

collectively the "Defendants"). On October 11, 2007, upon stipulation of the parties, the court entered a Temporary Restraining Order with Asset Freeze, Appointing of Temporary Receiver and Other Equitable Relief and an Order to Show Cause Why a Preliminary Injunction Should Not Issue ("Temporary Restraining Order"). The FTC and the Defendants having met and discussed the terms of this Stipulated Order for Preliminary Injunction ("Order") have agreed to the entry of this Order, with the following findings of fact and order:

1. This Court has jurisdiction of the subject matter of this case, and there is good cause to believe it will have jurisdiction over all parties.
2. There is good cause to believe that venue lies properly in this Court.
3. The FTC asserts there is good cause to believe the Defendants' activities as alleged in the FTC's complaint are in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
4. The FTC asserts there is good cause to believe that the Defendants Edge Solutions, Inc., a Delaware corporation, Edge Solutions, Inc., a New York corporation, Money Cares, Inc., a Florida corporation, all also known as The Debt Settlement Company, and all also known as The Debt Elimination Center, Pay Help, Inc., Miriam Lovinger, and Robert Lovinger have engaged in and are likely to engage in acts and practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and that the Commission is therefore likely to prevail on the merits of this action.
5. The FTC asserts there is good cause to order an asset freeze on the Defendants and re-appoint a Temporary Receiver for the Receivership Defendants.

6. Weighing the equities and considering the Plaintiff's likelihood of ultimate success in its cause of action, the entry of this Order as set forth below is in the public interest.
7. No security is required of any agency of the United States for issuance of a preliminary injunction. Fed. R. Civ. P. 65(c).
8. By this stipulation, Defendants waive their right to a Preliminary Injunction hearing before this Court.
9. Defendants do not concede that they have violated the law but nevertheless consent to this preliminary injunction.

DEFINITIONS

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

1. **"Asset"** means any legal or equitable interest in, right to, or claim to, any real and personal property including, but not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, premises, mail or other deliveries, shares of stock, lists of consumer names, inventory, checks, notes, accounts, credits, receivables, funds, and all cash, wherever located.
2. **"Assisting"** means providing any of the following goods or services to another person:
 - a. serving as an officer, director, or consultant;
 - b. performing customer service functions including, but not limited to, receiving or responding to customer complaints;

- c. formulating or providing, or arranging for the formulation or provision of any script or any other material for communicating with customers or potential customers;
 - d. providing the names of, or assisting in the generation of, potential customers including, but not limited to, arranging for the automated delivery of messages to potential customers;
 - e. performing marketing services of any kind; or
 - f. providing any other substantial help or aid while knowing or consciously avoiding knowing that the person receiving assistance is engaged in an act or practice that is prohibited by this Order.
3. **“Consumer”** means any person, including any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.
4. **“Debtor”** means any consumer indebted to a creditor or creditors.
5. **“Debt negotiation” or “Debt settlement”** means:
- a. the business or practice of receiving, in return for consideration, the scheduled receipt of a debtor’s monies, or evidences thereof, for the purpose of distribution among certain specified creditors in payment, or partial payment, of the debtor’s obligations; or
 - b. the business or practice of acting or offering or attempting to act as an intermediary between a debtor and his creditors for the purpose of settling, negotiating, consolidating, managing, reducing or in any way altering the terms of payment of, any debt of a debtor.

6. **“Defendants”** means Defendants Edge Solutions, Inc., a Delaware corporation, Edge Solutions, Inc., a New York corporation, and Money Cares, Inc., a Florida corporation, each also known as The Debt Settlement Company or as The Debt Elimination Center, Pay Help, Inc., a New York corporation, Miriam Lovinger, and Robert Lovinger, and each of them, by whatever names each might be known.
7. **“Document”** is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term “document.”
8. **“Individual Defendants”** means Miriam Lovinger and Robert Lovinger.
9. **“Receivership Defendants”** means Edge Solutions, Inc., a Delaware corporation, Edge Solutions, Inc., a New York corporation, and Money Cares, Inc., a Florida corporation, each also known as The Debt Settlement Company, or as The Debt Elimination Center, Pay Help, Inc., and each of them, by whatever names each might be known.
10. The terms **“and”** and **“or”** shall be construed conjunctively or disjunctively as necessary, and to make the applicable phrase or sentence inclusive rather than exclusive.

I. PROHIBITED MISREPRESENTATIONS

IT IS HEREBY ORDERED that the Defendants their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other

persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division or other device, including, but not limited to, fictitious business names, in connection with the advertising, promotion, offering, or sale of any services or program providing debt negotiation or debt settlement by telephone, on or through the Internet, the World Wide Web, any website, or otherwise in commerce, the Defendants, are hereby restrained and enjoined from:

- A. Making, or assisting in the making of, expressly or by implication, orally or in writing, any statement or representation of material fact that is false or misleading, including but not limited to, any misrepresentation that:
 - 1. Consumers who purchase Defendants' debt settlement services will be able to pay off all of their debts referred to Defendants' program for a substantially reduced amount;
 - 2. Defendants will contact all of consumers' creditors referred into Defendants' program to negotiate settlements and will begin paying such creditors, within several weeks after consumers join Defendants' program;
 - 3. Defendants will provide personalized one-on-one financial consulting to assist consumers; and
- B. Making, or assisting in the making of, expressly or by implication, orally or in writing, any other statement or representation of material fact that is false or misleading, including but not limited to, any misrepresentation about any other

fact material to a consumer's decision to purchase any service providing debt negotiation or debt settlement.

II. WEBSITES /WEBPAGES

IT IS FURTHER ORDERED that in connection with the advertising, promotion, offering for sale of any service or program providing debt negotiation or debt settlement, the Defendants, their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division or other device, including, but not limited to, fictitious business names, are hereby restrained and enjoined from:

- A. Owning, operating, managing, or editing a debt negotiation or debt settlement website or webpage;
- B. Inserting any type of code or command in any webpage or on any website that automatically redirects a consumer to any other webpage or website;
- C. Advertising or promoting debt negotiation or debt settlement services on any webpage or website;
- D. Misrepresenting the contents of their webpages or websites through the use of meta tags, or by any other means;
- E. Overriding the normal functioning of a consumer's Internet browser; and
- F. Registering any new domain names, either directly or through any third party, without notifying counsel for the FTC within 24 hours of such action. Such

notice shall include the true identity of the domain name registrant, his or her mailing address, e-mail address, and telephone number.

III. WEB HOSTING

IT IS FURTHER ORDERED that, pending final resolution of this matter, any party hosting any webpages or websites for Defendants, their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, corporation, subsidiary, division or other device, including, but not limited to, fictitious business names, shall:

- A. Immediately take all steps necessary to ensure that webpages or websites operated, in whole or in part, under the names www.edgesolutions.com, www.idebthelp.com, www.moneycares.com, and www.ontrackmpower.com cannot be accessed by the public;
- B. Prevent the destruction, or erasure of webpages or websites operated, in whole or in part, under the names www.edgesolutions.com, www.idebthelp.com, www.moneycares.com, and www.ontrackmpower.com by preserving such documents in the format in which they are currently maintained; and
- C. Immediately notify counsel for the FTC of any other webpage or website operated or controlled by any defendant relating to the advertising, promotion, offering for sale of any service or program providing debt negotiation or debt settlement..

IV. ASSET FREEZE

IT IS FURTHER ORDERED that the Defendants and their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, and all persons or entities directly or indirectly in control of any of them, including any financial institution, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile, email or otherwise, are hereby restrained and enjoined from:

A. Transferring, liquidating, converting, encumbering, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, pledging, loaning, granting a lien or security interest or other interest in, or otherwise disposing of any funds, credit instruments, real or personal property, accounts, contracts, lists of consumer names, shares of stock, or other assets, wherever located, including outside the United States, other than to make transfers to any Temporary Receiver for the Receivership Defendants re-appointed herein, or otherwise in accordance with the provisions below, that are:

1. Owned or controlled by the Defendants, in whole or in part, including but not limited to any assets held by, for, or in the name of the Defendants at any bank or savings and loan institution, or with any broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, or other financial institution, depository of any kind, or business entity, including but not limited to, The Bancorp Bank, Inc., J.P. Morgan Chase,

North Fork Bank, National Penn Bank, Washington Mutual Bank, The Bank of Smithtown, and EPX Bank.

2. In the actual or constructive possession of Defendants; or
 3. Owned, controlled by, or in the actual or constructive possession of any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by or under common control with Defendants.
- B. Opening or causing to be opened any safe deposit boxes, titled, singly or jointly, in the name of any Defendant, or subject to access by any of these Defendants.
- C. Incurring charges or cash advances on any credit card issued in the name, singly or jointly, of any Defendant, except as specified below.
- D. Collecting, opening, or causing to be collected or opened, any mail, received by or on behalf of the Receivership Defendants, at any address, including but not limited to the following: 356 Middle Country Rd., Coram, New York 11727 and 3249 Route 112, Suite 3, Medford, New York 11763, and failing to turn over any such mail to the Temporary Receiver.
- E. Obtaining a personal or secured loan.
- F. Incurring liens or other encumbrances on real property, including but not limited to the real property located at 5 Liberty Lane, Miller Place, New York, 11764, and 13573 Kiltie Court, Delray Beach, Florida 33446, personal property or other assets of the Defendants in the name of Defendants, singly or jointly.

The assets affected by this Paragraph shall include both (1) existing assets; and (2) assets acquired after the effective date of this Order only if such assets are derived from the activity

prohibited by this Order or derived from any other violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

Provided further, however, that the following assets are specifically excluded from the asset freeze as provided in this Paragraph:

1. The remainder of the \$9,000 allowance provided in Paragraph V.G.1. of the Temporary Restraining Order, for reasonable living expenses;
2. Any personal Individual Retirement Account (“IRA”) of the Individual Defendants which is disclosed in the Certified Financial Statement provided to counsel for the FTC on October 16, 2007;
3. Any funds deposited into a Qualified Tuition Program, as defined under Section 529 of the Internal Revenue Code, 26 U.S.C. § 529 (“529 Plan”), which are disclosed in the Certified Financial Statement provided to counsel for the FTC on October 16, 2007; and
4. Any proceeds from the sale of the book entitled “The Financial Life System,” so long as any offer for sale or sale of the book is not in connection with the advertising, promotion, offering for sale of any service or program providing debt negotiation or debt settlement.

Provided further, nothing in this Paragraph shall restrict, curtail, or otherwise limit the ability of the Individual Defendants to make charges of no more than \$5,000 per month combined on any or all of their personal credit or charge cards to the extent that any such charges do not relate to the advertising, promotion, offering for sale of any service or program providing debt negotiation or debt settlement.

V. CUSTOMER LISTS

IT IS FURTHER ORDERED that the Defendants, their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other persons or entities directly or indirectly, in whole or in part, under their control, and all other persons in active concert or participation with them who receive actual notice of this Order by person service, facsimile, email, or otherwise, are hereby restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, social security number, credit card number, debit card number, bank account number, e-mail address, or other identifying information of any person who paid any money to any Defendant, at any time prior to entry of this Order, in connection with the telemarketing, advertising, promoting, offering for sale, and selling of debt negotiation or debt settlement services. Provided, however, that the Defendants may disclose such identifying information to a law enforcement agency or as required by any law, regulation, or court order. The Defendants are also hereby restrained and enjoined from making any use of their own customer lists in any business, whether or not related to the present action.

VI. RETENTION OF ASSETS AND RECORDS HELD BY THIRD PARTIES

IT IS FURTHER ORDERED that any financial or brokerage institution, business entity, or person served with a copy of this Order, that holds, controls or maintains custody of any account or asset of any Defendant, or has held, controlled or maintained custody of any such account or asset at any time since January 2003 shall:

- A. Prohibit the Defendants from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling, or otherwise disposing of any such account or asset except as directed by further order of the Court;
- B. Deny the Defendants access to any safety deposit box, that is:
 1. Titled in the name of any of the Defendants, either individually or jointly;
or
 2. Otherwise subject to access by any of the Defendants, either individually or jointly;
- C. Provide counsel for the FTC and the Temporary Receiver, if they have not done so already, within five (5) business days of receiving a copy of this Order, a sworn statement setting forth:
 1. The identification number and description of each such account or asset titled in the name, individually or jointly, of the Defendants, or held on behalf of, or for the benefit of, any Defendant;
 2. The balance of each such account, or a description of the nature and value of such asset, as of the close of business on the day on which this Order is served, and, if the account or other asset has been closed or removed, the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom such account or other asset was remitted; and

3. The identification of any safe deposit box that is either titled in the name, individually or jointly, of the Defendants, or otherwise subject to access by any Defendant; and
- D. Upon the request of the Temporary Receiver or the Commission, provide the Temporary Receiver and the Commission within forty-eight (48) hours copies of all records or other documentation pertaining to any account or asset of any Defendant, including, but not limited, to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs; and
 - E. Cooperate with all requests of the Temporary Receiver relating to implementation of this Order, including transferring funds or other assets at the Temporary Receiver's direction and producing records related to the accounts or assets of any Defendant.

**VII. REPATRIATION OF ASSETS AND DOCUMENTS LOCATED
IN FOREIGN COUNTRIES**

IT IS FURTHER ORDERED that the Defendants shall:

- A. If they have not done so already, within three (3) days following the service of this Order, take such steps as are necessary to transfer to the territory of the United States of America all documents and assets that are located outside of such territory and are held by or for the benefit of the Defendants or are under their direct or indirect control, jointly, severally, or individually;

- B. If they have not done so already, within three (3) days following the service of this Order, provide counsel for the Commission and the Temporary Receiver with a full accounting of all documents and assets that are located outside of such territory and are held by or for the benefit of the Defendants or are under their direct or indirect control, whether jointly, severally, or individually;
- C. Hold and retain all documents and assets transferred pursuant to Subparagraph A and prevent any transfer, disposition, or dissipation whatsoever of any such assets or funds; and
- D. Provide counsel for the Commission with access to records and documents of the Defendants held by financial institutions outside the territorial United States of America, by signing and delivering to Plaintiff the Consent of Release of Financial Records attached hereto as Exhibit A within forty-eight (48) hours of service of this Order, if they have not done so already.

VIII. INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that the Defendants are hereby restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of Defendants' foreign assets or in the hindrance of the repatriation required by the preceding Paragraph of this Order, including but not limited to:

- A. Sending any statement, letter, facsimile, e-mail or wire transmission, telephoning or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a "duress" event has occurred under the

terms of a foreign trust agreement until such time that all assets have been fully repatriated pursuant to Paragraph VII of this Order; and

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

IX. FINANCIAL REPORTS

IT IS FURTHER ORDERED that the Defendants, if they have not done so already, within three (3) business days of receiving service of this Order, shall prepare and the Individual Defendants shall deliver to counsel for the Commission and the Receivership Defendants shall deliver to the Temporary Receiver and to counsel for the Commission:

- A. Completed financial statements on the forms attached to the Temporary Restraining Order as Exhibits B and C, for each Individual Defendant, for each Receivership Defendant, and for each business entity (whether or not incorporated) under which they conduct any business, or of which any Defendant is an owner, officer, or principal share or stakeholder, including but not limited to, Edge Solutions, Inc., a New York corporation, Edge Solutions, Inc., a Delaware Corporation, Money Cares, Inc., each also known as The Debt Settlement Company or the Debt Elimination Center, Pay Help, Inc., DebtVista, Inc., Edge Holding Corp., and for each trust of which any Defendant is a trustee. The financial statements shall be accurate as of the date of entry of this Order; and

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

The Commission acknowledges that Defendants Robert and Miriam Lovinger have provided a sworn Individual Financial Statement, sworn to on October 11, 2007 and October 24, 2007, respectively.

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

IT IS FURTHER ORDERED that, if they have not done so already, within three (3) days after receiving service of this Order, the Receivership Defendants shall provide counsel for the Commission and the Temporary Receiver, and the Individual Defendants shall provide to counsel for the Commission: (1) the name, address and telephone number for each accountant, financial planner, investment advisor, stock broker or other individual, corporation or partnership whom they hire for personal advice or services, including but not limited to preparation of tax returns and investment advice, since January 1, 2000, and (2) the name, address and telephone number for each accountant, financial planner, investment advisor, stockbroker or other individual, corporation or partnership who was hired on behalf of the Defendants since January 1, 2000.

XI. RECORD KEEPING/BUSINESS OPERATIONS

IT IS FURTHER ORDERED that the Defendants, their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys,

corporations, subsidiaries, affiliates, divisions, sales entities, related entities, are hereby restrained and enjoined from:

- A. Failing to create and maintain documents that, in reasonable detail, accurately, fairly, and completely reflect their incomes, disbursements, transactions, and use of money that relate to the business practices or business or personal finances of the Defendants;
- B. Destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any contracts, accounting data, correspondence, advertisements, computer tapes, discs, or other computerized records, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, copies of federal, state or local business or personal income or property tax returns, and other documents or records of any kind that relate to the business practices or business or personal finances of the Defendants; and
- C. Creating, operating, or exercising any control over any business entity, including any partnership, limited partnership, joint venture, sole proprietorship or corporation, without first providing counsel for the Commission with a written statement disclosing: (1) the name of the business entity; (2) the address and telephone number of the business entity; (3) the names of the business entity's officers, directors, principals, managers and employees; and (4) a detailed description of the business entity's intended activities.

XII. DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that the Defendants shall immediately provide a copy of this Order to each affiliate, subsidiary, division, sales entity, successor, assign, officer, director, employee engaged in the operation of the Receivership Defendants, independent contractor, agent, attorney, representative of the Defendants, and any other person or entity that has engaged in, participated with, aided, promoted, provided support, referred customers, or otherwise assisted the Defendants in the operation of any debt settlement or debt negotiation business, and shall, within five (5) calendar days from the date of entry of this Order, provide counsel for the Commission and the Temporary Receiver with a sworn statement that each Defendant has complied with this provision of the Order, which statement shall include the names and addresses of each such person or entity who received a copy of the Order. The Temporary Receiver has no obligation under this Paragraph.

XIII. RE-APPOINTMENT OF TEMPORARY RECEIVER

IT IS FURTHER ORDERED that Richard E. O'Connell of Yost & O'Connell, whose address is 24-44 Francis Lewis Boulevard, Whitestone, NY 11357, is re-appointed Temporary Receiver for the Receivership Defendants, with the full power of an equity receiver for the Receivership Defendants, and all of the funds, properties, premises, accounts, and other assets directly owned by the Receivership Defendants. The Temporary Receiver shall be solely the agent of this Court in acting as Temporary Receiver under this Order. The Temporary Receiver shall be accountable directly to this Court. The Temporary Receiver shall comply with all Local Rules of this Court governing receivers. This appointment shall expire according to the provisions of Paragraphs XXI and XXII of this Order.

XIV. RECEIVERSHIP DUTIES AND AUTHORITY

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

- A. Assume full control of the Receivership Defendants by removing, as the Temporary Receiver deems necessary or advisable, any director, officer, independent contractor, employee, or agent of any of the Receivership Defendants, including any individual, from control of, management of, or participation in, the affairs of the business of the Receivership Defendants and manage and administer the business of the Receivership Defendants until such further Order of this Court by performing all incidental acts that the Temporary Receiver deems to be advisable or necessary, which includes retaining or hiring any employees, independent contractors or agents;
- B. Collect, marshal, and take exclusive custody, control and possession of all funds, property, books and records, accounts, mail, and other assets and documents of, or in the possession, custody, or under the control of, the Receivership Defendants, wherever situated, including but not limited to: 356 Middle Country Rd., Coram, New York 11727 and 3249 Route 112, Suite 3, Medford, New York 11763. The Temporary Receiver's authority to collect any and all mail relating to the affairs of the Receivership Defendants in the possession, custody, or under the control of, the Defendants, shall extend to mail in the possession of any third parties. The Temporary Receiver shall have full power to change mailing addresses of the Receivership Defendants. The Temporary Receiver shall have full power to

change any locks on any real or personal property of the Receivership Defendants. The Temporary Receiver shall have full power to divert mail, sue for, collect, receive and take possession of all goods, chattels, rights, credits, moneys, effects, land, leases, books, records, work papers, and records of accounts, including computer-maintained information, and other papers and documents of the Receivership Defendants, including documents related to customers or clients whose interest are now held by or under the direction, possession, custody or control of the Defendants or under the control of any third party for the benefit of the Defendants. The Temporary Receiver shall assume control over the income and profits therefrom and all sums of money now or hereafter due or owing to the Receivership Defendants.

Provided, however, the Temporary Receiver shall not attempt to collect any amount from a consumer if the Temporary Receiver believes the consumer was a victim of the deceptive acts or practices alleged in the Complaint in this matter, without prior Court approval;

- C. Take all steps necessary to secure the business premises of the Receivership Defendants, including, but not limited to, all such premises located at 356 Middle Country Rd., Coram, New York 11727 and 3249 Route 112, Suite 3, Medford, New York 11763, but not including personal residences of the Individual Defendants. Such steps may include, but are not limited to, the following, as the Temporary Receiver deems necessary or advisable: (1) serving and filing this Order; (2) completing a written inventory of all Receivership assets; (3) obtaining

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

- D. To immediately return to consumers, without further court order, any funds that are identifiable as received from specific consumers following the Temporary Receiver's appointment or that are received at the Receivership Defendants' premises or mailboxes or forwarded to the Temporary Receiver after entry of this Order and that were, based upon the Temporary Receiver's good faith

determination, procured by use of the unfair or deceptive acts or practices alleged in the Complaint in this matter. Likewise, upon the Temporary Receiver's appointment, the Temporary Receiver shall take all reasonable steps to halt immediately the debit of consumer bank accounts or charges to consumer credit cards that in the Temporary Receiver's good faith determination were procured by use of the unfair or deceptive acts or practices alleged in the Complaint in this matter;

- E. Conserve, hold, and manage all Receivership assets, and perform all acts necessary or advisable to preserve the value of those assets, in order to prevent any irreparable loss, damage, or injury to consumers or to creditors of the Receivership Defendants, including, but not limited to, obtaining an accounting of the assets and preventing transfer, withdrawal, or misapplication of assets;
- F. Enter into contracts and purchase insurance as advisable or necessary, including, but not limited to, (1) the retention and employment of investigators, attorneys or accountants of the Temporary Receiver's choice, including, without limitation, members and employees of the Temporary Receiver's firm, to assist, advise and represent the Temporary Receiver, and (2) the movement and storage of any equipment, furniture, records, files, or other physical property of the Receivership Defendants;
- G. Prevent the inequitable distribution of the Receivership assets, and determine, adjust, and protect the interests of consumers and creditors who have transacted business with the Receivership Defendants;

- H. Have the sole legal authority to hire legal counsel on behalf of the Receivership Defendants;
- I. Make payments and disbursements from the Receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order. The Temporary Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by any Receivership Defendant prior to the date of entry of this Order, except payments that the Temporary Receiver deems necessary or advisable to secure assets of the Receivership Defendants, such as rental payments;
- J. Institute, prosecute, compromise, adjust, appear in, intervene in, or become party to such actions or proceedings in state, federal or foreign courts that the Temporary Receiver deems necessary and advisable to preserve or recover the assets of the Receivership Defendants or that the Temporary Receiver deems necessary and advisable to carry out the Temporary Receiver's mandate under this Order;
- K. Defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings instituted in the past or in the future against the Temporary Receiver in his role as Temporary Receiver, or against the Receivership Defendants that the Temporary Receiver deems necessary and advisable to preserve the assets of the Receivership Defendants or that the Temporary Receiver deems necessary and advisable to carry out the Temporary Receiver's mandate under this Order;

- L. Continue and conduct the business of the Receivership Defendants in such manner, to such extent, and for such duration as the Temporary Receiver may in good faith deem to be necessary or appropriate to operate the business profitably and lawfully, if at all; provided that the continuation and conduct of the business shall be conditioned upon the Temporary Receiver's good faith determination that the business can be lawfully operated at a profit using the assets of the receivership estate;
- M. Issue subpoenas to obtain documents and records pertaining to the Receivership, and conduct discovery in this action on behalf of the Receivership estate;
- N. Open one or more bank accounts as designated depositories for funds of the Receivership Defendants. The Temporary Receiver shall deposit all funds of the Receivership Defendants in such a designated account and shall make all payments and disbursements from the Receivership estate from such an account;
- O. Maintain accurate records of all receipts and expenditures that he makes as Temporary Receiver;
- P. Cooperate with reasonable requests for information or assistance from any state or federal law enforcement agency;
- Q. Maintain the chain of custody of all of the Receivership Defendants' records in his possession, pursuant to procedures to be established by the Temporary Receiver in writing with the approval of the Commission; and
- R. Prepare and submit periodic Reports to this Court and to the parties every thirty (30) days following the entry of this Order and seven (7) days prior to the

dissolution of the Receivership, or at any other time as the Court shall order, describing the Temporary Receiver's activities in connection with carrying out the Temporary Receiver's obligations and responsibilities under the Order.

XV. COOPERATION WITH THE TEMPORARY RECEIVER

IT IS FURTHER ORDERED that the Defendants, their successors, assigns, officers, agents, directors, servants, employees, salespersons, independent contractors, attorneys, corporations, subsidiaries, affiliates, divisions, sales entities, related entities, and all other persons in active concert or participation with them who receive actual notice of this Order by personal service, facsimile, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other entity shall fully cooperate with and assist the Temporary Receiver. The Defendants' cooperation and assistance shall include, but not be limited to, providing any information to the Temporary Receiver that the Temporary Receiver deems necessary to exercising the authority and discharging the responsibilities of the Temporary Receiver under this Order; providing any password or entry code required to access any computer or electronic files of the Receivership Defendants in any medium; or advising all persons who owe money to the Receivership Defendants that all debts should be paid directly to the Temporary Receiver. The Defendants, are hereby restrained and enjoined from directly or indirectly:

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

- C. Transferring, receiving, altering, selling, encumbering, pledging, assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in the possession or custody of, or in which an interest is held or claimed by, the Receivership Defendants or the Temporary Receiver;
- D. Excusing debts owed to the Defendants;
- E. Failing to notify the Temporary Receiver of any asset, including accounts, of any Receivership Defendant held in any name other than the name of such Receivership Defendant, or by any person or entity other than such Receivership Defendant, or failing to provide any assistance or information requested by the Temporary Receiver in connection with obtaining possession, custody, or control of such assets; or
- F. Doing any act or refraining from any act whatsoever to interfere with the Temporary Receiver taking custody, control, possession, or managing of Receivership Defendants' assets or documents; or to harass or interfere with the Temporary Receiver in any way; or to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership Defendants; or to refuse to cooperate with the Temporary Receiver or the Temporary Receiver's duly authorized agents in the exercise of their duties or authority under this Order.

XVI. DELIVERY OF RECEIVERSHIP PROPERTY

IT IS FURTHER ORDERED that:

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

- A. All assets and property, owned beneficially or otherwise, wherever situated, of the Receivership Defendants;
- B. All documents of the Receivership Defendants, including, but not limited to, books and records of accounts, all financial and accounting records, balance sheets, income statements, bank records (including monthly statements, canceled checks, records of wire transfers, and check registers), client lists, title documents and other papers;
- C. All computers and data in whatever form, used by Defendants, in whole or in part, relating to the Receivership Defendants' business or assets;
- D. All assets belonging to members of the public now held by the Receivership Defendants;
- E. All keys, computer passwords, entry codes and combination locks necessary to gain or to secure access to any assets or documents of the Receivership Defendants, including, but not limited to, access to their business premises, means of communication, accounts, computer systems, or other property; and

F. Information identifying the accounts, employees, properties or other assets or obligations of the Receivership Defendants.

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

XVII. BANKRUPTCY PETITIONS

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

XVIII. TRANSFER OF FUNDS TO THE TEMPORARY RECEIVER

IT IS FURTHER ORDERED that, upon service of a copy of this Order, all banks, broker-dealers, savings and loans, escrow agents, title companies, commodity trading companies, or other financial institutions shall cooperate with all reasonable requests of the Temporary

receiver relating to the implementation of this Order including transferring funds at his direction and producing records related to the assets of the Receivership Defendants.

XIX. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the Receivership ordered herein, the Defendants and all vendors, principals, investors, creditors, stockholders, lessors, and all other persons and entities seeking to establish or enforce any claim, right, or interest for, against, on behalf of, in, or in the name of, any of the Defendants, and all others acting for or on behalf of such persons, including, but not limited to, attorneys, trustees, agents, sheriffs, constables, marshals, and other officers and their deputies, and their respective attorneys, servants, agents and employees, be and are hereby stayed from:

- A. Commencing, prosecuting, continuing, entering, or enforcing any suit or proceeding against any of the Defendants, except that such actions may be filed to toll any applicable statute of limitations;
- B. Commencing, prosecuting, continuing, or entering any suit or proceeding in the name of or on behalf of any of the Receivership Defendants;
- C. Accelerating the due date of any obligation or claimed obligation; filing or enforcing any lien; taking or attempting to take possession, custody, or control of any asset of the Receivership Defendants; attempting to foreclose, forfeit, alter, or terminate any of the Receivership Defendants' interest in any asset, including without limitation, the establishment, granting, or perfection of any security interest, whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise;

- D. Using self-help, executing, issuing, serving, or causing the execution, issuance or service of, any legal process, including, but not limited to, attachments, garnishments, subpoenas, writs of replevin, writs of execution, or any other form of process whether specified in this Order or not for the purpose of impounding or taking possession of or interfering with, or creating or enforcing a lien upon, any assets of any of the Receivership Defendants or the Temporary Receiver appointed by this Order or any agent appointed by said Temporary Receiver; or
- E. Taking any action or doing anything whatsoever to interfere with the Temporary Receiver taking custody, control, possession, or management of the Receivership Defendants' assets or documents, or to interfere in any way with the Temporary Receiver, or to harass or interfere with the duties of the Temporary Receiver, or to interfere in any manner with the exclusive jurisdiction of this Court over the assets or documents of the Receivership Defendants, or their subsidiaries or affiliates.

This Paragraph does not stay:

- A. The commencement or continuation of a criminal action or proceeding;
- B. The commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power;
- C. The enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power, including execution on any security interest in favor of the FTC;

- D. The commencement of any action by the Secretary of the United States Department of Housing and Urban Development to foreclose a mortgage or deed of trust in any case in which the mortgage or deed of trust held by the Secretary is insured or was formerly insured under the National Housing Act and covers property, or combinations of property, consisting of five or more living units; or
- E. The issuance to a Defendant of a notice of tax deficiency.

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

XX. COMPENSATION OF TEMPORARY RECEIVER

IT IS FURTHER ORDERED that the Temporary Receiver and all personnel hired by the Temporary Receiver as herein authorized, including counsel to the Temporary Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the assets now held by, or in the possession or control of, or which may be received by the Receivership Defendants. Said fees and out-of-pocket expenses shall be paid prior to any monetary relief that may be awarded by this Court to purchasers of the Defendants' debt negotiation or debt settlement services. The Temporary Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, which shall exclude the costs

of filing and service, with the first such request filed no more than sixty (60) days after the date of this Order. The Temporary Receiver shall not increase the hourly rates used as the basis for such fee applications without prior approval of the Court and without prior notice to counsel for the Commission.

XXI. WITHDRAWAL OF TEMPORARY RECEIVER

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

XXII. TERMINATION OF RECEIVERSHIP

IT IS FURTHER ORDERED that the Receivership created under this Order shall expire 90 days from the date of the entry of this Order, unless the Commission moves the Court to shorten or extend the Receivership. The Temporary Receiver shall file with the court and serve upon the parties a final report no later than seven (7) days prior to the dissolution of the Receivership.

XXIII. CONSUMER CREDIT REPORTS

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

XXIV. USE OF ALIASES

IT IS FURTHER ORDERED that the Defendants are hereby enjoined from using any fictitious, false, or assumed title or name, other than their own proper name, or otherwise misrepresenting their true identities in the course of business dealings or in publicly filed documents during the pendency of this Order, except for the use of a pen name in connection with the authorship of written materials not related to the advertising, promotion, offering for sale, and selling of debt negotiation or debt settlement services.

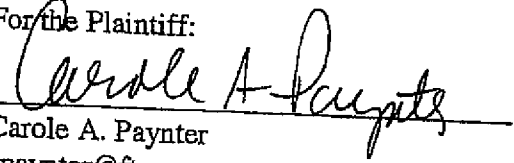
XXV. RETENTION OF JURISDICTION

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

(The remainder of this page intentionally left blank; signature pages to follow)

STIPULATED AND AGREED TO:

For the Plaintiff:



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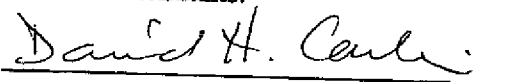
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For the Defendants:

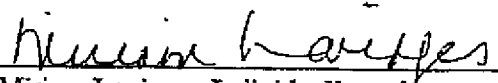


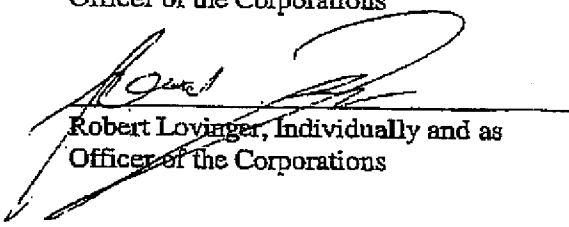
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Miriam Lovinger, Individually and as
Officer of the Corporations


Robert Lovinger, Individually and as
Officer of the Corporations

SO ORDERED, this 1 day of November, 2007, at 3 p.m.

s/John Gleeson
UNITED STATES DISTRICT COURT JUDGE