officers, agents, employees, and attorneys, and all other persons in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or

indirectly, in connection with the advertising, marketing, promoting, or offering for sale of any Credit Repair Service, are temporarily restrained and enjoined from:

- A. Misrepresenting or assisting others in misrepresenting, expressly or by implication:
 - 1. That any Person can remove negative information or hard inquiries from any Person's credit report, credit record, credit history, credit profile;
 - 2. That any Person will add any Person as an additional authorized user to any other Person's credit card or line of credit account;
 - 3. That any Person can substantially improve any Person's credit score or credit rating;
 - 4. That any Person is or was a victim of identity theft;
 - 5. That any Person is an additional authorized user on any other Person's credit card or line of credit account; or
 - 6. Any other fact material to consumers concerning any Credit Repair Service, such as the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics;
- B. Charging or receiving money or other valuable consideration for the performance of any Credit Repair Service before such service is fully performed;
- C. Failing to provide any Person with a written statement of "Consumer Credit File Rights Under State and Federal Law," in the form and manner required by Section 405(a) of CROA, 15 U.S.C. § 1679c(a);
- D. Failing to include in contracts for any Credit Repair Service the following required terms and conditions: (a) a full and detailed description of the services to be performed for the consumer, including all guarantees of performance and an estimate of the date by which the performance of the services (to be performed by Defendants or any other Person) will

be complete or the length of the period necessary to perform such services, and (b) the specific conspicuous statement in bold face type, in immediate proximity to the space reserved for the consumer's signature on the contract, regarding the consumers' right to cancel the contracts without penalty or obligation at any time before the third business day after the date on which consumers signed the contracts;

- E. Failing to provide any Person with a separate form with the heading "Notice of Cancellation," in the form and manner required by Section 407(b) of CROA, 15 U.S.C. § 1679e(b); and
- F. Failing to provide any Person with a copy of a completed contract and all disclosures required under CROA and a copy of any other document such Person is required to sign.

PROHIBITED BUSINESS ACTIVITIES

II. IT IS THEREFORE ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or indirectly, in connection with the advertising, marketing, promoting, or offering for sale of any good or service, are temporarily restrained and enjoined from:

- A. Prohibiting any Person from speaking or publishing any truthful or non-defamatory negative comment or review about any other Person or their services, including, but not limited to, by imposing or threatening to impose a penalty or fee for speaking or publishing any truthful or non-defamatory negative comment or review about any other Person or their services;
- B. Including any provision in a form contract that (a) prohibits or restricts the ability of any Person who is a party to the form contract to make any written, oral, or pictorial review,

performance assessment of, or other similar analysis of, including by electronic means, the goods, services, or conduct of any other Person, or (b) imposes a penalty or fee against any Person for making any written, oral, or pictorial review, performance assessment of, or other similar analysis of, including by electronic means, the goods, services, or conduct of any other Person;

- C. Prohibiting any Person from exercising their rights under any statute, rule, or agreement to dispute a charge placed on their credit or debit card or withdrawal from their bank account, including, but not limited to, by imposing or threatening to impose a penalty or fee for exercising any right under any statute, rule, or agreement to dispute a charge placed on their credit or debit card or withdrawal from their bank account;
- D. Creating or causing to be created, directly or indirectly, a remotely created payment order as payment for any good or service offered or sold through telemarketing;
- E. Failing to disclose clearly and conspicuously in any advertisement for closed-end credit the amount or percentage of any downpayment, the terms of repayment (including the number of payments or period of repayment and the amount of any payment), the amount of any finance charge, and the annual percentage rate;
- F. Failing to obtain a written authorization signed or similarly authenticated from any Person before debiting such Person's bank account on a recurring basis; and
- G. Failing to provide a copy of a written authorization signed or similarly authenticated from any Person before debiting such Person's bank account on a recurring basis.

DISABLEMENT OF INTERNET WEBSITES

- III. IT IS FURTHER ORDERED** that, immediately upon service of the Order upon them and pending determination of the FTC's request for a preliminary injunction, (1) any person

hosting any Internet website for, or on behalf of, any Defendant, and (2) Defendants, their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or indirectly, shall:

- A. Immediately do whatever is necessary to ensure that any Internet website used by Defendants for the advertising, marketing, promotion, offering for sale, sale, or provision of any Credit Repair Service, or otherwise containing statements or representations prohibited by Section I of this Order, cannot be accessed by the public;
- B. Prevent the destruction or erasure of any Internet website used by Defendants for the advertising, marketing, promotion, offering for sale, sale, or provision of any Credit Repair Service, by preserving such website in the format in which they are maintained currently; and
- C. Immediately notify in writing counsel for the FTC of any other Internet website operated or controlled by any Defendant not listed in Section II.A or B above.

SUSPENSION OF INTERNET DOMAIN NAMES

- IV. IT IS FURTHER ORDERED** that, pending determination of the FTC's request for a preliminary injunction, any domain name registrar shall suspend the registration of any Internet website used by Defendants for the advertising, marketing, promotion, offering for sale, sale, or provision of any Credit Repair Service, or otherwise containing statements or representations prohibited by Section I of this Order, and provide immediate notice to counsel for the FTC of any other Internet domain names registered by Defendants, their officers, agents, employees, and attorneys, and all other persons in active concert or

participation with any of them who receive actual notice of this Order by personal service or otherwise, whether acting directly or indirectly.

PROHIBITION ON RELEASE OF CUSTOMER INFORMATION

- V. **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from:
- A. Selling, renting, leasing, transferring, or otherwise disclosing, the name, address, birth date, telephone number, email address, credit card number, bank account number, Social Security number, or other financial or identifying information of any person that any Defendant obtained in connection with any activity that pertains to the subject matter of this Order; and
 - B. Benefitting from or using the name, address, birth date, telephone number, email address, credit card number, bank account number, Social Security number, or other financial or identifying information of any person that any Defendant obtained in connection with any activity that pertains to the subject matter of this Order.
 - C. Provided, however, that Defendants may disclose such identifying information to a law enforcement agency, to their attorneys as required for their defense, as required by any law, regulation, or court order, or in any filings, pleadings or discovery in this action in the manner required by the Federal Rules of Civil Procedure and by any protective order in the case.

ASSET FREEZE

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

- A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any Assets that are:
1. owned or controlled, directly or indirectly, by any Defendant;
 2. held, in part or in whole, for the benefit of any Defendant;
 3. in the actual or constructive possession of any Defendant; or
 4. owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant.
- B. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Defendant or subject to access by any Defendant;
- C. Incurring charges or cash advances on any credit, debit, or ATM card issued in the name, individually or jointly, of any Corporate Defendant or any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Defendant or of which any Defendant is an officer, director, member, or manager. This includes any

corporate bankcard or corporate credit card account for which any Defendant is, or was on the date that this Order was signed, an authorized signor; or

- D. Cashing any checks or depositing any money orders or cash received from consumers, clients, or customers of any Defendant.
- E. The Assets affected by this Section shall include: (1) all Assets of Defendants as of the time this Order is entered; and (2) Assets obtained by Defendants after this Order is entered if those Assets are derived from any activity that is the subject of the Complaint in this matter or that is prohibited by this Order. This Section does not prohibit any repatriation of foreign Assets specifically required by this order.

DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES

- VII. IT IS FURTHER ORDERED** that any financial or brokerage institution, Electronic Data Host, credit card processor, payment processor, merchant bank, acquiring bank, independent sales organization, third party processor, payment gateway, insurance company, business entity, or person who receives actual notice of this Order (by service or otherwise) that: (a) has held, controlled, or maintained custody, through an account or otherwise, of any Document on behalf of any Defendant or any Asset that has been owned or controlled, directly or indirectly, by any Defendant; held, in part or in whole, for the benefit of any Defendant; in the actual or constructive possession of any Defendant; or owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant; (b) has held, controlled, or maintained custody, through an account or otherwise, of any Document or Asset associated with credits, debits, or charges made on behalf of any Defendant, including reserve funds held by payment

processors, credit card processors, merchant banks, acquiring banks, independent sales organizations, third party processors, payment gateways, insurance companies, or other entities; or (c) has extended credit to any Defendant, including through a credit card account, shall:

- A. Hold, preserve, and retain within its control and prohibit the withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance, disbursement, dissipation, relinquishment, conversion, sale, or other disposal of any such Document or Asset, as well as all Documents or other property related to such Assets, except by further order of this Court; provided, however, that this provision does not prohibit an Individual Defendant from incurring charges on a personal credit card established prior to entry of this Order, up to the pre-existing credit limit;
- B. Deny any person access to any safe deposit box, commercial mail box, or storage facility that is titled in the name of any Defendant, either individually or jointly, or otherwise subject to access by any Defendant;
- C. Provide FTC, within three (3) days of receiving a copy of this Order, a sworn statement setting forth, for each Asset or account covered by this Section:
 1. The identification number of each such account or Asset;
 2. The balance of each such account, or a description of the nature and value of each such Asset as of the close of business on the day on which this Order is served, and, if the account or other Asset has been closed or removed, the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom such account or other Asset was remitted; and

3. The identification of any safe deposit box, commercial mail box, or storage facility that is either titled in the name, individually or jointly, of any Defendant, or is otherwise subject to access by any Defendant; and
- D. Upon the request of FTC counsel, promptly provide FTC counsel with copies of all records or other Documents pertaining to any account covered by this Section or Asset, including originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, including wire transfers and wire transfer instructions, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and all logs and records pertaining to safe deposit boxes, commercial mail boxes, and storage facilities.
- E. Provided, however, that this Section does not prohibit any repatriation of foreign Assets specifically required by this order.

FINANCIAL DISCLOSURES AND ACCOUNTING

- VIII. IT IS FURTHER ORDERED** that each Defendant, within five (5) days of service of this Order upon them, shall prepare and deliver to FTC counsel:
- A. Completed financial statements on the forms attached to this Order as **Attachment A** (Financial Statement of Individual Defendant) for each Individual Defendant, and **Attachment B** (Financial Statement of Corporate Defendant) for each Corporate Defendant;
 - B. Completed **Attachment C** (IRS Form 4506, Request for Copy of a Tax Return) for each Individual and Corporate Defendant; and
 - C. A detailed accounting of: (1) each product advertised, marketed, promoted, offered for sale, distributed, or sold by or on behalf of Defendants since [date], including a brief

description of each product; (2) gross revenues and net profits (in U.S. dollars) obtained from the advertising, marketing, or sale of each product identified in response to section (1) above, from inception of the advertising, marketing, or sale of that product through the date of entry of this Order; and (3) the name, address, telephone number, e-mail address, website address, and contact person of each entity that: (i) supplied manufactured, formulated, or created each product identified in response to subsection (1) above; (ii) paid Defendants, whether directly or indirectly, related to Defendants' advertisement of any products; or (iii) disseminated or published an advertisement on behalf of Defendants or received payment from Defendants for arranging in or assisting in such dissemination or publication.

FOREIGN ASSET REPATRIATION

- IX. IT IS FURTHER ORDERED** that within five (5) days following the service of this Order, each Defendant shall:
- A. Provide FTC counsel with a full accounting, verified under oath and accurate as of the date of this Order, of all Assets, Documents, and accounts outside of the United States which are: (1) titled in the name, individually or jointly, of any Defendant; (2) held by any person or entity for the benefit of any Defendant or for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant;
 - B. Take all steps necessary to provide FTC counsel access to all Documents and records that may be held by third parties located outside of the territorial United States of America,

including signing the Consent to Release of Financial Records appended to this Order as **Attachment D**.

- C. Transfer to the territory of the United States and all Documents and Assets located in foreign countries which are: (1) titled in the name, individually or jointly, of any Defendant; (2) held by any person or entity for the benefit of any Defendant or for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant; and
- D. The same business day as any repatriation, (1) notify FTC counsel of the name and location of the financial institution or other entity that is the recipient of such Documents or Assets; and (2) serve this Order on any such financial institution or other entity.

NON-INTERFERENCE WITH REPATRIATION

- X. **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign Assets, or in the hindrance of the repatriation required by this Order, including, but not limited to:
 - A. Sending any communication or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a "duress" event has occurred under the terms of a foreign trust agreement until such time that all Defendants' Assets have been fully repatriated pursuant to this Order; or

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

CONSUMER CREDIT REPORTS

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

PRESERVATION OF RECORDS

- XII. **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from:
- A. Destroying, erasing, falsifying, writing over, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, Documents that relate to: (1) the business, business practices, Assets, or business or personal finances of any Defendant; (2) the business practices or finances of entities directly or indirectly under the control of any Defendant; or (3) the business practices or finances of entities directly or indirectly under common control with any other Defendant; and
- B. Failing to create and maintain Documents that, in reasonable detail, accurately, fairly, and completely reflect Defendants' incomes, disbursements, transactions, and use of Defendants' Assets.

REPORT OF NEW BUSINESS ACTIVITY

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

IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS

- XIV. IT IS FURTHER ORDERED** that:
- A. In order to allow the FTC to preserve Assets and evidence relevant to this action and to expedite discovery, the FTC, and its representatives, agents, contractors, and assistants, shall have immediate access to any business premises or storage facilities, owned, controlled, or used by the Defendants.
 - B. The FTC, and its representatives, agents, contractors, and assistants, are authorized to remove Documents from Defendants' business premises in order that they may be inspected, inventoried, and copied. The FTC shall return any removed materials to Defendants within five (5) business days of completing inventorying and copying, or such time as is agreed upon by the FTC;

- C. The FTC's access to Defendants' documents pursuant to this Section shall not provide grounds for any Defendant to object to any subsequent request for documents served by the FTC.
- D. The FTC, and its representatives, agents, contractors, and assistants, are authorized to obtain the assistance of federal, state and local law enforcement officers as they deem necessary to effect service and to implement peacefully the provisions of this Order;
- E. If any Documents, computers, or electronic storage devices containing information related to the business practices or finances of Defendants are located in the personal residence(s) of any Defendant, then, immediately upon receiving notice of this order, Defendants shall produce to the FTC all such Documents, computers, and electronic storage devices, along with any codes or passwords needed for access. In order to prevent the destruction of computer data, upon service of this Order, any such computers or electronic storage devices shall be powered down in the normal course of the operating system used on such devices and shall not be powered up or used until produced for copying and inspection. The FTC shall return any removed materials to Defendants within five (5) business days of completing inventorying and copying, or such time as is agreed upon by the FTC; and
- F. If any communications or records of any Defendant are stored with an Electronic Data Host, such Defendant shall, immediately upon receiving notice of this order or upon request of FTC counsel, take all steps necessary to provide FTC counsel access to such communications or records, which may include signing a consent for disclosure of communications or records in the form appended to this Order as **Attachment E**.

DISTRIBUTION OF ORDER BY DEFENDANTS

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

EXPEDITED DISCOVERY

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

- A. The FTC may take the deposition of parties and non-parties. Forty-eight (48) hours' notice shall be sufficient notice for such depositions. The limitations and conditions set forth in Rules 30(a)(2)(B) and 31(a)(2)(B) of the Federal Rules of Civil Procedure regarding subsequent depositions of an individual shall not apply to depositions taken pursuant to this Section. Any such deposition taken pursuant to this Section shall not be counted towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and depositions may be taken by telephone or other remote electronic means;
- B. The FTC may serve upon parties requests for production of Documents or inspection that require production or inspection within five (5) days of service, provided, however, that three (3) days of notice shall be deemed sufficient for the production of any such Documents that are maintained or stored only in an electronic format.
- C. The FTC may serve upon parties interrogatories that require response within five (5) days after the FTC serves such interrogatories;
- D. The FTC may serve subpoenas upon non-parties that direct production or inspection within five (5) days of service.
- E. Service of discovery upon a party to this action, taken pursuant to this Section, shall be sufficient if made by facsimile, email, or by overnight delivery.
- F. Any expedited discovery taken pursuant to this Section is in addition to, and is not subject to, the limits on discovery set forth in the Federal Rules of Civil Procedure and the Local Rules of this Court. The expedited discovery permitted by this Section does not require a meeting or conference of the parties, pursuant to Rules 26(d) & (f) of the Federal Rules of Civil Procedure.

SERVICE OF THIS ORDER

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

CORRESPONDENCE AND SERVICE ON THE FTC

XVIII. IT IS FURTHER ORDERED that, for the purpose of this Order, all correspondence and service of pleadings on the FTC shall be addressed to: Gregory A. Ashe and Ioana R. Gorecki, Federal Trade Commission, 600 Pennsylvania Avenue NW, Room CC-10232, Washington, D.C. 20580, email: gashe@ftc.gov and igorecki@ftc.gov.

PRELIMINARY INJUNCTION HEARING

XIX. IT IS FURTHER ORDERED that, pursuant to Fed. R. Civ. P. 65(b), Defendants shall appear before this Court on the 28th day of June, 2019, at 915 Lafayette Blvd., 11:30, at the United States Courthouse, Courtroom 2, Bridgeport, Connecticut, to show cause, if there is any, why this Court should not enter a preliminary injunction, pending final ruling on the Complaint against Defendants, enjoining the

violations of the law alleged in the Complaint, continuing the freeze of their Assets, and imposing such additional relief as may be appropriate.

BRIEFS AND AFFIDAVITS CONCERNING PRELIMINARY INJUNCTION

XX. IT IS FURTHER ORDERED that:

- A. Defendants shall file with the Court and serve on FTC counsel any answering pleadings, affidavits, motions, expert reports or declarations, or legal memoranda no later than two (2) days prior to the order to show cause hearing scheduled pursuant to this Order. The FTC may file responsive or supplemental pleadings, materials, affidavits, or memoranda with the Court and serve the same on counsel for Defendants no later than one (1) day prior to the order to show Cause hearing. Provided that such affidavits, pleadings, motions, expert reports, declarations, legal memoranda or oppositions must be served by personal or overnight delivery, facsimile or email, and be received by the other party or parties no later than 5:00 p.m. (Eastern Daylight Time) on the appropriate dates set forth in this Section.
- B. An evidentiary hearing on the FTC's request for a preliminary injunction is not necessary unless Defendants demonstrate that they have, and intend to introduce, evidence that raises a genuine and material factual issue. The question of whether this Court should enter a preliminary injunction shall be resolved on the pleadings, declarations, exhibits, and memoranda filed by, and oral argument of, the parties. Live testimony shall be heard only on further order of this Court. Any motion to permit such testimony shall be filed with the Court and served on counsel for the other parties at least five (5) days prior to the preliminary injunction hearing in this matter. Such motion shall set forth the name, address, and telephone number of each proposed witness, a detailed summary or affidavit

