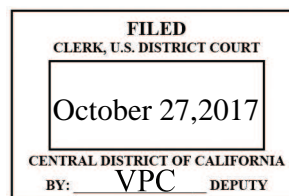


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13 **UNITED STATES DISTRICT COURT**
 14 **CENTRAL DISTRICT OF CALIFORNIA**

15 FEDERAL TRADE COMMISSION,

16 Plaintiff,

17 vs.

18 ALLIANCE DOCUMENT
 19 PREPARATION LLC, *et al.*,

20 Defendants, and

21 DIRECT CONSULTING SERVICE
 22 LLC; and CAPITAL DOC PREP, INC.,

23 Relief Defendants.
 24
 25
 26
 27

Civ. No. CV 17-7048 SJO (KSx)

**PRELIMINARY INJUNCTION AND
 OTHER EQUITABLE RELIEF AS
 TO DEFENDANT MICHAEL
 RATLIFF**

28 (Proposed) Prel. Inj. as to
 Defendant Michael Ratliff

Federal Trade Commission
 915 2nd Ave., Ste. 2896
 Seattle, Washington 98174
 (206) 220-6350

1 Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), has
2 filed its Complaint for Permanent Injunction and Other Equitable Relief pursuant
3 to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C.
4 § 53(b), and the Telemarketing and Consumer Fraud and Abuse Prevention Act
5 (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, and has moved, pursuant to Fed.
6 R. Civ. P. 65(b), for a preliminary injunction, asset freeze, and other equitable
7 relief.

8 Plaintiff FTC, by and through counsel, and Defendant Michael Ratliff
9 (“Stipulating Defendant”), a *pro se* litigant, have agreed to stipulate to entry of a
10 preliminary injunction in the form below without further notice or hearing.
11 However, the findings of fact set forth below are not admissions by Stipulating
12 Defendant and are not intended to preclude him from disputing such findings at
13 later proceedings in this matter or at trial. The stipulation and entry of this
14 Preliminary Injunction is not to be construed or deemed a waiver of any claims or
15 defenses that may be raised by Stipulating Defendant in this action.

16 FINDINGS OF FACT

17 The Court, having considered the FTC’s Complaint, *ex parte* application for
18 temporary restraining order, declarations, exhibits, and the memorandum filed in
19 support of the FTC’s application, and the FTC’s Motion for Preliminary
20 Injunction, and the evidence presented, now finds that:

21 1. This Court has jurisdiction over the subject matter of this case, and
22 there is good cause to believe that it will have jurisdiction over all parties hereto
23 and that venue in this district is proper.

24 2. There is good cause to believe that that Plaintiff is likely to prevail on
25 the merits of this action.

26 3. Without admitting or denying any allegations of the Complaint
27 (except as to personal and subject matter jurisdiction under the instant Complaint,
28 which Stipulating Defendant admits), Stipulating Defendant consents and

1 stipulates to the entry of a preliminary injunction in the form as evidenced below,
2 without further notice or hearing.

3 4. Weighing the equities and considering the FTC’s likelihood of
4 ultimate success on the merits, the stipulated preliminary injunction is in the public
5 interest.

6 5. No security is required of any agency of the United States for issuance
7 of a preliminary injunction. Fed. R. Civ. P. 65(c).

8 **ORDER**

9 **DEFINITIONS**

10 For the purpose of this Preliminary Injunction, the following definitions
11 shall apply:

12 A. “**Asset**” means any legal or equitable interest in, right to, or claim to,
13 any real or personal property, including, without limitation, chattels, goods,
14 instruments, equipment, fixtures, general intangibles, leaseholds, mail or other
15 deliveries, inventory, checks, notes, accounts, credits, contracts, receivables, shares
16 of stock, and all cash, wherever located and by whomever held.

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

22 C. “**Document**” is synonymous in meaning and equal in scope to the
23 usage of the terms “**document**” and “**electronically stored information**” in Fed.
24 R. Civ. P. 34(a), and includes but is not limited to writings, drawings, graphs,
25 charts, photographs, sound and video recordings, images, Internet sites, web pages,
26 websites, electronic correspondence, including e-mail and instant messages,
27 contracts, accounting data, advertisements, FTP Logs, Server Access Logs, books,
28 written or printed records, handwritten notes, telephone logs, telephone scripts,

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

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

12 E. **“Person”** means any individual, group, unincorporated association,
13 limited or general partnership, corporation or other business entity.

14 F. **“Plaintiff”** means the Federal Trade Commission.

15 G. **“Receiver”** means Thomas W. McNamara. The term “Receiver” also
16 includes any deputy receivers as may be named by the Receiver.

17 H. **“Seller”** means any person who, in connection with a telemarketing
18 transaction, provides, offers to provide, or arranges for others to provide goods or
19 services to a customer in exchange for consideration.

20 I. **“Stipulating Defendant”** means Michael Ratliff; and any other
21 names by which he might be known.

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

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

1 **I. REPRESENTATIONS PROHIBITED BY § 5 OF THE FTC ACT**

2 **IT IS FURTHER ORDERED** that Stipulating Defendant, his officers,
3 agents, servants, employees, and attorneys, and all other persons who are in active
4 concert or participation with him, who receive actual notice of this Order, by
5 personal service or otherwise, whether acting directly or indirectly, in connection
6 with the advertising, marketing, promoting, or offering for sale, sale, or provision
7 of any Debt Relief Service, is hereby preliminarily restrained and enjoined from:

8 A. Misrepresenting or assisting others in misrepresenting, expressly or by
9 implication, that:

- 10 1. Stipulating Defendant is part of, affiliated with, or works
11 directly with the government, government loan programs, the
12 Department of Education (“ED”), or consumers’ loan servicers;
13 2. Consumers who purchase Stipulating Defendant’s Debt Relief
14 Services generally will have their monthly payments reduced or their
15 loan balances forgiven in whole or in part;
16 3. Consumers are qualified for, or are approved to receive loan
17 forgiveness or other programs that will permanently lower or
18 eliminate their loan payments or balances; and
19 4. Any other fact material to consumers concerning any Debt
20 Relief Service, such as: the total costs; any material restrictions,
21 limitations, or conditions; or any material aspect of its performance,
22 efficacy, nature, or central characteristics; and

23 B. Making or assisting others in making, any representation, expressly or
24 by implication, about the benefits, performance, or efficacy of any Debt Relief
25 Service, unless the representation is non-misleading and, at the time such
26 representation is made, Stipulating Defendant possesses and relies upon competent
27 and reliable evidence that is sufficient in quality and quantity based on standards
28

1 generally accepted in the relevant fields, when considered in light of the entire
2 body of relevant and reliable evidence, to substantiate that the representation is
3 true.

4 **II. REPRESENTATIONS PROHIBITED BY THE TSR**

5 **IT IS FURTHER ORDERED** that Stipulating Defendant, his officers,
6 agents, servants, employees, and attorneys, and all other persons who are in active
7 concert or participation with him, who receive actual notice of this Order, whether
8 acting directly or indirectly, in connection with providing, offering to provide, or
9 arranging for others to provide any Debt Relief Service, is hereby preliminarily
10 restrained and enjoined from:

11 A. Providing, offering to provide, or arranging for others to provide any
12 Debt Relief Service and requesting or receiving payment of any fees or
13 consideration for any Debt Relief Service until and unless:

14 1. The Seller or Telemarketer has renegotiated, settled, reduced, or
15 otherwise altered the terms of at least one debt pursuant to a
16 settlement agreement, debt management plan, or other such valid
17 contractual agreement executed by the customer;

18 2. The customer has made at least one payment pursuant to that
19 settlement agreement, debt management plan, or other valid
20 contractual agreement between the customer and the creditor or debt
21 collector; and

22 3. To the extent that debts enrolled in a service are renegotiated,
23 settled, reduced, or otherwise altered individually, the fee or
24 consideration either:

25 a. Bears the same proportional relationship to the total fee
26 for renegotiating, settling, reducing, or altering the terms of the
27 entire debt balance as the individual debt amount bears to the
28 entire debt amount. The individual debt amount and the entire

1 debt amount are those owed at the time the debt was enrolled in
2 the service; or

3 b. Is a percentage of the amount saved as a result of the
4 renegotiation, settlement, reduction, or alteration. The
5 percentage charged cannot change from one individual debt to
6 another. The amount saved is the difference between the
7 amount owed at the time the debt was enrolled in the service
8 and the amount actually paid to satisfy the debt requesting or
9 receiving payment of any fees or consideration for any debt
10 relief service;

11 B. Misrepresenting directly or indirectly, expressly or by implication,
12 that Stipulating Defendant is affiliated with, or endorsed or sponsored by, the
13 government, government loan programs, the ED, or consumers' loan servicers;

14 C. Misrepresenting, directly or indirectly, expressly or by implication,
15 any material aspect of his Debt Relief Services, including, but not limited to, that:

- 16 1. Consumers who purchase Stipulating Defendant's Debt Relief
17 Services generally will have their monthly payments reduced or
18 their loan balances forgiven in whole or in part; and
19 2. Consumers are qualified for, or are approved to receive loan
20 forgiveness or other programs that will permanently lower or
21 eliminate their loan payments or balances.

22 **III. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION**

23 **IT IS FURTHER ORDERED** that Stipulating Defendant, his officers,
24 agents, servants, employees, attorneys, and all other persons who are in active
25 concert or participation with him, who receive actual notice of this Order, whether
26 acting directly or indirectly, is hereby preliminarily restrained and enjoined from:

27 A. Selling, renting, leasing, transferring, or otherwise disclosing, the
28 name, address, birth date, telephone number, email address, credit card number,

1 bank account number, Social Security number, or other financial or identifying
2 information of any person that Stipulating Defendant obtained in connection with
3 any activity that pertains to the subject matter of this Order; and

4 B. Benefitting from or using the name, address, birth date, telephone
5 number, email address, credit card number, bank account number, Social Security
6 number, or other financial or identifying information of any person that Stipulating
7 Defendant obtained in connection with any activity that pertains to the subject
8 matter of this Order.

9 *Provided, however,* that Stipulating Defendant may disclose such identifying
10 information to a law enforcement agency, as required by any law, regulation, or
11 court order, or in any filings, pleadings or discovery in this action in the manner
12 required by the Federal Rules of Civil Procedure and by any protective order in the
13 case.

14 IV. ASSET FREEZE

15 **IT IS FURTHER ORDERED** that, except upon further order of the Court
16 or by agreement between the FTC and the Stipulating Defendant, including an
17 agreement to release reasonable and ordinary living expenses, Stipulating
18 Defendant, and his officers, agents, servants, employees, and attorneys, and all
19 other persons who are in active concert or participation with him, who receive
20 actual notice of this Order, whether acting directly or indirectly, is hereby
21 preliminarily restrained and enjoined from:

22 A. Transferring, liquidating, converting, encumbering, pledging, loaning,
23 selling, concealing, dissipating, disbursing, assigning, relinquishing, spending,
24 withdrawing, granting a lien or security interest or other interest in, or otherwise
25 disposing of any Assets of the Stipulating Defendant, wherever located, including
26 outside the United States, that are:

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

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

15 C. Incurring charges or cash advances on any credit or bank card issued
16 in the name, individually or jointly, of the Stipulating Defendant, or any
17 corporation, partnership, or other entity directly or indirectly owned, managed, or
18 controlled by the Stipulating Defendant, or of which the Stipulating Defendant is
19 an officer, director, member, or manager; or

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

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

1 **V. RETENTION OF ASSETS AND DOCUMENTS BY THIRD PARTIES**

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

23 A. Hold, preserve, and retain within its control and prohibit the
24 withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance,
25 disbursement, dissipation, relinquishment, conversion, sale, or other disposal of
26 any such Document or Asset, as well as all Documents or other property related to
27 such Assets, except by further order of this Court;

1 B. Deny any Person access to any safe deposit box, commercial mail
2 box, or storage facility that is titled in the name of the Stipulating Defendant, either
3 individually or jointly, or otherwise subject to access by the Stipulating Defendant;

4 C. Provide FTC counsel with respect to Stipulating Defendant, within
5 three (3) business days of receiving a copy of this Order, a sworn statement setting
6 forth:

- 7 1. The identification number of each such account or Asset;
- 8 2. The balance of each such account, or a description of the nature
9 and value of each such Asset as of the close of business on the
10 day on which this Order is served, and, if the account or other
11 Asset has been closed or removed, the date closed or removed,
12 the total funds removed in order to close the account, and the
13 name of the person or entity to whom such account or other
14 Asset was remitted and all user names, passwords or other
15 information necessary to have full and complete access to all
16 accounts; and
- 17 3. The identification of any safe deposit box, commercial mail
18 box, or storage facility that is either titled in the name,
19 individually or jointly, of any Stipulating Defendant, or is
20 otherwise subject to access by any Stipulating Defendant; and

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

1 **VI. FINANCIAL STATEMENTS AND ACCOUNTING**

2 **IT IS FURTHER ORDERED** that Stipulating Defendant, no later than
3 [DATE], 2017, shall prepare and deliver to Plaintiff’s counsel: (1) completed
4 financial statements on the forms attached to this Order as **Attachment A**
5 (Financial Statement of Individual Defendant), and **Attachment B** (Financial
6 Statement of Corporate Defendant); and (2) a completed statement, verified under
7 oath, of all payments, transfers or assignments of funds, property worth \$5,000 or
8 more, and other assets, since January 1, 2015. Such statement shall include: (a) the
9 amount transferred or assigned; (b) the name of each transferee or assignee; (c) the
10 date of the transfer or assignment; and (d) the type and amount of consideration
11 paid by the Stipulating Defendant. Each statement shall specify the name and
12 address of each financial institution and brokerage firm at which the Stipulating
13 Defendant has in accounts or safe deposit boxes. Said statements shall include
14 assets held in foreign as well as domestic accounts.

15 **VII. FOREIGN ASSET REPATRIATION**

16 **IT IS FURTHER ORDERED** that within five (5) days following the
17 service of this Order, if they have not already done so, the Stipulating Defendant
18 shall:

19 A. Provide Plaintiff’s counsel with a full accounting, verified under oath
20 and accurate as of the date of this Order, of all Assets, Documents, and accounts
21 outside of the United States which are: (1) titled in the name, individually or
22 jointly, of the Stipulating Defendant; (2) held by any person or entity for the
23 benefit of the Stipulating Defendant or for the benefit of, any corporation,
24 partnership, asset protection trust, or other entity that is directly or indirectly
25 owned, managed, or controlled by the Stipulating Defendant; or (3) under the
26 direct or indirect control, whether jointly or singly, of the Stipulating Defendant;
27
28

1 B. Take all steps necessary to provide Plaintiff’s counsel access to all
2 Documents and records that may be held by third parties located outside of the
3 territorial United States of America, including signing, if they have not already
4 done so, the Consent to Release of Financial Records appended to this Order as
5 **Attachment C.**

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

10 **VIII. NON-INTERFERENCE WITH REPATRIATION**

11 **IT IS FURTHER ORDERED** that Stipulating Defendant, his officers,
12 agents, servants, employees, and attorneys, and all other Persons who are in active
13 concert or participation with him, who receive actual notice of this Order, whether
14 acting directly or indirectly, is hereby restrained and enjoined from taking any
15 action, directly or indirectly, which may result in the encumbrance or dissipation of
16 foreign Assets, or in the hindrance of the repatriation required by this Order,
17 including, but not limited to:

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

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

1 **IX. CONSUMER CREDIT REPORTS**

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

7 **X. PRESERVATION OF RECORDS**

8 **IT IS FURTHER ORDERED** that Stipulating Defendant, and his officers,
9 agents, employees, and attorneys, and all other Persons in active concert or
10 participation with any of them, who receive actual notice of this Order, whether
11 acting directly or indirectly, is hereby preliminarily restrained and enjoined from:

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

19 B. Failing to create and maintain Documents that, in reasonable detail,
20 accurately, fairly, and completely reflect Stipulating Defendant’s income,
21 disbursements, transactions, and use of Stipulating Defendant’s Assets.

22 **XI. COOPERATION WITH THE RECEIVER**

23 **IT IS FURTHER ORDERED** that the Stipulating Defendant, his officers,
24 agents, servants, employees, attorneys, all other persons who are in active concert
25 or participation with him, who receive actual notice of this Order shall fully
26 cooperate with and assist the Receiver. This cooperation and assistance shall
27 include, but is not limited to, providing information to the Receiver that the
28

1 Receiver deems necessary to exercise the authority and discharge the
2 responsibilities of the Receiver under this Order; providing any keys, codes, user
3 names and passwords required to access any computers, electronic devices, mobile
4 devices, or machines (onsite or remotely) or any cloud account (including the
5 specific method used to access the account) or electronic file in any medium and
6 completing a questionnaire provided by the Receiver; advising all persons who
7 owe money to the receivership that all debts should be paid directly to the
8 Receiver; and transferring funds at the Receiver's direction and producing records
9 related to the Assets and sales of the receivership defendants in this action.

10 **XII. NON-INTERFERENCE WITH THE RECEIVER**

11 **IT IS FURTHER ORDERED** that the Stipulating Defendant, his officers,
12 agents, servants, employees, and attorneys, and all other persons who are in active
13 concert or participation with him, who receive actual notice of this Order, and any
14 other person served with a copy of this Order, is hereby restrained and enjoined
15 from directly or indirectly:

16 A. Interfering with the Receiver's efforts to manage, or take custody,
17 control, or possession of, the Assets or Documents subject to the receivership;

18 B. Transacting any of the business of the receivership defendants;

19 C. Transferring, receiving, altering, selling, encumbering, pledging,
20 assigning, liquidating, or otherwise disposing of any Assets owned, controlled, or
21 in the possession or custody of, or in which an interest is held or claimed by, the
22 receivership defendants; or

23 D. Refusing to cooperate with the Receiver or the Receiver's duly
24 authorized agents in the exercise of their duties or authority under any order of this
25 Court.

1 **XIII. STAY OF ACTIONS**

2 **IT IS FURTHER ORDERED** that, except by leave of this Court, during
3 the pendency of the receivership ordered herein, Stipulating Defendant, his
4 officers, agents, servants, employees, and attorneys, and all other persons who are
5 in active concert or participation with him, who receive actual notice of this Order,
6 and his corporations, subsidiaries, divisions, or affiliates, and all investors,
7 creditors, stockholders, lessors, customers and other persons seeking to establish or
8 enforce any claim, right, or interest against or on behalf of Stipulating Defendant,
9 and all others acting for or on behalf of such persons, are hereby enjoined from
10 taking action that would interfere with the exclusive jurisdiction of this Court over
11 the Assets or Documents of the Stipulating Defendant, including, but not limited
12 to:

13 A. Filing or assisting in the filing of a petition for relief under the
14 Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, or of any similar insolvency proceeding
15 on behalf of the Stipulating Defendant;

16 B. Commencing, prosecuting, or continuing a judicial, administrative, or
17 other action or proceeding against the Stipulating Defendant, including the
18 issuance or employment of process against the Stipulating Defendant, except that
19 such actions may be commenced if necessary to toll any applicable statute of
20 limitations; or

21 C. Filing or enforcing any lien on any Asset of the Stipulating Defendant,
22 taking or attempting to take possession, custody, or control of any Asset of the
23 Stipulating Defendant, attempting to foreclose, forfeit, alter, or terminate any
24 interest in any Asset of the Stipulating Defendant, whether such acts are part of a
25 judicial proceeding, are acts of self-help, or otherwise.

26 *Provided, however,* that this Order does not stay: (1) the commencement or
27 continuation of a criminal action or proceeding; (2) the commencement or
28

1 continuation of an action or proceeding by a governmental unit to enforce such
2 governmental unit's police or regulatory power; or (3) the enforcement of a
3 judgment, other than a money judgment, obtained in an action or proceeding by a
4 governmental unit to enforce such governmental unit's police or regulatory power.

5 **XIV. DISTRIBUTION OF ORDER BY STIPULATING DEFENDANT**

6 **IT IS FURTHER ORDERED** that Stipulating Defendant shall immediately
7 provide a copy of this Order to each affiliate, telemarketer, marketer, sales entity,
8 successor, assign, member, officer, director, employee, agent, independent
9 contractor, attorney, spouse, former spouse, subsidiary, division, and representative
10 of his and any company owned or controlled by him, and shall, within three (3)
11 calendar days from the date of entry of this Order provide Plaintiff with a sworn
12 statement that this provision of the Order has been satisfied, which statement shall
13 include the names, physical addresses, phone number, and email addresses of each
14 such person or entity who received a copy of the Order. Furthermore, Stipulating
15 Defendant shall not take any action that would encourage officers, agents,
16 members, directors, employees, salespersons, independent contractors, attorneys,
17 subsidiaries, affiliates, successors, assigns or other persons or entities in active
18 concert or participation with him to disregard this Order or believe that they are not
19 bound by its provisions.

20 **XV. EXPEDITED DISCOVERY**

21 **IT IS FURTHER ORDERED** that, notwithstanding the provisions of the
22 Fed. R. Civ. P. 26(d) and (f) and 30(a)(2)(C), and pursuant to Fed. R. Civ. P.
23 30(a), 34, and 45, Plaintiff is granted leave, at any time after service of this Order,
24 to conduct limited expedited discovery for the purpose of discovering: (1) the
25 nature, location, status, and extent of Stipulating Defendant's Assets; (2) the nature
26 location and extent of Stipulating Defendant's business transactions and
27 operations; (3) Documents reflecting Stipulating Defendant's business transactions
28

1 and operations; or (4) compliance with this Order. The limited expedited
2 discovery set forth in this Section shall proceed as follows:

3 A. Plaintiff may take the deposition of parties and non-parties. Forty-
4 eight (48) hours' notice shall be sufficient notice for such depositions. The
5 limitations and conditions set forth in Fed. R. Civ. P. 30(a)(2)(B) and 31(a)(2)(B)
6 regarding subsequent depositions of an individual shall not apply to depositions
7 taken pursuant to this Section. Any such deposition taken pursuant to this Section
8 shall not be counted towards the deposition limit set forth in Rules 30(a)(2)(A) and
9 31(a)(2)(A) and depositions may be taken by telephone or other remote electronic
10 means;

11 B. Plaintiff may serve upon the parties requests for production of
12 Documents or inspection that requires production or inspection within five (5) days
13 of service; *provided*, however, that three (3) days of notice shall be deemed
14 sufficient for the production of any such Documents that are maintained or stored
15 only in electronic format.

16 C. Plaintiff may serve upon parties interrogatories that require response
17 within five (5) days after Plaintiff serves such interrogatories.

18 D. Plaintiff may serve subpoenas upon non-parties that direct production
19 or inspection within five (5) days of service.

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

22 F. Any expedited discovery taken pursuant to this Section is in addition
23 to, and is not subject to, the limits on discovery set forth in the Federal Rules of
24 Civil Procedure and the Local Rules of this Court. The expedited discovery
25 permitted by the Section does not require a meeting or conference of the parties,
26 pursuant to Fed. R. Civ. P. 26(d) and (f).

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

1 **XVIII. RETENTION OF JURISDICTION**

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

4
5 **SO ORDERED** this 27th day of October, 2017.

6 *S. James Otero*
7

8 The Honorable S. James Otero
9 UNITED DISTRICT COURT JUDGE

Certificate of Service

I hereby certify that on October 20, 2017, I caused the foregoing
**STIPULATION TO ENTRY OF PRELIMINARY INJUNCTION AND
OTHER EQUITABLE RELIEF AS TO SBB HOLDINGS, LLC, and
SHAWN GABBAIE** and the accompanying Proposed Order to be electronically
filed with the Clerk of the Court using the CM/ECF system, which will send
notification of the filing to all participants in the case who are registered CM/ECF
users. I emailed a copy of the above-referenced pleading to *pro se* litigant Farzan
Azinkhan at farzan.azinkhan@gmail.com.

s/Nadine Samter
Nadine Samter