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SEALED

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Federal Trade Commission,
Plaintiff,

vs.

Premier Nationwide Corporation, an Arizona
Corporation, d.b.a. Premier Savings; and
Eric C. Synstad,
Defendants.

Civil No.

CIV '12 000 9 PHX GMS

PROPOSED EX PARTE
TEMPORARY
RESTRAINING ORDER
WITH ASSET FREEZE,
LIMITED EXPEDITED
DISCOVERY, AND AN
ORDER TO SHOW
CAUSE WHY A
PRELIMINARY
INJUNCTION SHOULD
NOT ISSUE

Plaintiff Federal Trade Commission ("FTC" or "Commission"), having filed its Complaint for a Permanent Injunction and Other Equitable 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, and having moved for an *ex parte* Temporary Restraining Order and other relief pursuant to Rule 65 of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 65, and the Court having considered the Complaint, declarations, exhibits, and memorandum of law filed in support thereof, and now being advised in the premises, finds that:

1 “goods,” “instruments,” “equipment,” “fixtures,” “general intangibles,”
2 “inventory,” “checks,” or “notes” (as these terms are defined in the Uniform
3 Commercial Code), lines of credit, chattels, leaseholds, contracts, mail or other
4 deliveries, shares of stock, lists of consumer names, accounts, credits, premises,
5 receivables, funds, and all cash, wherever located.

6 2. **“Clear and conspicuous”** means: (1) if presented in writing, the
7 information shall be in type size and location sufficient for an ordinary
8 consumer to read and comprehend it, and shall be disclosed in a manner that
9 would be easily recognizable and understandable in language and syntax to an
10 ordinary consumer. If the information is contained in a multi-page print
11 document, the disclosure shall appear on the first page; (2) if presented orally,
12 the information shall be disclosed in a volume, cadence, and syntax sufficient
13 for an ordinary consumer to hear and comprehend; and (3) nothing contrary to
14 any information disclosed shall be imparted at or near the time of the
15 disclosure. Further, a subsequent disclosure made orally or in writing only
16 limits or qualifies a prior disclosure and cannot cure a false claim.

17 3. **“Corporate Defendant”** refers to Premier Nationwide
18 Corporation, d.b.a. Premier Savings, and its successors and assigns, as well as
19 any subsidiaries, and any fictitious business entities or business names created
20 or used by these entities, or any of them.

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

27 5. **“Defendants”** means the Individual Defendant and Corporate
28 Defendant, individually, collectively, or in any combination.

1 6. **“Document” or “Documents”** means any materials listed in
2 Federal Rule of Civil Procedure 34(a) and includes writings, drawings, graphs,
3 charts, photographs, audio and video recordings, computer records, digital
4 records, and other data compilations from which information can be obtained
5 and translated, if necessary, into reasonably usable form through detection
6 devices. A draft or nonidentical copy is a separate Document within the
7 meaning of the term.

8 7. **“Financial Institution”** means any bank, savings and loan
9 institution, credit union, or any financial depository of any kind, including, but
10 not limited to, any brokerage house, trustee, broker-dealer, escrow agent, title
11 company, commodity trading company, or precious metal dealer.

12 8. **“Individual Defendant”** means Eric C. Synstad.

13 9. **“Mail”** includes but is not limited to all envelopes, papers, or
14 other items delivered, whether by United States Mail, United Parcel Service,
15 Federal Express, or similar delivery service.

16 10. **“Material”** means likely to affect a person’s choice of, or
17 conduct regarding, goods or services.

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

22 12. **“Telemarketer”** means any person who, in connection with
23 telemarketing, initiates or receives telephone calls to or from a customer or
24 donor. 16 C.F.R. § 310.2(bb).

25 13. **“Telemarketing”** means a plan, program, or campaign (whether
26 or not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310), which is
27 conducted to induce the purchase of goods or services or a charitable
28 contribution by use of one or more telephones.

CONDUCT PROHIBITIONS

I. Prohibition Against Misrepresentations of Material Facts and Violations of the Telemarketing Sales Rule

IT IS THEREFORE ORDERED that Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, or any of them, in connection with the telemarketing, advertising, promoting, marketing, proposed sale, or sale of any product or service, are hereby restrained and enjoined from:

A. Misrepresenting, directly or indirectly, expressly or by implication, any material fact, including, but not limited to the following:

1. That consumers who purchase Defendants' credit card debt consolidation or debt relief services will receive a low rate credit card or have their credit card interest rates reduced substantially;

2. That consumers who purchase Defendants' credit card debt consolidation or debt relief services will save a significant amount of money in a short time as result of lowered credit card interest rates; and

3. That Defendants will provide refunds if consumers do not save a significant amount of money as a result of lowered credit card interest rates, or otherwise misrepresenting their refund policy; and

B. Violating any provision of the Telemarketing Sales Rule, 16 C.F.R. Part 310, including, but not limited to:

1. Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii), by misrepresenting, directly or by implication:

a. That consumers who purchase Defendants' credit card debt consolidation or debt relief services will receive a low

1 interest rate credit card or have their credit card interest rates
2 reduced substantially; or

3 b. That consumers who purchase Defendants' credit card
4 debt consolidation or debt relief services will save a significant
5 amount of money in a short time as a result of reduced credit card
6 interest rates;

7 2. Section 310.3(a)(2)(iv) of the TSR, 16 C.F.R. § 310.3(a)(2)(iv),
8 by misrepresenting, directly or by implication, that Defendants will provide full
9 refunds or full refunds minus a processing fee if consumers do not save a
10 significant amount of money as a result of Defendants' credit card debt
11 consolidation or debt relief services, or otherwise misrepresenting Defendants'
12 refund policy;

13 3. Section 310.3(a)(2)(x) of the TSR, 16 C.F.R. § 310.3(a)(2)(x), by
14 misrepresenting, directly or indirectly, expressly or by implication, material
15 aspects of Defendants' debt relief service, including the amount of money
16 consumers will save or the amount of time necessary to achieve the represented
17 results;

18 4. Section 310.3(a)(1)(viii)(A) of the TSR, 16 C.F.R.
19 § 310.3(a)(1)(viii)(A), by failing to disclose truthfully, in a clear and
20 conspicuous manner, before the consumer consents to pay, the amount of time
21 necessary to achieve the represented results of the debt relief service;

22 5. Section 310.4(a)(4) of the TSR, 16 C.F.R. § 310.4(a)(4), by
23 requesting or receiving payment of a fee or consideration in advance of
24 consumers obtaining an extension of credit when Defendants have guaranteed
25 or represented a high likelihood of success in obtaining or arranging an
26 extension of credit for such consumers; and

27 6. Section 310.4(a)(5)(i) of the TSR, 16 C.F.R. § 310.4(a)(5)(i), by
28 requesting or receiving payment of a fee for a debt relief service before

1 renegotiating, settling, reducing, or otherwise altering the
2 terms of at least one of the consumer's debts.

3 **II. Customer Information**

4 **IT IS FURTHER ORDERED** that Defendants, and their officers,
5 agents, servants, employees, and attorneys, and all other persons in active
6 concert or participation with any of them, who receive actual notice of this
7 Order by personal service or otherwise, are hereby restrained and enjoined
8 from:

9 A. Selling, renting, leasing, transferring, or otherwise disclosing the
10 name, address, birth date, telephone number, email address, Social Security
11 number, Social Insurance number, credit or debit card number, bank account
12 number, or other financial or identifying personal information of any person
13 from whom or about whom any Defendant obtained such information in
14 connection with activities alleged in the FTC's Complaint; or

15 B. Benefitting from or using the name, address, birth date, telephone
16 number, email address, Social Security number, Social Insurance number,
17 credit or debit card number, bank account number, or other financial or
18 identifying personal information of any person from whom or about whom any
19 Defendant obtained such information in connection with activities alleged in
20 the FTC's Complaint;

21 Provided, however, that Defendants may disclose such financial or
22 identifying personal information to a law enforcement agency or as required by
23 any law, regulation, or court order.

24 **ASSET PROVISIONS**

25 **III. Asset Freeze**

26 **IT IS FURTHER ORDERED** that Defendants, and their officers,
27 agents, servants, employees, and attorneys, and all other persons in active
28 concert or participation with any of them, who receive actual notice of this

1 Order by personal service or otherwise, whether acting directly or through any
2 trust, corporation, subsidiary, division, or other device, or any of them, except
3 as provided herein, as stipulated by the parties, or as directed by further order
4 of the Court, are hereby restrained and enjoined from:

5 A. Transferring, liquidating, converting, encumbering, pledging,
6 loaning, selling, concealing, dissipating, disbursing, assigning, spending,
7 withdrawing, granting a lien or security interest or other interest in, or
8 otherwise disposing of, any funds, real or personal property, accounts,
9 contracts, shares of stock, lists of consumer names, or other assets, or any
10 interest therein, wherever located, including outside the territorial United
11 States, that are:

- 12 1. owned, controlled, or held by, in whole or in part, for the
13 benefit of, or subject to access by, or belonging to, any
14 Defendant;
- 15 2. in the actual or constructive possession of any Defendant;
16 or
- 17 3. in the actual or constructive possession of, or owned,
18 controlled, or held by, or subject to access by, or
19 belonging to, any other corporation, partnership, trust, or
20 any other entity directly or indirectly owned, managed, or
21 controlled by, or under common control with, any
22 Defendant, including, but not limited to, any assets held by
23 or for any Defendant in any account at any bank or
24 savings and loan institution, or with any credit card
25 processing agent, automated clearing house processor,
26 network transaction processor, bank debit processing
27 agent, customer service agent, commercial mail receiving
28 agency, or mail holding or forwarding company, or any

1 credit union, retirement fund custodian, money market or
2 mutual fund, storage company, trustee, or with any broker-
3 dealer, escrow agent, title company, commodity trading
4 company, precious metal dealer, or other financial
5 institution or depository of any kind, either within or
6 outside the territorial United States.

7 B. Opening or causing to be opened any safe deposit boxes,
8 commercial mail boxes, or storage facilities titled in the name of any
9 Defendant, or subject to access by any Defendant or under any Defendant's
10 control, without providing the Commission prior notice and an opportunity to
11 inspect the contents in order to determine that they contain no assets covered
12 by this Section;

13 C. Cashing any checks or depositing any payments from customers
14 or clients of Defendants;

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

17 E. Incurring liens or encumbrances on real property, personal
18 property, or other assets in the name, singly or jointly, of any Defendant or any
19 corporation, partnership, or other entity directly or indirectly owned, managed,
20 or controlled by any Defendant.

21 Notwithstanding the asset freeze provisions of Sections III.A-E above,
22 the Individual Defendant may, upon prior written agreement with the
23 Commission and compliance with Section VI (Financial Statements and
24 Accounting), *infra*, pay from his individual personal funds reasonable, usual,
25 ordinary, and necessary living expenses.

26 The funds, property, and assets affected by Sections III, IV, and V of
27 this Order shall include both existing assets and assets acquired after the
28 effective date of this Order.

1 **IV. Duties of Third Parties**

2 **IT IS FURTHER ORDERED** that any financial institution, business
3 entity, or person maintaining or having custody or control of any account or
4 other asset of any Defendant, or any corporation, partnership, or other entity
5 directly or indirectly owned, managed, or controlled by, or under common
6 control with, any Defendant, which is served with a copy of this Order, or
7 otherwise has actual or constructive knowledge of this Order, shall:

8 A. Hold and retain within its control and prohibit the withdrawal,
9 removal, assignment, transfer, pledge, hypothecation, encumbrance,
10 disbursement, dissipation, conversion, sale, liquidation, or other disposal of any
11 of the assets, funds, documents, or other property held by, or under its control:

- 12 1. on behalf of, or for the benefit of, any Defendant or any other
13 party subject to Section III above;
- 14 2. in any account maintained in the name of, or for the benefit of, or
15 subject to withdrawal by, any Defendant or other party subject to
16 Section III above; and
- 17 3. that are subject to access or use by, or under the signatory power
18 of, any Defendant or other party subject to Section III above;

19 B. Deny Defendants access to any safe deposit boxes or storage
20 facilities that are either:

- 21 1. titled in the name, individually or jointly, of any Defendant, or
22 other party subject to Section III above; or
- 23 2. subject to access by any Defendant or other party subject to
24 Section III above;

25 C. Provide the Commission, within five (5) days of the date of
26 service of this Order, a sworn statement setting forth:

- 27 1. The identification number of each account or asset titled in the
28 name, individually or jointly, of any Defendant, or held on behalf

- 1 of, or for the benefit of, any Defendant or other party subject to
2 Section III above, including all trust accounts managed on behalf
3 of any Defendant or subject to any Defendant's control;
- 4 2. The balance of each such account, or a description of the nature
5 and value of such asset;
- 6 3. The identification and location of any safe deposit box,
7 commercial mail box, or storage facility that is either titled in the
8 name, individually or jointly, of any Defendant, or is otherwise
9 subject to access or control by any Defendant or other party
10 subject to Section III above, whether in whole or in part; and
- 11 4. If the account, safe deposit box, storage facility, or other asset has
12 been closed or removed, the date closed or removed and the
13 balance on said date; and
- 14 D. Allow representatives of Plaintiff immediate access to inspect
15 and copy, or upon Plaintiff's request, within five (5) business days of said
16 request, provide the Commission with copies of, all records or other
17 documentation pertaining to each such account or asset, including, but not
18 limited to, originals or copies of account applications, account statements,
19 corporate resolutions, signature cards, checks, drafts, deposit tickets, transfers
20 to and from the accounts, all other debit and credit instruments or slips,
21 currency transaction reports, 1099 forms, and safe deposit box logs.
- 22 E. This Section shall apply to existing accounts and assets, assets
23 deposited or accounts opened after the effective date of this Order, and any
24 accounts or assets maintained, held or controlled two years prior to the
25 effective date of this Order. This Section shall not prohibit transfers in
26 accordance with any provision of this Order, any further order of the Court, or
27 by written agreement of the parties.
28

1 **V. Repatriation of Assets and Documents**

2 **IT IS FURTHER ORDERED** that Defendants shall:

3 A. Within three (3) business days following service of this Order,
4 take such steps as are necessary to repatriate to the territory of the United States
5 of America all Documents and Assets that are located outside such territory and
6 are held by or for Defendants or are under Defendants' direct or indirect
7 control, jointly, severally, or individually;

8 B. Within three (3) business days following service of this Order,
9 provide Plaintiff with a full accounting of all Documents and Assets that are
10 located outside of the territory of the United States of America or that have
11 been transferred to the territory of the United States of America pursuant to
12 Subsection A above and are held by or for any Defendant or are under any
13 Defendant's direct or indirect control, jointly, severally, or individually,
14 including the addresses and names of any foreign or domestic financial
15 institution or other entity holding the Documents and Assets, along with the
16 account numbers and balances;

17 C. Hold and retain all such Documents and Assets and prevent any
18 transfer, disposition, or dissipation whatsoever of any such Documents or
19 Assets; and

20 D. Within three (3) business days following service of this Order,
21 provide Plaintiff access to Defendants' records and Documents held by
22 Financial Institutions or other entities outside the territorial United States, by
23 signing and delivering to Plaintiff's counsel the Consent to Release of
24 Financial Records attached to this Order as **Attachment A**.

25 **RECORD KEEPING PROVISIONS**

26 **VI. Financial Statements and Accounting**

27 **IT IS FURTHER ORDERED** that, within five (5) business days
28 following the service of this Order:

1 A. The Individual Defendant shall prepare and deliver to counsel for
2 the Commission a completed financial statement on the form captioned
3 “Financial Statement of Individual Defendant,” which is attached to this Order
4 as Attachment B;

5 B. Unless otherwise agreed upon with Counsel for the Commission,
6 Defendants shall also prepare and deliver to Counsel for the Commission a
7 completed financial statement on the form captioned “Financial Statement of
8 Corporate Defendant,” which is attached to this Order as Attachment C; and for
9 each business entity owned, controlled or managed by the Individual
10 Defendant, regardless of whether it is a defendant in this case. The financial
11 statements shall be accurate as of the date and time of entry of this Order; and

12 C. Each Defendant shall also prepare and deliver to Counsel for the
13 Commission:

- 14 1. A completed statement, verified under oath:
- 15 a. specifying the name and address of each financial
16 institution and brokerage firm at which the Defendant has
17 accounts or safe deposit boxes. Said statements shall
18 include assets held in foreign as well as domestic
19 accounts; and
- 20 b. listing all person who have received payments, transfers,
21 or assignment of funds, assets, or property which total
22 \$10,000 or more in any twelve-month period since
23 January 1, 2010. This list shall specify: (a) the amount(s)
24 transferred or assigned; (b) the name of each transferee or
25 assignee; (c) the date of the assignment or transfer; and (d)
26 the type and amount of consideration paid to the
27 Defendant; and
- 28

- 1 2. For each credit card debt consolidation or debt relief service,
2 product, or program advertised, marketed, promoted, offered for
3 sale, or sold by the Defendants, a detailed accounting, verified
4 under oath, of:
- 5 a. all gross revenues obtained from the sale of each such
6 service, product, or program (broken down by month and
7 year) from January 1, 2010, through the date of the
8 issuance of this Order;
- 9 b. all net profits obtained from the sale of each such service,
10 product, or program (broken down by month and year)
11 from January 1, 2010, through the date of the issuance of
12 this Order;
- 13 c. the total amount of each such service, product, or program
14 sold (broken down by month and year) from January 1,
15 2010, through the date of the issuance of this Order; and
- 16 d. the full names, addresses, and telephone numbers of all
17 purchasers or recipients of each such service, product, or
18 program, and the amount paid by each from January 1,
19 2010, through the date of the issuance of this Order.

20 **VII. Records Maintenance and New Business Activity**

21 **IT IS FURTHER ORDERED** that Defendants, and their officers,
22 agents, servants, employees, and attorneys, and all other persons in active
23 concert or participation with any of them, who receive actual notice of this
24 Order by personal service or otherwise, whether acting directly or through any
25 trust, corporation, subsidiary, division, or other device, or any of them, are
26 hereby restrained and enjoined from:

- 27 A. Failing to create and maintain books, records, accounts, bank
28 statements, current accountants' reports, general ledgers, general journals, cash

1 receipt ledgers, cash disbursement ledgers and source documents, documents
2 indicating title to real or personal property, and any other data which, in
3 reasonable detail, accurately, fairly and completely reflect the incomes,
4 disbursements, transactions, dispositions, and uses of the Defendants' assets;

5 B. Destroying, erasing, mutilating, concealing, altering, transferring,
6 or otherwise disposing of, in any manner, directly or indirectly, any
7 Documents, including electronically-stored materials, that relate in any way to
8 the business practices or business or personal finances of Defendants; to the
9 business practices or finances of entities directly or indirectly under the control
10 of Defendants; or to the business practices or finances of entities directly or
11 indirectly under common control with any other Defendant; and

12 C. Creating, operating, or exercising any control over any new
13 business entity, whether newly formed or previously inactive, including any
14 partnership, limited partnership, joint venture, sole proprietorship, or
15 corporation, without first providing Plaintiff with a written statement
16 disclosing: (1) the name of the business entity; (2) the address and telephone
17 number of the business entity; (3) the names of the business entity's officers,
18 directors, principals, managers, and employees; and (4) a detailed description
19 of the business entity's intended activities.

20 **ORDER TO SHOW CAUSE AND RELATED PROVISIONS**

21 **VIII. Order to Show Cause**

22 **IT IS FURTHER ORDERED** pursuant to Federal Rule of Civil
23 Procedure 65(b) that Defendants shall appear before this Court, Courtroom
24 602, 401 West Washington Street, Phoenix, Arizona, on the 20th day of
25 January, 2012, at 2:30 o'clock p.m. Mountain Standard Time, to show
26 cause, if there is any, why this Court should not enter a
27 preliminary injunction, pending final ruling on the Complaint against
28 Defendants, enjoining them from further violations of Section 5(a) of the FTC

1 Act, 15 U.S.C. § 45(a), and the FTC's Telemarketing Sales Rule ("TSR"), 16
2 C.F.R. Part 310, continuing the freeze of their assets, and imposing such
3 additional relief as may be appropriate.

4 **IX. Expedited Discovery**

5 **IT IS FURTHER ORDERED** that pursuant to Federal Rules of Civil
6 Procedure 30(a), 31(a), 34, and 45, and notwithstanding the provisions of
7 Federal Rules of Civil Procedure 26(d) and (f), 30(a)(2)(A), and 31(a)(2)(A),
8 Plaintiff is granted leave, at any time after entry of this Order to:

9 A. Take the deposition of any person or entity, whether or not a
10 party, for the purpose of discovering the nature, location, status, and extent of
11 the assets of Defendants, and Defendants' affiliates and subsidiaries; the nature
12 and location of documents reflecting the business transactions of Defendants,
13 and Defendants' affiliates and subsidiaries; the location of any premises where
14 Defendants, directly or through any third party, conduct business operations;
15 the Defendants' whereabouts; and/or the applicability of any evidentiary
16 privileges to this action; and

17 B. Demand the production of documents from any person or entity,
18 whether or not a party, relating to the nature, status, and extent of the assets of
19 Defendants, and Defendants' affiliates and subsidiaries; the nature and location
20 of documents reflecting the business transactions of Defendants, and
21 Defendants' affiliates and subsidiaries; the location of any premises where
22 Defendants, directly or through any third party, conduct business operations;
23 the Defendants' whereabouts; and/or the applicability of any evidentiary
24 privileges to this action.

25 Three (3) days notice shall be deemed sufficient for any such deposition,
26 five (5) days notice shall be deemed sufficient for the production of any such
27 documents, and twenty-four (24) hours notice shall be deemed sufficient for the
28 production of any such documents that are maintained or stored only as

1 | electronic data. The provisions of this Section shall apply both to parties to this
2 | case and to non-parties. The limitations and conditions set forth in Federal
3 | Rules of Civil Procedure 30(a)(2)(B) and 31(a)(2)(B) regarding subsequent
4 | depositions of an individual shall not apply to depositions taken pursuant to this
5 | Section. Any such depositions taken pursuant to this Section shall not be
6 | counted toward any limit on the number of depositions under the Federal Rules
7 | of Civil Procedure including those set forth in Federal Rules of Civil Procedure
8 | 30(a)(2)(A) and 31(a)(2)(A) or the Local Rules of Civil Procedure for the
9 | United States District Court for the District of Arizona. Service of discovery
10 | upon a party, taken pursuant to this Section, shall be sufficient if made through
11 | the means described in Section XXIII of this Order.

12 | **X. Motion for Live Testimony; Witness Identification**

13 | **IT IS FURTHER ORDERED** that the question of whether this Court
14 | should enter a preliminary injunction pursuant to Rule 65 of the Federal Rules
15 | of Civil Procedure enjoining the Defendants during the pendency of this action
16 | shall be resolved on the pleadings, declarations, exhibits, and memoranda filed
17 | by, and oral argument of, the parties. Live testimony shall be heard only on
18 | further order of this Court upon motion filed with the Court and served on
19 | counsel for the other parties at least four (4) business days prior to the
20 | preliminary injunction hearing in this matter. Such motion shall set forth the
21 | name, address, and telephone number of each proposed witness, a detailed
22 | summary or affidavit revealing the substance of each proposed witness's
23 | expected testimony, and an explanation of why the taking of live testimony
24 | would be helpful to this Court. Any papers opposing a timely motion to present
25 | live testimony or to present live testimony in response to another party's timely
26 | motion to present live testimony shall be filed with this Court and served on the
27 | other parties at least two (2) business days prior to the preliminary injunction
28 | hearing in this matter, *provided* that service shall be performed by personal or

1 overnight delivery, by electronic filing, or by facsimile, and documents shall be
2 delivered so that they shall be received by the other parties no later than 4:00
3 p.m. Mountain Standard Time on the appropriate dates provided in this Section.
4 *Provided further*, however, that an evidentiary hearing on the Commission's
5 request for a preliminary injunction is not necessary unless Defendants
6 demonstrate that they have, and intend to introduce, evidence that raises a
7 genuine issue of material fact.

8 **XI. Service of Pleadings, Memoranda, and Other Evidence**

9 **IT IS FURTHER ORDERED** that Defendants shall file with the Court
10 and serve on Plaintiff's counsel any answering affidavits, pleadings, motions,
11 expert reports or declarations, and/or legal memoranda no later than four (4)
12 business days prior to the hearing on Plaintiff's request for a preliminary
13 injunction.

14 Plaintiff may file responsive or supplemental pleadings, materials,
15 affidavits, or memoranda with the Court and serve the same on counsel for
16 Defendants no later than one (1) business day prior to the preliminary
17 injunction hearing in this matter, provided that service shall be performed by
18 personal or overnight delivery, by electronic filing, or by facsimile, and
19 documents shall be delivered so that they shall be received by the other parties
20 no later than 4:00 p.m. Mountain Standard Time on the appropriate dates listed
21 in this Section.

22 **XII. Service of this Order**

23 **IT IS FURTHER ORDERED** that copies of this Order may be
24 distributed by U.S. first class mail, overnight delivery, facsimile, electronic
25 mail, or personally, by agents or employees of Plaintiff, by any law
26 enforcement agency, or by private process server, upon any Person, Financial
27 Institution, or other entity that may have possession or control of any property,
28 property right, document, or asset of any Defendant, or that may be subject to

1 any provision of this Order. Service upon any branch or office of any Financial
2 Institution or entity shall effect service upon the entire financial institution or
3 entity.

4 **XIII. Expiration Date of Temporary Restraining Order**

5 **IT IS FURTHER ORDERED** that the Temporary Restraining Order
6 granted herein shall expire on January 20th, 2012, at 11:59 p.m.
7 Mountain Standard Time, unless within such time the Order, for good cause
8 shown, is extended, or unless, as to any Defendant, the Defendant consents that
9 it should be extended for a longer period of time.

10 **XIV. Distribution of Order by Defendants**

11 **IT IS FURTHER ORDERED** that Defendants shall immediately
12 provide a copy of this Order to each of their corporations, subsidiaries,
13 affiliates, divisions, directors, officers, agents, partners, successors, assigns,
14 employees, attorneys, agents, representatives, sales entities, sales persons,
15 telemarketers, independent contractors, and any other Persons in active concert
16 or participation with them. Within five (5) calendar days following service of
17 this Order by Plaintiff, each Defendant shall file with this Court and serve on
18 Plaintiff, an affidavit identifying the names, titles, addresses, and telephone
19 numbers of the persons and entities Defendants have served with a copy of this
20 Order in compliance with this provision.

21 **XV. Consumer Reporting Agencies**

22 **IT IS FURTHER ORDERED** that, pursuant to Section 604 of the Fair
23 Credit Reporting Act, 15 U.S.C. § 1681b, any consumer reporting agency may
24 furnish a consumer or credit report concerning any Defendant to Plaintiff.

25 **XVI. Correspondence with and Notice to Plaintiff**

26 **IT IS FURTHER ORDERED** that for purposes of this Order, all
27 correspondence and pleadings to the Commission shall be addressed to:
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Joe Lipinsky
Federal Trade Commission
915 Second Avenue, Suite 2896
Seattle, WA 98174
(206) 220-6350 [telephone]
(206) 200-6366 [facsimile]
jlipinsky@ftc.gov

XXVII. Retention of Jurisdiction

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

DATED this 4th day of January, 2012.


United States District Judge

(cc: Plaintiff's Counsel)

CONSENT TO RELEASE OF FINANCIAL RECORDS

I, _____, do hereby direct any bank or trust company at which I have a bank account of any kind or at which a corporation has a bank account of any kind upon which I am authorized to draw, and its officers, employees and agents, to disclose all information and deliver copies of all documents of every nature in your possession or control which relate to the said bank accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of *FTC v. Premier Nationwide Corporation, d.b.a. Premier Savings, and Eric C. Synstad*, now pending in the United States District Court for the District of Arizona, 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 which restrict or prohibit the disclosure of bank information without the consent of the holder of the account, and shall be construed as consent with respect thereto, and the same shall apply to any of the bank accounts for which I may be the relevant principal.

Dated: _____, 2012 Signed: _____

ATTACHMENT A

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	\$ <u>_____</u>	Total Liabilities	\$ <u>_____</u>

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.</u>	<u>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

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.*

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

FINANCIAL INFORMATION

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

Item 17. Tax Returns

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

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

Item 18. Financial Statements

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

<u>Year</u>	<u>Balance Sheet</u>	<u>Profit & 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>	\$ _____	[REDACTED]		
<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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