

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 06-20168 - CIV

U.S. District Judge Altonaga / U.S. Magistrate Judge Turnoff

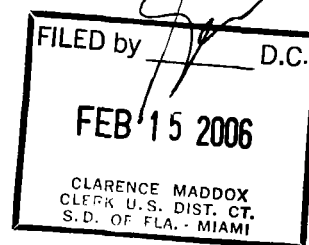
FEDERAL TRADE COMMISSION,

Plaintiff

v.

REMOTE RESPONSE CORPORATION,
et. al.,

Defendants.



**STIPULATED PRELIMINARY INJUNCTION WITH ASSET FREEZE,
APPOINTMENT OF PERMANENT RECEIVERS, AND OTHER EQUITABLE RELIEF**

Whereas Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), having filed its Complaint for a permanent injunction and other relief in this matter, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101 *et seq.*, the Electronic Fund Transfer Act (“EFTA”), 15 U.S.C. §§ 1693-1693r and Section 205.10(b) of Regulation E, 12 C.F.R. § 205.10(b) (“ Regulation E”), and this Court having granted Plaintiff’s motion for an *ex parte* Temporary Restraining Order pursuant to Rule 65 of the Federal Rules of Civil Procedure on January 23, 2006, and appointed Temporary Receivers.

WHEREAS, Defendants all have been served with the Summons and Complaint, and having been advised by counsel, have agreed to the entry of this Stipulated Preliminary Injunction with Asset Freeze, Appointment of Permanent Receivers, and Other Equitable Relief, without waiving any privilege or the right to contest this matter on the merits and without, at this time, admitting or denying the facts alleged in the Complaint other than the findings of this Court set forth below; and

WHEREAS, Plaintiff Federal Trade Commission, through its counsel, has agreed to the entry of this Stipulated Preliminary Injunction with Asset Freeze, Appointment of Permanent Receivers, and Other Equitable Relief;

The Court now being fully advised of the premises based on the pleadings, declarations, and exhibits previously filed in this matter and based on this stipulation, hereby **ORDERS, ADJUDGES, AND DECREES** as follows:

1. This Court has jurisdiction of the subject matter of this case, and there is good cause to believe it will have jurisdiction and venue over all parties.
2. Plaintiff has demonstrated good cause to believe that the defendants Remote Response Corporation (“Remote Response”) (also doing business as Amerikash, Global-Amerikash, Instant Way, and Amerikhealth), Instant Way Corporation (“Instant Way”), Alberto Salama (“Salama”) and German Espitia (“Espitia”) (collectively “Defendants”) have engaged and are likely to engage in unfair or deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), violations of the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and violations of Section 907(a) of the EFTA, 15 U.S.C. § 1693e(a) and Section 205.10(b) of

Regulation E, 12 C.F.R. § 205.10(b), and that the Commission is, therefore, likely to prevail on the merits of this action.

3. The complaint states a claim for which relief may be granted.
4. The entry of this Order, as set forth below, is in the public interest.
5. No security is required of any agency of the United States for the issuance of a preliminary injunction. Fed. R. Civ. P. 65.
6. By this stipulation, Defendants waive their right to a Preliminary Injunction hearing before this Court and waive all rights to seek judicial review or otherwise to challenge or contest the validity of this Stipulated Preliminary Injunction with Asset Freeze, Appointment of Permanent Receivers, and Other Equitable Relief.

DEFINITIONS

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

1. “Assets” means any legal or equitable interest in, right to, or claim to, any real and personal property, including, but not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, premises, mail or other deliveries, shares of stock, lists of consumer names, inventory, checks, notes, accounts, credits, receivables, funds, and all cash, wherever located.
2. “Defendants” means Remote Response (also doing business as Amerikash, Global-Amerikash, Instant Way, and Amerikhealth), Instant Way, Alberto Salama and German Espitia , each of them, by whatever names each might be known, as well as their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other

persons or entities directly or indirectly under their control or under common control with them, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device.

3. “Document” is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio, and video recordings, computer records, and other data compilations from which the information can be obtained and translated, if necessary, into reasonably usable form through detection devices. A draft or non-identical copy is a separate document within the meaning of the term.

4. “Plaintiff” means the Federal Trade Commission.

5. “Receivership Defendants” means Remote Response (also doing business as Amerikash, Global-Amerikash, and Instant Way) and Instant Way, their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other persons or entities directly or indirectly under their control or under common control with them, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device.

6. “Telemarketing” means any plan, program or campaign (whether or not covered by the TSR) that is conducted to induce the purchase of goods or services or charitable contribution by means of the use of one or more telephones.

7. “Upselling” means soliciting the purchase of goods or services following an initial transaction during a single telephone call. The upsell is a separate telemarketing transaction, not a continuation of the initial transaction. An “external upsell” is a solicitation made by or on behalf of a seller different from the seller in the initial transaction, regardless of whether the initial transaction and the subsequent solicitation are made by the same telemarketer. An “internal upsell” is a solicitation made by or on behalf of the same seller as in the initial transaction, regardless of whether the initial transaction and subsequent solicitation are made by the same telemarketer.

8. “Free-to-pay conversion” means, in an offer or agreement to sell or provide any goods or services, a provision under which a customer receives a product or service for free for an initial period and will incur an obligation to pay for the product or service if her or she does not take affirmative action to cancel before the end of that period.

9. “Electronic fund transfer” means the transfer of funds, other than a transaction originated by a check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, direct deposits or withdrawals of funds, and transfers initiated by telephone. Such term does not include--

- A any check guarantee or authorization service which does not directly result in a debit or credit to a consumer’s account:
- B. any transfer of funds, other than those processed by automated clearinghouse, made by a financial institution on behalf of a consumer by means of a service that

transfers funds held at either Federal Reserve banks or other depository institutions and which is not designed primarily to transfer funds on behalf of a consumer;

- C. any transaction the primary purpose of which is the purchase or sale of securities or commodities through a broker-dealer registered with or regulated by the Securities and Exchange Commission;
- D. any automatic transfer from a savings account to a demand deposit account pursuant to an agreement between a consumer and a financial institution for the purpose of covering an overdraft or maintaining an agreed upon minimum balance in the consumer's demand deposit account; or
- E. any transfer of funds which is initiated by a telephone conversation between a consumer and an officer or employee of a financial institution which is not pursuant to a prearranged plan and under which periodic or recurring transfers are not contemplated;

as determined under regulations of the Board of Governors of the Federal Reserve System.

10. "Preauthorized electronic fund transfer" means an electronic fund transfer authorized in advance to recur at substantially regular intervals.

GENERAL CONDUCT PROHIBITIONS

I.

IT IS THEREFORE ORDERED that, in connection with the advertising, promotion, offering, or sale of goods or services by telephone, television or radio, on or through the Internet, the World Wide Web, any web site, or otherwise in commerce, Defendants are hereby

preliminarily restrained and enjoined from making, or assisting or facilitating others in making, any false or misleading representation, expressly or by implication, orally, visually or in writing, of any material fact, including, but not limited to, that:

A. After paying Defendants a fee, consumers will, or are highly likely to, receive a credit card, debit card, ATM card, or a stored value card bearing the MasterCard name or logo or any other name or logo or a discount health card; or

B. Consumers will receive any specified products or services at no charge; or

C. The products or services consumers purchase or receive from Defendants can be used in the manner specified and bear the characteristics Defendants' describe them as having; or

D. Any product or service Defendants offer or agree to sell on a free-to-pay conversion basis, including but not limited to the Amerikhealth discount health plan, provides consumers a free-trial period, during which they may use the product or service and at any time during which they may cancel their agreement to purchase the product or service and they will not be charged; and

E. If consumers agree to an offer or agreement to sell by Defendants of any product or service on a free-to-pay conversion basis, including but not limited to the Amerikhealth discount health plan, consumers will timely receive the product or service and such cards or information as is necessary to use the product or service and to determine, prior to the expiration of the offered free trial period, whether they wish to keep or cancel the offered product or service; and

F. If consumers agree to an offer or agreement to sell by Defendants of a product or service on a free-to-pay conversion basis, including but not limited to the Amerikhealth discount

health membership plan, consumers can cancel their agreement to purchase such product or service in the manner prescribed by Defendants; and

G. If consumers agree to an offer or agreement to sell by Defendants of a product or service on a free-to-pay conversion basis, including but not limited to the Amerikhealth discount health membership plan, consumers will not be charged for the product or service if they cancel in the manner prescribed by Defendants; and

H. Consumers who do not cancel a product or service offered or agreed to be sold by Defendants on a free-to-pay conversion basis in the manner prescribed by Defendants (including but not limited to consumers of the Amerikhealth discount health membership plan who do not cancel the offered plan in the manner prescribed by Defendants) and consumers who agree to purchase any product or service offered or agreed to be sold by Defendants on any basis other than a free-to-pay conversion basis, will be charged for that product or service in the amount and on the basis or frequency clearly and conspicuously described by Defendants to consumers; and

I. Consumers who reject or decline an offer or agreement to sell by Defendants of a product or service, including but not limited to the Amerikhealth discount health plan, will not be charged for such product or service.

II.

IT IS FURTHER ORDERED that, in connection with any offer or agreement to sell any product or service on a free-to-pay conversion basis, including but not limited to the Amerikhealth discount health membership plan, Defendants are hereby temporarily restrained and enjoined from causing consumers' bank accounts to be electronically debited or credit or debit card accounts to be charged:

- A. After consumers decline or reject Defendants' offer or agreement to sell such product or service;
- B. Prior to receipt by the consumers of such the product or service and such cards or information as is necessary to use the product or service and to determine whether they wish to keep or cancel the offered product or service:
- C. Prior to expiration of the stated free-trial period;
- D. After consumers have cancelled the offer or agreement to purchase the product or service in the manner prescribed by Defendants; or
- E. If Defendants act in any way that, directly or indirectly, inhibits or thwarts the consumer's ability to cancel the offer or agreement to purchase the product or service in the manner prescribed by Defendants.

TSR VIOLATIONS

III.

IT IS FURTHER ORDERED that, in connection with telemarketing, Defendants are hereby preliminarily restrained and enjoined from:

- A. Misrepresenting, directly or by implication, the nature or terms of the seller's refund, cancellation, exchange, or repurchase policies, as prohibited by the TSR, 16 C.F.R. § 310.3(a)(2)(iv); and
- B. Misrepresenting, directly or by implication, any material aspect of a negative option feature including, but not limited to, the fact that the customer's account will be charged unless the customer takes an affirmative action to avoid the charge(s), the date(s) the charges(s)

will be submitted for payment, and the specific steps the customer must take to avoid the charges(s), as prohibited by 16 C.F.R. § 310.3(a)(2)(ix); and

C. Causing billing information to be submitted for payment, or collecting or attempting to collect payment for goods or services, including but not limited to for the Amerikhealth discount health member plan, directly or indirectly, without the customer's express verifiable authorization or providing substantial assistance or support to a telemarketer or seller when knowing or consciously avoiding knowing that a telemarketer or seller is causing billing information to be submitted for payment, or collecting or attempting to collect payment for goods or services, directly or indirectly, without the customer's express verifiable authorization, as prohibited by 16 C.F.R. § 310.3(a)(3) ; and

D. Causing billing information to be submitted for payment, directly or indirectly, including but not limited to in connection with the Amerikhealth discount health plan, without the express informed consent of the customer, and in any telemarketing transaction involving preacquired account information and a free-to-pay conversion feature, including but not limited to in connection with the Amerkihealth discount health plan, without obtaining from customers, at a minimum, the last (4) digits of the account number to be charged; obtaining from customers their express agreement to be charged for the goods or services and to be charged using the account number for which the last (4) digits are provided; and making and maintaining an audio recording of the entire telemarketing transaction, as prohibited by 16 C. F. R. § 310.4(a)(6)(i); and

E. Providing substantial assistance or support to any seller or telemarketer when the person knows or consciously avoids knowing that a seller or telemarketer is engaged in any act or practice that violates the TSR, as prohibited by 16 C.F.R. § 310.3(b).

EFTA VIOLATIONS

IV.

IT IS FURTHER ORDERED that in connection with the sale of any product or service to consumers, including but not limited to the Amerikhealth discount health plan, Defendants are hereby preliminarily restrained and enjoined from debiting consumer's bank accounts on a recurring basis without obtaining the consumer's written and signed or similarly authenticated authorization for preauthorized electronic fund transfers from their accounts, as prohibited by the Electronic Fund Transfer Act and Regulation E, including but not limited to Section 907(a) of the EFTA, 15 U.S.C. § 1693e(a); Section 205.10(b) of Regulation E, 12 C.F.R. § 205.10(b).

CUSTOMER LISTS

V.

IT IS FURTHER ORDERED that Defendants are hereby preliminarily restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, credit card number, debit card number, bank account number, e-mail address, or other identifying information of any person who paid any money to any Defendant, at any time prior to entry of this Order, in connection with the telemarketing, advertising, promoting, offering for sale, and selling of advance-fee MasterCard. Provided, however, that Defendants may disclose such identifying information to a law enforcement agency or as required by any law, regulation, or court order. Defendants are also hereby temporarily restrained and enjoined

from making any use of their own customer lists in any business, whether or not related to the present action.

ASSET FREEZES

VI.

IT IS FURTHER ORDERED that the Defendants are hereby preliminarily restrained and enjoined from:

A. Transferring, converting, encumbering, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, or otherwise disposing of any funds, credit instruments, real or personal property, accounts, contracts, lists of consumer names, shares of stock, or other assets, wherever located, including outside the United States, other than to make transfers to any Receiver appointed herein, that are: (1) owned or controlled by any Defendant, in whole or in part; (2) titled or held in the name, singly or jointly, of any Defendant; (3) in the actual or constructive possession of any Defendant; (4) owned, controlled by, or in the actual or constructive possession of any corporation, partnership, trust, or other entity directly or indirectly owned, managed, or controlled by or under common control with any Defendant, including, but not limited to, any assets held by or for, or subject to access by, any Defendant at any bank or savings and loan institution, or with any broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, or other financial institution or depository of any kind.

B. Opening or causing to be opened any safe deposit box titled, singly or jointly, in the name of any Defendant, or subject to access by any Defendant;

C. Collecting, opening, or causing to be collected or opened, any mail directed to or for the benefit of either corporate Defendant or received by or on behalf of either corporate

Defendant or their agents, at any address, including but not limited to: 11000 N.W. 32nd Avenue, Miami, Florida, 33167; 1545 Washington Avenue, Miami Beach, Florida, 33139; 4441 Magnolia Ridge Drive, Weston, Florida, 33331; 401 Holliday Dr., Hallandale, Florida 33009; 2540 Hunters Runway, Weston, Florida 33327; 4474 Weston Rd., Davie, Florida 33331; and CI Gastelbondo 2101, Cartagena, BL(sic) and failing to turn over any such mail to the Receiver;

D. Incurring charges or cash advances on any credit card issued in the name, singly or jointly, of any Defendant;

E. Obtaining a secured loan or any other loan that would encumber any asset that currently is: (1) owned or controlled by any Defendant, in whole or in part; (2) titled or held in the name, singly or jointly, of any Defendant; (3) in the actual or constructive possession of any Defendant; (4) owned, controlled by, or in the actual or constructive possession of any corporation, partnership, trust, or other entity directly or indirectly owned, managed, or controlled by or under common control with any Defendant or (5) or was derived from the proceeds of the conduct alleged in the Complaint;

F. Incurring liens or other encumbrances on real property, personal property, or other assets in the name, singly or jointly, of any Defendant.

Notwithstanding the provisions of this Paragraph VI:

(1) Defendants Salama and Espitia may, upon compliance with Paragraphs VIII, X, XII and XIII, be granted a one time release of funds or assets subject to this Order in the amount of \$5,000 from their personal accounts, provided that within two (2) days of any such withdrawal, Defendants provide counsel for the Commission with documentation evidencing the

withdrawal(s) and identifying by name and number the account(s) from which any such withdrawal is made;

(2) the funds or assets that are subject to this Paragraph VI shall include both existing funds and assets and funds and assets acquired after the date of this Order; *provided* however that Defendants may retain and spend such assets acquired after the date of this Order that were not or are not derived, directly or indirectly, from the use of telemarketing, any website, or mail directed at United States consumers in connection with or the advertising, promotion, offering or sale of credit cards, debit cards, ATM cards, stored value cards, phone cards, travel or gas coupons, vacation rewards or discount packages, or discount health card plans or cards; *and provided further* that upon request of counsel for the Commission or the Receivers and under penalty of perjury, Defendants shall report the source, amount and disposition of any after acquired assets or funds; and

(3) Defendants shall make such transfers as are directed by the Receivers appointed by this Court, or as otherwise ordered by this Court upon proper showing and after notice to counsel for the Commission.

**RETENTION OF ASSETS AND RECORDS
HELD BY THIRD PARTIES**

VII.

IT IS FURTHER ORDERED that, until further order of this Court, any financial or brokerage institution, business entity, or person that receives a copy of this Order (by facsimile or by other means), that holds, controls, or maintains custody of any account or asset of any Defendant, or has held, controlled or maintained custody of any such account or asset at any time since at least March 2004, shall:

A. Prohibit Defendants from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling, or otherwise disposing of any such account or asset except as directed by further order of the Court;

B. Deny the Defendants access to any safe deposit box that is:

1. Titled in the name of any of the Defendants, either individually or jointly;

or

2. Otherwise subject to access by any of the Defendants, either individually

or jointly;

C. If they have not already done so, provide counsel for the Commission and the Receivers, within five (5) business days of receiving a copy of this Order, a sworn statement setting forth:

1. The identification number and description of each such account or asset titled in the name, individually or jointly, of the Defendants, or held on behalf of, or for the benefit of, any Defendant;

2. The balance of each such account, or a description of the nature and value of 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 that is either titled in the name, individually or jointly, of any Defendant, or otherwise subject to access by any Defendant; and

D. Upon the request of any of the Receivers or counsel for the Commission, promptly provide the Receivers and counsel for the Commission with copies of all records or other documentation pertaining to such account or asset of any Defendant, including but not limited to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs. Any such financial institution, account custodian, or other aforementioned entity shall arrange for counsel for the Commission and the Receivers to obtain copies of any such sought records, *provided* that such institution or custodian may charge a reasonable fee not to exceed the rate set forth in the Right to Financial Privacy Act; and

E. Cooperate with all requests of the Receivers relating to implementation of this Order, including transferring funds or other assets at a Receiver's direction and producing records related to the accounts of any Defendant.

**REPATRIATION OF ASSETS AND RECORDS
LOCATED IN FOREIGN COUNTRIES
VIII.**

IT IS FURTHER ORDERED that the Defendants shall:

A. Unless previously provided, within forty-eight (48) hours following the service of this Order, take such steps as are necessary to transfer to the territory of the United States of America all assets that are located outside of such territory and are held by or for the Defendants or are under their direct or indirect control, jointly, severally, or individually and all documents that relate or refer to or reflect such assets or that relate or refer to any of the allegations of, or defenses to, the Complaint;

B. Unless previously provided, within forty-eight (48) hours following the service of this Order, provide counsel for the Commission and the Temporary Receiver with a full accounting of all documents and assets that are located outside of the territory of the United States of America and are held by or for the benefit of Defendants or are under their direct or indirect control, whether jointly, severally, or individually;

C. Hold and retain all transferred documents and assets and prevent any transfer, disposition, or dissipation whatsoever of any such assets or funds; and

D. Provide counsel for the Commission with access to records and documents of the Defendants held by financial institutions outside the territory of the United States of America, by signing and delivering to Plaintiff Commission the Consent to Release of Financial Records attached hereto as Attachment A within forty-eight (48) hours of service of this Order.

INTERFERENCE WITH REPATRIATION

IX.

IT IS FURTHER ORDERED that the Defendants are hereby preliminarily 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 the *preceding* Paragraph VIII of this Order, including but not limited to:

A. Sending any statement, letter, fax, e-mail or wire transmission, telephoning 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 assets have been fully repatriated pursuant to the *preceding* Paragraph VIII of this Order;

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 assets have been fully repatriated pursuant to the *preceding* Paragraph VIII of this Order.

IMMEDIATE PRODUCTION OF DOCUMENTS AND TANGIBLE THINGS

X.

IT IS FURTHER ORDERED that:

A. Unless already provided, Defendants Salama and Espitia shall within twenty-four (24) hours of the entry of this Order produce to the Receivers at the addresses set forth at Paragraph XVI, all documents and tangible things at the residences owned by Defendants Salama and Espitia, including but not limited to at 4441 Magnolia Ridge Drive, Weston, Florida, 33331, 401 Holiday Drive, Hallandale, Florida 33009, 2540 Hunters Runway, Weston, Florida 33327, that refer or relate to any (1) credit card, debit card, ATM card, or a stored value card bearing the MasterCard name or logo or any other name or logo or a discount health card advertised, marketed, promoted, offered for sale, distributed or sold by Defendants; (2) any business relationship between Defendants and any other business entity; (3) Defendants' financial status, including but not limited to, the nature or location of any bank account, safe deposit box, or other asset of Defendants; (4) any transaction, correspondence or other communication by or between any consumer and Defendants or any of their representatives, employees, agents, officers, servants, or assistants; and (5) any action, correspondence or other communication by or between any law enforcement agency, consumer group, or Better Business Bureau and Defendants or their representatives, employees, agents, officers, servants, or assistants. If Defendants have no such

documents or tangible things they shall promptly serve upon counsel for the Commission and upon the Receivers an affidavit stating that no such documents or tangible things exist at such locations. Defendants shall be precluded from using in any further proceeding in this case, directly or indirectly, any document or tangible thing within Defendants' possession, custody, or control at the time of service of this Order that is not produced pursuant to this Section X.

B. Defendants and any other person served with a copy of this Order shall permit the Receiver, the Commission and their employees, agents, representatives and assistants immediate access to the Defendants' business premises and commercial storage facilities, including but not limited to all such premises located at: 11000 N.W. 32nd Avenue, Miami, Florida, 33167; 1545 Washington Avenue, Miami Beach, Florida, 33139; Cl Gastelbondo 2101, Cartagena, BL(sic), and all telemarketing or other sales offices, branch offices, commercial mailboxes, post office boxes or other offices or facilities used by the Defendants' business, whether owned, controlled or used by any Defendant in whole or in part, including but not limited to 4474 Weston Dr., Davie, Florida 33331. The purpose of this access shall be to inspect and copy materials relevant to this action and to inventory the assets and documents of the Defendants including, but not limited to:

1. Documents evidencing, referring to, or relating to each Defendant's financial status, including but not limited to, the nature or location of any bank account, safe deposit box, or any other asset of any Defendant;

2. Documents evidencing, referring to, or relating to the telemarketing, advertising, promoting, offering for sale, and selling of any credit card, debit card, ATM card, or stored value card bearing the MasterCard name or logo or any other name or logo or a discount

health card, for an advance-fee to consumers, and any correspondence, transaction, or other communication by or between any consumer and any Defendant or any of their representatives, employees, agents, or officers; and

3. Documents evidencing, referring to, or relating to any correspondence, action, or other communication by or between any consumer group, law enforcement agency, or Better Business Bureau and any Defendant or their representatives, employees, agents, or officers.

The Defendants shall provide counsel for the Commission and the Receiver with all necessary means of access to these documents, including, without limitation, keys, lock combinations, and computer access codes. Plaintiff may remove materials from the Defendants' business premises so they may be inspected, inventoried, and copied, so long as all such documents are returned in the same condition as when they were taken, and returned to the offices from which they were taken within five (5) business days of completing said inventory and copying. In no event shall Plaintiff retain the materials longer than ten (10) business days.

EXPEDITED DISCOVERY

XI.

IT IS FURTHER ORDERED that the Commission and the Receivers are granted leave to conduct certain expedited discovery, and that, commencing with the time and date of this Order, in lieu of the time periods, notice provisions, and other requirements of Rules 26, 30, 34, and 45 of the Federal Rules of Civil Procedure, expedited discovery shall proceed as follows:

A. Pursuant to Fed. R. Civ. P. 30, the Commission may take depositions upon oral examination concerning the nature, location, status, and extent of Defendants' assets; the status

and location of documents reflecting Defendants' business transactions; and compliance with this Order, on five (5) days notice of any such deposition. Depositions may be taken Monday through Saturday. Deposition transcripts that have not been signed by the witness may be used for purposes of any emergency hearing encompassing the scope of this certain expedited discovery.

Provided, that this Subparagraph permitting expedited deposition discovery concerning the nature, location, status, and extent of Defendants' assets, the status and location of documents reflecting Defendants' business transactions, and compliance with this Order, shall not be construed in any manner to preclude Plaintiff's right to take subsequent depositions of the same witnesses on the merits of this action.

Provided, further, that any deposition taken pursuant to this Subparagraph is in addition to, and not subject to, the presumptive limits on depositions set forth in Fed. R. Civ. P. 30(a)(2)(A) and (B).

B. Pursuant to Fed. R. Civ. P. 34(b), Defendants shall produce all documents and tangible things requested by the Commission within five (5) days of service of such request, with production of documents made to Commission counsel at the address listed in Paragraph XII. B., or to such other person or place as counsel for the Commission may direct in writing.

Provided, that, in the event any of Defendants' documents have been removed from Defendants' premises by, and are in the possession of another law enforcement or investigative agency, the Commission may have immediate access to such documents for purposes of inspection, indexing, and copying, subject to the agency consenting to access by the Commission.

Provided, further, that this Subparagraph shall extend to parties and non-parties.

FINANCIAL REPORTS

XII.

IT IS FURTHER ORDERED that unless previously provided, by no later than twenty (20) days from the date of entry of this Order, Defendants shall each prepare and deliver to this Court, to the Receiver, and to counsel for the Commission:

A. Completed financial statements on the forms attached to this Order as Attachments B and C, for each individual Defendant and for each corporate Defendant, and for each business entity (whether or not incorporated) under which they conduct any business, or of which any Defendant is an owner or officer, and for each trust of which any Defendant is a trustee. The financial statements shall be accurate as of the date of entry of this Order; and

B. All current accountants' reports; all federal tax returns filed since January 1, 2004, documents indicating title to real or personal property; and other indicia of ownership that are now in any of the Defendants' actual or constructive possession.

Defendants shall serve copies of all such materials on the Commission, by hand, by facsimile transmission, or by overnight delivery service to the attention of counsel for the Commission Angela Floyd, at Federal Trade Commission, 601 New Jersey Avenue, N.W., NJ. 2122, Washington, D.C. 20001 (facsimile transmission to (202) 326-2559);

C. A statement setting forth all gross revenues obtained from the sale of each product or service that is the subject of the Complaint, stated separately for each such product or service, from March 2004 through the date of the issuance of this Order;

D. A statement setting forth all net profits obtained from the sale of each product or service that is the subject of the Complaint, stated separately for each such product or service, from March 2004 through the date of the issuance of this Order;

E. A statement setting forth the total amount of each product and each service that Defendants sold that is the subject of the Complaint, stated separately for each such product or service; and

F. A report consisting of the full names, addresses, telephone numbers, of all purchasers of each product or service sold, stated separately for each, and the amount each purchaser paid for such product or service.

**IDENTIFYING INFORMATION RELATING TO
ACCOUNTANTS, FINANCIAL PLANNERS, INVESTMENT ADVISORS,
STOCK BROKERS AND OTHERS**

XIII.

IT IS FURTHER ORDERED that unless they have already done so, the Defendants, within forty-eight (48) hours after service of this Order, shall provide counsel for the Commission and the Receiver: (1) the name, address and telephone number for each accountant, financial planner, investment advisor, stock broker or other individual, corporation or partnership whom they hired for personal advice or services, including but not limited to preparation of tax returns and investment advice, since ; and (2) the name, address and telephone number for each accountant, financial planner, investment advisor, stockbroker or other individual, corporation or partnership who was hired on behalf of Defendants since January 1, 2004.

RECORD KEEPING

XIV.

IT IS FURTHER ORDERED that Defendants are hereby preliminarily restrained and enjoined from:

A. Failing to create and maintain documents that, in reasonable detail, accurately, fairly, and completely reflect their incomes, disbursements, transactions, and use of money;

B Destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any contracts, accounting data, correspondence, advertisements, computer tapes, disks, or other computerized or electronic records, 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, copies of federal, state, or local business or personal income or property tax returns, and other documents or records of any kind which relate to the business practices or business or personal finances of the Defendants; and

C. Creating, operating, or exercising any control over any business entity, including any partnership, limited partnership, joint venture, sole proprietorship, corporation, or limited liability company, without first providing counsel for the Commission 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, managing members, and employees; and (4) a detailed description of the business entity's intended activities.

DISTRIBUTION OF ORDER BY DEFENDANTS

XV.

IT IS FURTHER ORDERED that unless they have already done so, each Defendant shall immediately provide a copy of this Order to each affiliate, subsidiary, division, sales entity, successor, assign, officer, director, employee, independent contractor, agent, attorney, and representative of the Defendant, and shall, within seven (7) days from the date of entry of this Order, provide counsel for the Commission and the Receiver with a sworn statement that the Defendant has complied with this provision of the Order, which statement shall include the names and addresses of each such person or entity who received a copy of this Order. The Receiver has no obligation under this Paragraph.

CONTINUATION OF THE RECEIVERS AS PERMANENT RECEIVERS

XVI.

IT IS FURTHER ORDERED that Gerald B. Wald, Esq. of Murai, Wald, Biondo, Moreno & Brochin, Two Alhambra Plaza, Penthouse 1B, Coral Gables, Florida 33134, who was appointed as Temporary Receiver for the Receivership Defendant Remote Response Corporation shall continue as Permanent Receiver for Remote Response Corporation and Jane W. Moscovitz, Esq. of Moscovitz, Moscovitz & Magolnick, Mellon Financial Center, 1111 Brickell Avenue, Suite 2050, Miami, Florida 33131, who was appointed by the Court as Temporary Receiver for Defendant Instant way shall continue as Permanent Receiver for Instant Way Corp., each with the full power of an equity receiver for the Receivership Defendants, and all funds, properties, premises, accounts and other assets directly owned by the Receivership Defendants. The Permanent Receivers (hereinafter referred to as the "Receivers") shall be solely the agents of this Court in acting as Receivers under this Order. Each Receiver shall be accountable directly

to this Court. The Receivers shall comply with all Local Rules of this Court governing receivers.

RECEIVERSHIP DUTIES AND AUTHORITY

XVII.

IT IS FURTHER ORDERED that each Receiver is directed and authorized to accomplish in connection with the Receivership Defendant to whom that Receiver is assigned the following:

A. Assume full control of the Receivership Defendant by removing, as the Receiver deems necessary or advisable, any director, officer, independent contractor, employee, or agent of the Receivership Defendant, including any Defendant, from control of, management of, or participation in, the affairs of the business of the Receivership Defendant and manage and administer the business of the Receivership Defendant until such further Order of this Court by performing all incidental acts that the Receiver deems to be advisable or necessary, which includes retaining or hiring any employees, independent contractors or agents;

B. Collect, marshal, and take exclusive custody, control and possession of all funds, property, books and records, accounts, mail, and other assets and documents of, or in the possession, custody, under the control of, or for the benefit of, the Receivership Defendant, wherever situated, including but not limited to, 11000 N.W. 32nd Avenue, Miami, Florida, 33167; 1545 Washington Avenue, Miami Beach, Florida, 33139; 4441 Magnolia Ridge Drive, Weston, Florida, 33331; 401 Holliday Dr., Hallandale, Florida 33009; 4474 Weston Rd., Davie, Florida 33331; 2540 Hunters Runway, Weston, Florida 33327; and Cl Gastelbondo 2101, Cartagena, BL(sic). The Receiver's authority to collect any and all mail relating to the affairs of the

Receivership Defendants in the possession, custody, or under the control of, the Defendants, shall extend to mail in the possession of third parties. The Receiver shall have full power to change mailing addresses of the Receivership. The Receiver shall have full power to change any locks on any real or personal property of the Receivership Defendant. The Receiver shall have full power to divert mail, sue for, collect, receive and take possession of all goods, chattels, rights, credits, moneys, effects, land, leases, books, records, work papers, and records of accounts, including computer-maintained information, and other papers and documents of the Receivership Defendant, including documents related to customers or clients whose interest are now held by or under the direction, possession, custody or control of any Defendant or under the control of any third party for the benefit of the Receivership Defendant. The Receiver shall assume control over the income and profits therefrom and all sums of money now or hereafter due or owing to the Receivership Defendant. *Provided, however,* the Receiver shall not attempt to collect any amount from a consumer if the Receiver believes or the Commission asserts that the consumer was a victim of the deceptive acts or practices alleged in the Complaint in this matter, without prior Court approval;

C. Take all steps necessary to secure the business premises of the Receivership Defendant, including but not limited to all such premises located at 11000 N.W. 32nd Avenue, Miami, Florida, 33167; 1545 Washington Avenue, Miami Beach, Florida, 33139; 4474 Weston Rd., Davie, Florida 33331; and Cl Gastelbondo 2101, Cartagena, BL(sic). Such steps may include, but are not limited to, the following, as the Receiver deems necessary or advisable: (1) serving and filing this Order, (2) completing a written inventory of all Receivership assets, (3) obtaining pertinent information from all employees and other agents of the Receivership

Defendants, including, but not limited to, the name, home address, social security number, job description, method of compensation, and all accrued and unpaid commissions and compensation of each such employee or agent, (4) photographing or videotaping all portions of the business premises, (5) securing the business premises by changing the locks and disconnecting any computer modems or other means of access to the computer or other records maintained there, (6) disconnecting any computer modems or other means of access to the computer or other records maintained at the business premises, or (7) requiring any persons present on the premises at the time this Order is served to vacate the premises, to provide the Receiver with proof of identification, or to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises documents or assets of the Receivership Defendants. Law enforcement personnel, including but not limited to, U.S. Postal Inspection Service officers, local police or sheriffs, may assist the Receiver in implementing these provisions in order to keep the peace and maintain security;

D. Conserve, hold, and manage all Receivership assets, and perform all acts necessary or advisable to preserve the value of those assets, in order to prevent any irreparable loss, damage, or injury to consumers or to creditors of the Receivership Defendants, including, but not limited to, obtaining an accounting of the assets and preventing transfer, withdrawal, or misapplication of assets;

E. Enter into contracts, cancel or void contracts, and purchase insurance as advisable or necessary, including, but not limited to, (1) the retention and employment of investigators, attorneys or accountants of the Receiver's choice, including, without limitation, members and employees of the Receiver's firm, to assist, advise and represent the Receiver, and (2) the

movement and storage of any equipment, furniture, records, files, or other physical property of the Receivership Defendant;

F. Prevent the inequitable distribution of assets and to determine, adjust, and protect the interests of consumers and creditors who have transacted business with the Receivership Defendant;

G. Have the *sole* legal authority to hire legal counsel on behalf of the Receivership Defendant; and

H. Make payments and disbursements from the Receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by the business Receivership Defendant prior to the date of entry of this Order, except payments that the Receiver deems necessary or advisable to secure assets of the Receivership Defendant, such as rental payments;

I. Institute, prosecute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings in state, federal or foreign courts that the Receiver deems necessary and advisable to preserve or recover the assets of the Receivership Defendant or that the Receiver deems necessary and advisable to carry out the Receiver's mandate under this Order;

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

K. Issue subpoenas to obtain documents and records pertaining to the Receivership, and conduct discovery in this action on behalf of the Receivership estate;

L. Open one or more bank accounts as designated depositories for funds of the Receivership Defendant. The Receiver shall deposit all funds of the Receivership Defendant in such a designated account and shall make all payments and disbursements from the Receivership estate from such an account;

M. Maintain accurate records of all receipts and expenditures that he or she makes as Receiver;

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

COOPERATION WITH THE RECEIVERS

XVIII.

IT IS FURTHER ORDERED that Defendants shall fully cooperate with and assist the Receivers. Defendants' cooperation and assistance shall include, but not be limited to, providing any information to a Receiver that the Receiver deems necessary to exercising the authority and discharging the responsibilities of the Receiver under this Order; providing any password or entry code required to access any computer or electronic files in any medium; or advising all persons who owe money to the Receivership Defendant that all debts should be paid directly to the Receiver. Defendants are hereby restrained and enjoined from directly or indirectly:

A. Transacting any of the business of the Receivership Defendants;

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

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

D. Excusing debts owed to the Receivership Defendants;

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

F. Doing any act or refraining from any act whatsoever to interfere with the Receivers taking custody, control, possession, or managing of the assets or documents subject to these Receiverships; or to harass or interfere with the Receivers in any way; or to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership Defendants; or to refuse to cooperate with the Receivers or the Receivers' duly authorized agents in the exercise of their duties or authority under this Order.

DELIVERY OF RECEIVERSHIP PROPERTY

XIX.

IT IS FURTHER ORDERED that:

A. Immediately upon service of this Order upon them, or within a period permitted by the Receiver, Defendants or any other person or entity served with a copy of this Order, shall forthwith or within such time as permitted by the Receiver in writing, transfer or deliver possession, custody, and control of the following to the Receiver:

1. All assets owned beneficially or otherwise, wherever situated, of the Receivership Defendant;
2. All documents of the Receivership Defendant, including, but not limited to, books and records of accounts, all financial and accounting records, balance sheets, income statements, bank records (including monthly statements, canceled checks, records of wire transfers, and check registers), client lists, title documents and other papers;
3. All assets belonging to members of the public now held by the Defendant;
4. All keys, computer passwords, entry codes and combination locks necessary to gain or to secure access to any assets or documents of the Receivership Defendant, including, but not limited to, access to their business premises, means of communication, accounts, computer systems, or other property;
5. Information identifying the accounts, employees, properties or other assets or obligations of the Receivership Defendant.
6. Records sufficient to show the total number of advance-fee Mastercards and health discount membership plans sold by Defendants; and
7. Records sufficient to show the names, addresses, and phone numbers of each person who purchased an advanced-fee MasterCard and each person who purchased a discount health membership plan, whether directly from one or more of the Defendants or

through a broker or other entity, and the total dollar amount of money received from each purchaser.

B. In the event any person or entity fails to deliver or transfer any asset or otherwise fails to comply with any provision of this Paragraph, the Receiver may file an Affidavit of Non-Compliance regarding such failure. Upon filing of the affidavit, the Court may authorize, without additional process or demand, Writs of Possession or Sequestration or other equitable writs requested by the Receiver. The writs shall authorize and direct the United States Marshal or any sheriff or deputy sheriff of any county (pursuant to Federal Rule of Civil Procedure 4(c)(2)) to seize the asset, document, or other thing and to deliver it to the Receiver.

BANKRUPTCY PETITIONS

XX.

IT IS FURTHER ORDERED that Defendants are hereby prohibited from filing, or causing to be filed, a petition for relief under the United States Bankruptcy Code, 11 U.S.C. §101 *et seq.*, on behalf of Receivership Defendants, without prior written permission from this Court.

TRANSFER OF FUNDS TO THE RECEIVER

XXI.

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

STAY OF ACTIONS

XXII.

IT IS FURTHER ORDERED that:

A. Except by leave of this Court, during the pendency of the Receiverships, ordered herein, Receivership Defendants and all vendors, principals, investors, creditors, stockholders, lessors, and all other persons and entities seeking to establish or enforce any claim, right, or interest for, against, on behalf of, in, or in the name of, any of the Receivership Defendants, and all others acting for or on behalf of such persons, including attorneys, trustees, agents, sheriffs, constables, marshals, and other officers and their deputies, and their respective attorneys, servants, agents and employees, be and are hereby stayed from:

1. Commencing, prosecuting, continuing, entering, or enforcing any suit or proceeding against any of the Receivership Defendants, except that such actions may be filed to toll any applicable statute of limitations;

2. Commencing, prosecuting, continuing, or entering any suit or proceeding in the name of or on behalf of any of the Receivership Defendants;

3. Accelerating the due date of any obligation or claimed obligation; filing or enforcing any lien; taking or attempting to take possession, custody, or control of any asset of the Receivership Defendants; attempting to foreclose, forfeit, alter, or terminate any of the Receivership Defendants' interest in any asset, including without limitation, the establishment, granting, or perfection of any security interest, whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise;

4. Using self-help, executing, issuing, serving, or causing the execution, issuance or service of, any legal process, including, but not limited to, attachments, garnishments, subpoenas, writs of replevin, writs of execution, or any other form of process whether specified in this Order or not for the purpose of impounding or taking possession of or interfering with, or creating or enforcing a lien upon, any assets of any of the Receivership Defendants or the Receivers appointed by this Order or any agent appointed by said Receivers; and

5. Taking any action or doing anything whatsoever to interfere with a Receiver taking custody, control, possession or management of the assets or documents subject to the Receivership, or to interfere in any way with a Receiver, or to harass or interfere with the duties of a Temporary Receiver, or to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership Defendant or their subsidiaries or affiliates;

B. This Paragraph does not stay:

1. The commencement or continuation of a criminal action or proceeding;
2. The commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;
3. The enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power, including execution on any security interest in favor of the Federal Trade Commission; or
4. The issuance to a Defendant of a notice of tax deficiency; and

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

COMPENSATION OF RECEIVERS

XXIII.

IT IS FURTHER ORDERED that the Receivers and all personnel hired by the Receivers as herein authorized, including counsel to the Receivers and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the assets now held by, or in the possession or control of, or which may be received by the Receivership Defendants. Said fees and out-of-pocket expenses shall be paid prior to any monetary relief that may be rewarded by this Court to purchasers of Defendants' MasterCards or discount health membership plans. The Receivers shall each file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, which shall exclude the costs of filing and service, with the first such request filed no more than sixty (60) days after the date of this Order. The Receivers shall not increase the hourly rates used as the bases for such fee applications without prior approval of the Court and without prior notice to counsel for the Commission.

WITHDRAWAL OF RECEIVERS

XXIV.

IT IS FURTHER ORDERED that the Receivers and any professional retained by the Receivers, including but not limited to his or her attorneys and accountants, be and are hereby authorized to withdraw from their respective appointments or representations at any time after the date of this Order, for any reason in their sole and absolute discretion, by sending written notice seven (7) days prior to the date the Receiver intends to withdraw to the Court and to the parties; and such Receiver and professionals shall be relieved of all liabilities and responsibilities seven (7) days from the date of such notice or withdrawal. The written notice shall include an interim report indicating the Receiver's actions and reflect its knowledge gained. The report shall also contain the Receiver's recommendations, if any.

RECEIVER'S BOND

XXV.

IT IS FURTHER ORDERED that each Receiver shall file with the Clerk of this Court within seven (7) days of entry of this Order, a bond in the sum of \$10,000, with sureties to be approved by the Court, conditioned that the Receiver will well and truly perform the duties of the office and abide by and perform all acts the Court directs.

CONSUMER CREDIT REPORTS

XXVI.

IT IS FURTHER ORDERED that the Commission may obtain credit reports concerning any Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act,

15 U.S.C. § 1681b(1), and that upon written request, any credit reporting agency from which such reports are requested shall provide them to the Commission.

USE OF ALIASES

XXVII.

IT IS FURTHER ORDERED that Defendants are hereby enjoined from using any fictitious, false, or assumed title or name, other than their own proper name, or otherwise misrepresenting their true identities in the course of business dealings or in publicly filed documents.

STATUS OF TEMPORARY RESTRAINING ORDER AND DURATION OF PRELIMINARY INJUNCTION XXVIII.

IT IS FURTHER ORDERED that the provisions of the Stipulated Preliminary Injunction supercede and replace this Court's *Ex Parte* Temporary Restraining Order With Asset Freezes Appointment of Receivers, Immediate Access to Defendants' Business Premises Expedited Discovery, and Order to Show Cause Why A Preliminary Injunction Should Not Issue dated January 23, 2006 and the Order Granting Joint Motion To Extend Ex Parte Temporary Restraining Order With Asset Freezes, Appointment of Receivers, Immediate Access to Defendants' Business Premises, Expedited Discovery, and Order to Show Cause Why A Preliminary Injunction Should Not Issue entered by the Court on January 30, 2006. The Stipulated Preliminary Injunction granted herein shall remain in effect until further order of this Court.

RETENTION OF JURISDICTION

XXIX.

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for all purposes.

SO ORDERED, this 15 day of February, 2006, at 10:00am.

Cecil M. Alford
UNITED STATES DISTRICT JUDGE

**ATTACHMENTS TO THE STIPULATED PRELIMINARY INJUNCTION WITH
ASSET FREEZE, APPOINTMENT OF PERMANENT RECEIVERS, AND OTHER
EQUITABLE RELIEF**

ATTACHMENT A

ATTACHMENT A
Consent to Release of Financial Records

I, ALBERTO SALAMA, do hereby direct any bank, trust company, or financial institution at which I have an account, and their officers, employees, and agents to disclose all information and deliver copies of all documents of every nature in their possession or control that relate to any such accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of the *Federal Trade Commission v. Remote Response Corp.*, Case No. _____, now pending in the United States District Court for the Southern District of Florida, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States that restrict or prohibit the disclosure of financial information without the consent of the holder of the account, or its officers, and shall be construed as consent with respect thereto.

Dated: _____, 2006

Name

ATTACHMENT A
Consent to Release of Financial Records

I, GERMAN ESPITIA, do hereby direct any bank, trust company, or financial institution at which I have an account, and their officers, employees, and agents to disclose all information and deliver copies of all documents of every nature in their possession or control that relate to any such accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of the *Federal Trade Commission v. Remote Response Corp.*, Case No. _____, now pending in the United States District Court for the Southern District of Florida, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States that restrict or prohibit the disclosure of financial information without the consent of the holder of the account, or its officers, and shall be construed as consent with respect thereto.

Dated: _____, 2006

Name

ATTACHMENT A
Consent to Release of Financial Records

I, _____, an officer, director, or managing member of Instant Way Corporation, do hereby direct any bank, trust company, or financial institution at which Instant Way Corporation has an account, and their officers, employees, and agents to disclose all information and deliver copies of all documents of every nature in their possession or control that relate to any such accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of the *Federal Trade Commission v. Remote Response Corp.*, Case No. _____, now pending in the United States District Court for the Southern District of Florida, and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States that restrict or prohibit the disclosure of financial information without the consent of the holder of the account, or its officers, and shall be construed as consent with respect thereto.

Dated: _____, 2006

Name

Title

ATTACHMENT B

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

Instructions:

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

Penalty for False Information:

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

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

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

BACKGROUND INFORMATION

Item 1. Information About You

Your Full Name _____ Social Security No. _____

Place of Birth _____ Date of Birth _____ Drivers License No. _____

Current Address _____ From (Date) _____

Rent or Own? _____ Telephone No. _____ Facsimile No. _____

E-Mail Address _____ Internet Home Page _____

Previous Addresses for past five years:

Address _____ Rent or Own? _____ From/Until _____

Address _____ Rent or Own? _____ From/Until _____

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

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

Spouse/Companion's Name _____ Social Security No. _____

Place of Birth _____ Date of Birth _____

Identify any other name(s) and/or social security number(s) your spouse/companion has used, and the time period(s) during which they were used _____

Address (if different from yours) _____

From (Date) _____ Rent or Own? _____ Telephone No. _____

Employer's Name and Address _____

Job Title _____ Years in Present Job _____ Annual Gross Salary/Wages \$ _____

Item 3. Information About Your Previous Spouse

Previous Spouse's Name & Address _____

_____ Social Security No. _____ Date of Birth _____

Item 4. Contact Information

Name & Address of Nearest Living Relative or Friend _____

Telephone No. _____

Item 5. Information About Dependents Who Live With You

▶Name _____ Date of Birth _____

Relationship _____ Social Security No. _____

▶Name _____ Date of Birth _____

Relationship _____ Social Security No. _____

▶Name _____ Date of Birth _____

Relationship _____ Social Security No. _____

Item 6. Information About Dependents Who Do Not Live With You

▶Name & Address _____

Date of Birth _____ Relationship _____ Social Security No. _____

▶Name Address _____

Date of Birth _____ Relationship _____ Social Security No. _____

▶Name & Address _____

Date of Birth _____ Relationship _____ Social Security No. _____

Item 7. Employment Information

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

▶Company Name & Address _____

Dates Employed: From (Month/Year) _____ To (Month/Year) _____

Positions Held with Beginning and Ending Dates _____

Item 7. continued

Income Received: This year-to-date: \$ _____ : \$ _____
20____ : \$ _____ : \$ _____
_____ : \$ _____ : \$ _____

Company Name & Address _____

Dates Employed: From (Month/Year) _____ To (Month/Year) _____

Positions Held with Beginning and Ending Dates _____

Income Received: This year-to-date: \$ _____ : \$ _____
20____ : \$ _____ : \$ _____
_____ : \$ _____ : \$ _____

Company Name & Address _____

Dates Employed: From (Month/Year) _____ To (Month/Year) _____

Positions Held with Beginning and Ending Dates _____

Income Received: This year-to-date: \$ _____ : \$ _____
20____ : \$ _____ : \$ _____
_____ : \$ _____ : \$ _____

Item 8. Pending Lawsuits Filed by You or Your Spouse

List all pending lawsuits that have been filed by you or your spouse in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in Items 16 and 25).

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 9. Pending Lawsuits Filed Against You or Your Spouse

List all pending lawsuits that have been filed against you or your spouse in court or before an administrative agency. (List

lawsuits that resulted in final judgments or settlements in Items 16 and 25).

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 10. Safe Deposit Boxes

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

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

Item 11. Business Interests

List all businesses for which you, your spouse, or your dependents are an officer or director.

•Business' Name & Address _____

Business Format (e.g., corporation) _____ Description of Business _____

_____ Position(s) Held, and By Whom _____

•Business' Name & Address _____

Business Format (e.g., corporation) _____ Description of Business _____

_____ Position(s) Held, and By Whom _____

•Business' Name & Address _____

Business Format (e.g., corporation) _____ Description of Business _____

_____ Position(s) Held, and By Whom _____

FINANCIAL INFORMATION: ASSETS AND LIABILITIES

REMINDER: "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or elsewhere, whether held individually or jointly.

Item 12. Cash, Bank, and Money Market Accounts

List cash and all bank and money market accounts, including but not limited to, checking accounts, savings accounts, and certificates of deposit, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents. The term "cash" includes currency and uncashed checks.

Cash on Hand \$ _____ Cash Held For Your Benefit \$ _____

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

Item 13. U.S. Government Securities

List all U.S. Government securities, including but not limited to, savings bonds, treasury bills, and treasury notes, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

<u>Name on Account</u>	<u>Type of Obligation</u>	<u>Security Amount</u>	<u>Maturity Date</u>
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

Item 14. Publicly Traded Securities and Loans Secured by Them

List all publicly traded securities, including but not limited to, stocks, stock options, registered and bearer bonds, state and municipal bonds, and mutual funds, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Issuer _____ Type of Security _____ No. of Units Owned _____

Name on Security _____ Current Fair Market Value \$ _____ Loan(s) Against Security \$ _____

Broker House, Address _____ Broker Account No. _____

► Issuer _____ Type of Security _____ No. of Units Owned _____

Name on Security _____ Current Fair Market Value \$ _____ Loan(s) Against Security \$ _____

Broker House, Address _____ Broker Account No. _____

Item 15. Other Business Interests

List all other business interests, including but not limited to, non-public corporations, subchapter-S corporations, limited liability corporations ("LLCs"), general or limited partnership interests, joint ventures, sole proprietorships, and oil and mineral leases, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Business Format _____ Business' Name & Address _____

_____ Ownership % _____

Owner (e.g., self, spouse) _____ Current Fair Market Value \$ _____

► Business Format _____ Business' Name & Address _____

_____ Ownership % _____

Owner (e.g., self, spouse) _____ Current Fair Market Value \$ _____

Item 16. Monetary Judgments or Settlements Owed to You, Your Spouse, or Your Dependents

List all monetary judgments or settlements owed to you, your spouse, or your dependents.

► Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

► Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 17. Other Amounts Owed to You, Your Spouse, or Your Dependents

List all other amounts owed to you, your spouse, or your dependents.

Debtor's Name, Address, & Telephone No. _____

Original Amount Owed \$ _____ Current Amount Owed \$ _____ Monthly Payment \$ _____

Item 18. Life Insurance Policies

List all life insurance policies held by you, your spouse, or your dependents.

►Insurance Company's Name, Address, & Telephone No. _____

Insured _____ Beneficiary _____ Face Value \$ _____

Policy No. _____ Loans Against Policy \$ _____ Surrender Value \$ _____

►Insurance Company's Name, Address, & Telephone No. _____

Insured _____ Beneficiary _____ Face Value \$ _____

Policy No. _____ Loans Against Policy \$ _____ Surrender Value \$ _____

Item 19. Deferred Income Arrangements

List all deferred income arrangements, including but not limited to, deferred annuities, pensions plans, profit-sharing plans, 401(k) plans, IRAs, Keoghs, and other retirement accounts, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

►Name on Account _____ Type of Plan _____ Date Established _____

Trustee or Administrator's Name, Address & Telephone No. _____

Account No. _____ Surrender Value \$ _____

►Name on Account _____ Type of Plan _____ Date Established _____

Trustee or Administrator's Name, Address & Telephone No. _____

Account No. _____ Surrender Value \$ _____

Item 20. Personal Property

List all personal property, by category, whether held for personal use or for investment, including but not limited to,

furniture and household goods of value, computer equipment, electronics, coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

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

Item 21. Cars, Trucks, Motorcycles, Boats, Airplanes, and Other Vehicles

List all cars, trucks, motorcycles, boats, airplanes, and other vehicles owned or operated by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Vehicle Type _____ Make _____ Model _____ Year _____

Registered Owner's Name _____ Registration State & No. _____

Address of Vehicle's Location _____

Purchase Price \$ _____ Current Value \$ _____ Account/Loan No. _____

Lender's Name and Address _____

Original Loan Amount \$ _____ Current Loan Balance \$ _____ Monthly Payment \$ _____

► Vehicle Type _____ Make _____ Model _____ Year _____

Registered Owner's Name _____ Registration State & No. _____

Address of Vehicle's Location _____

Purchase Price \$ _____ Current Value \$ _____ Account/Loan No. _____

Lender's Name and Address _____

Original Loan Amount \$ _____ Current Loan Balance \$ _____ Monthly Payment \$ _____

Item 21. Continued

► Vehicle Type _____ Make _____ Model _____ Year _____

Registered Owner's Name _____ Registration State & No. _____

Address of Vehicle's Location _____

Purchase Price \$ _____ Current Value \$ _____ Account/Loan No. _____

Lender's Name and Address _____

Original Loan Amount \$ _____ Current Loan Balance \$ _____ Monthly Payment \$ _____

Item 22. Real Property

List all real estate held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

•Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Acquisition Date _____ Purchase Price \$ _____ Current Value \$ _____

Basis of Valuation _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

•Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Acquisition Date _____ Purchase Price \$ _____ Current Value \$ _____

Basis of Valuation _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Item 23. Credit Cards

List each credit card held by you, your spouse, or your dependents. Also list any other credit cards that you, your spouse, or your dependents use.

<u>Name of Credit Card (e.g., Visa, MasterCard, Department Store)</u>	<u>Account No.</u>	<u>Name(s) on Account</u>	<u>Current Balance</u>	<u>Minimum Monthly Payment</u>
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____
			\$ _____	\$ _____

Item 24. Taxes Payable

List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependants.

<u>Type of Tax</u>	<u>Amount Owed</u>	<u>Year Incurred</u>
	\$ _____	_____
	\$ _____	_____
	\$ _____	_____
	\$ _____	_____

Item 25. Judgments or Settlements Owed

List all judgments or settlements owed by you, your spouse, or your dependents.

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Item 26. Other Loans and Liabilities

List all other loans or liabilities in your, your spouse's, or your dependents' names.

•Name & Address of Lender/Creditor _____

Nature of Liability _____ Name(s) on Liability _____

Date of Liability _____ Amount Borrowed \$ _____ Current Balance \$ _____

Payment Amount \$ _____ Frequency of Payment _____

•Name & Address of Lender/Creditor _____

Nature of Liability _____ Name(s) on Liability _____

Date of Liability _____ Amount Borrowed \$ _____ Current Balance \$ _____

Payment Amount \$ _____ Frequency of Payment _____

OTHER FINANCIAL INFORMATION

Item 27. Tax Returns

List all federal tax returns that were filed during the last three years by or on behalf of you, your spouse, or your dependents. *Provide a copy of each signed tax return that was filed during the last three years.*

<u>Tax Year</u>	<u>Name(s) on Return</u>	<u>Refund Expected</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

Item 28. Applications for Credit

List all applications for bank loans or other extensions of credit that you, your spouse, or your dependents have submitted within the last two years. *Provide a copy of each application, including all attachments.*

<u>Name(s) on Application</u>	<u>Name & Address of Lender</u>
_____	_____
_____	_____
_____	_____

Item 29. Trusts and Escrows

List all funds or other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. Also list all funds or other assets that are being held in trust or escrow by you, your spouse, or your dependents, for any person or entity. *Provide copies of all executed trust documents.*

<u>Trustee or Escrow Agent's Name & Address</u>	<u>Date Established</u>	<u>Grantor</u>	<u>Beneficiaries</u>	<u>Present Market Value of Assets</u>
				\$ _____
				\$ _____
				\$ _____
				\$ _____
				\$ _____

Item 30. Transfers of Assets

List each person to whom you have transferred, in the aggregate, more than \$2,500 in funds or other assets during the previous three years by loan, gift, sale, or other transfer. For each such person, state the total amount transferred during that period.

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

SUMMARY FINANCIAL SCHEDULES

Item 31. Combined Balance Sheet for You, Your Spouse, and Your Dependents

<u>ASSETS</u>		<u>LIABILITIES</u>	
Cash on Hand (Item 12)	\$ _____	Credit Cards (Item 23)	\$ _____
Cash in Financial Institutions (Item 12)	\$ _____	Motor Vehicles - Liens (Item 21)	\$ _____
U.S. Government Securities (Item 13)	\$ _____	Real Property - Encumbrances (Item 22)	\$ _____
Publicly Traded Securities (Item 14)	\$ _____	Loans Against Publicly Traded Securities (Item 14)	\$ _____
Other Business Interests (Item 15)	\$ _____	Taxes Payable (Item 24)	\$ _____
Judgments or Settlements Owed to You (Item 16)	\$ _____	Judgments or Settlements Owed (Item 25)	\$ _____
Other Amounts Owed to You (Item 17)	\$ _____	Other Loans and Liabilities (Item 26)	\$ _____
Surrender Value of Life Insurance (Item 18)	\$ _____	<u>Other Liabilities (Itemize)</u>	
Deferred Income Arrangements (Item 19)	\$ _____	_____	\$ _____
Personal Property (Item 20)	\$ _____	_____	\$ _____
Motor Vehicles (Item 21)	\$ _____	_____	\$ _____
Real Property (Item 22)	\$ _____	_____	\$ _____
<u>Other Assets (Itemize)</u>		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
Total Assets	\$ _____	Total Liabilities	\$ _____

Item 32. Combined Average Monthly Income and Expenses for You, Your Spouse, and Your Dependents for the Last 6 Months

Provide the average monthly income and expenses for you, your spouse, and your dependents for the last 6 months. Do not include credit card payments separately; rather, include credit card expenditures in the appropriate categories.

<u>INCOME</u>		<u>EXPENSES</u>	
Salary - After Taxes	\$ _____	Mortgage Payments for Residence(s)	\$ _____
Fees, Commissions, and Royalties	\$ _____	Property Taxes for Residence(s)	\$ _____
Interest	\$ _____	Rental Property Expenses, Including Mortgage Payments, Taxes, and Insurance	\$ _____
Dividends and Capital Gains	\$ _____	Car or Other Vehicle Lease or Loan Payments	\$ _____
Gross Rental Income	\$ _____	Food Expenses	\$ _____
Profits from Sole Proprietorships	\$ _____	Clothing Expenses	\$ _____
Distributions from Partnerships, S-Corporations, and LLCs	\$ _____	Utilities	\$ _____
Distributions from Trusts and Estates	\$ _____	Medical Expenses, Including Insurance	\$ _____
Distributions from Deferred Income Arrangements	\$ _____	Other Insurance Premiums	\$ _____
Social Security Payments	\$ _____	Other Transportation Expenses	\$ _____
Alimony/Child Support Received	\$ _____	Other Household Expenses	\$ _____
Gambling Income	\$ _____	<u>Other Expenses (Itemize)</u>	
<u>Other Income (Itemize)</u>		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
Total Income	\$ _____	Total Expenses	\$ _____

ATTACHMENTS

Item 33. Documents Attached to this Financial Statement

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

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

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

Executed on:

(Date)

Signature

ATTACHMENT C

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

Instructions:

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

Penalty for False Information:

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

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

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

BACKGROUND INFORMATION

Item 1. General Information

Corporation's Full Name _____

Primary Business Address _____ From (Date) _____

Telephone No. _____ Fax No. _____

E-Mail Address _____ Internet Home Page _____

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

Address _____ From/Until _____

Address _____ From/Until _____

Address _____ From/Until _____

All predecessor companies for past five years:

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Item 2. Legal Information

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

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

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

If Dissolved: Date dissolved _____ By Whom _____

Reasons _____

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

Item 3. Registered Agent

Name of Registered Agent _____

Address _____ Telephone No. _____

Item 4. Principal Stockholders

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

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

Item 5. Board Members

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

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

Item 6. Officers

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

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

Item 7. Businesses Related to the Corporation

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

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

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

Item 8. Businesses Related to Individuals

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

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

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

Item 9. Related Individuals

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

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

Item 10. Outside Accountants

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

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

Item 11. Corporation's Recordkeeping

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

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

Item 12. Attorneys

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

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

Item 13. Pending Lawsuits Filed by the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 14. Current Lawsuits Filed Against the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 15. Bankruptcy Information

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

Commencement Date _____ Termination Date _____ Docket No. _____

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

Disposition _____

Item 16. Safe Deposit Boxes

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

Owner's Name Name & Address of Depository Institution Box No.

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FINANCIAL INFORMATION

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

Item 17. Tax Returns

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

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

Item 18. Financial Statements

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

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

Item 19. Financial Summary

For each of the last three complete fiscal years and for the current fiscal year-to-date for which the corporation has not provided a profit and loss statement in accordance with Item 17 above, provide the following summary financial information.

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

Item 20. Cash, Bank, and Money Market Accounts

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

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

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

Item 21. Government Obligations and Publicly Traded Securities

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

Issuer _____ Type of Security/Obligation _____

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

Issuer _____ Type of Security/Obligation _____

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

Item 22. Real Estate

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Item 23. Other Assets

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

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

Item 24. Trusts and Escrows

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

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

Item 25. Monetary Judgments and Settlements Owed To the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 26. Monetary Judgments and Settlements Owed By the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 27. Government Orders and Settlements

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

Name of Agency _____ Contact Person _____

Address _____ Telephone No. _____

Agreement Date _____ Nature of Agreement _____

Item 28. Credit Cards

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

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

Item 29. Compensation of Employees

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

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

Item 30. Compensation of Board Members and Officers

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

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

Item 31. Transfers of Assets Including Cash and Property

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

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

Item 32. Documents Attached to the Financial Statement

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

<u>Item No.</u>	<u>Document Relates To</u>	<u>Description of Document</u>
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I am submitting this financial statement with the understanding that it may affect action by the Federal Trade Commission or a federal court. I have used my best efforts to obtain the information requested in this statement. The responses I have provided to the items above are true and contain all the requested facts and information of which I have notice or knowledge. I have provided all requested documents in my custody, possession, or control. I know of the penalties for false statements under 18 U.S.C. § 1001, 18 U.S.C. § 1621, and 18 U.S.C. § 1623 (five years imprisonment and/or fines). I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on:

(Date)

Signature

Corporate Position