

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF ALABAMA  
SOUTHERN DIVISION**

FEDERAL TRADE COMMISSION and )

STATE OF MARYLAND )

Plaintiffs, )

v. )

Civil Action No.: 02-405-CB-M )

ACCENT MARKETING, INC. d/b/a )  
ACCENT MARKETING OF ALABAMA, )  
INC., an Alabama corporation; )

MONARCH VENDING, INC. )  
an Alabama corporation; )

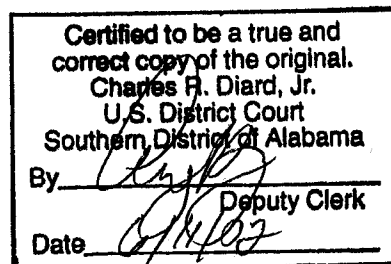
VEND 1 ONE, INC., an Alabama )  
corporation; )

JOHN NOLAN WHITE a/k/a NOLAN )  
WHITE, individually and as )  
an officer or director )  
of one or more of the above )  
corporations; )

and )

JOHN BYRON WHITE a/k/a BYRON )  
WHITE, individually and as an )  
officer or director )  
of one or more of the above )  
corporations )

Defendants. )



**EX PARTE TEMPORARY RESTRAINING ORDER AND ORDER TO SHOW CAUSE WHY  
A PRELIMINARY INJUNCTION SHOULD NOT ISSUE**

Plaintiff, the Federal Trade Commission ("Commission"), having filed a Complaint for a Permanent Injunction and Other Relief, including redress to consumers, pursuant to Sections 13(b) and 19(a) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b(a), and having moved for an Ex Parte Temporary Restraining Order 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. This Court has jurisdiction of the subject matter of this case and there is good cause to believe it will have jurisdiction of all parties hereto;

2. There is good cause to believe that Defendants Accent Marketing, Inc. d/b/a Accent Marketing of Alabama, Inc., Monarch Vending, Inc., Vend 1 One, Inc., John Nolan White a/k/a Nolan White, and John Byron White a/k/a Byron White, have engaged 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 the Commission's Rule entitled Disclosure Requirements and Prohibitions Concerning Franchise and Business Opportunity Ventures (the "Franchise Rule"), 16 C.F.R. Part 436, and that the Commission is therefore likely to prevail on the merits of this action;

3. There is good cause to believe that immediate and irreparable harm will result from Defendants' ongoing violations of

Section 5 of the FTC Act and the Franchise Rule unless Defendants are restrained and enjoined by Order of this Court;

4. There is good cause to believe that immediate and irreparable damage to the Court's ability to grant effective final relief for consumers in the form of monetary restitution will occur from the sale, transfer, or other disposition or concealment by Defendants of assets or records unless Defendants are immediately restrained and enjoined by Order of this Court, and that in accordance with Fed. R. Civ. P. 65(b), the interest of justice therefore requires that this Order be granted without prior notice to Defendants. There is thus good cause for relieving the Commission of the duty to provide Defendants with prior notice of the Commission's motion;

5. Good cause exists for appointing a temporary Receiver for the Corporate Defendants Accent Marketing, Inc., Monarch Vending, Inc., and Vend 1 One, Inc.;

6. Weighing the equities and considering the Commission's likelihood of ultimate success, a Temporary Restraining Order with an asset freeze, appointment of a temporary Receiver, and other equitable relief is in the public interest; and

7. No security is required of any agency of the United States for issuance of a restraining order. Fed. R. Civ. P. 65(c).

### Definitions

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

1. "Assets" means any legal or equitable interest in, right to, or claim to, any real and personal property, including, but not limited to chattel, goods, instruments, equipment, fixtures, general intangibles, inventory, checks, notes, leaseholds, effects, contracts, mail or other deliveries, shares of stock, lists of consumer names, accounts, credits, premises, receivables, funds, and cash, wherever located, whether in the United States or abroad.

2. "Business venture" means any written or oral business arrangement, however denominated, regardless of whether covered by the Franchise Rule, which consists of the payment of any consideration for:

- a. the right or means to offer, sell, or distribute goods or services (regardless of whether identified by a trademark, service mark, trade name, advertising, or other commercial symbol); and
- b. more than nominal assistance to any person or entity in connection with or incident to the establishment, maintenance, or operation of a new business or the entry by an existing business into a new line or type of business.

3. "Corporate Defendants" means Accent Marketing, Inc., Monarch Vending, Inc., and Vend 1 One, Inc., and their successors, assigns, affiliates or subsidiaries;

4. "Individual Defendants" means John Nolan White a/k/a Nolan White, and John Byron White a/k/a Byron White;

5. "Defendants" means (a) each Corporate Defendant; (b) each Individual Defendant; (c) any person insofar as he or she is acting in the capacity of an officer, agent, servant, employee or attorney of any Corporate Defendant or any Individual Defendant; and (d) any person acting in active concert or participation with any of the foregoing who receives actual notice of this Order by personal service or otherwise. See Fed. R. Civ. P. 65(d). However, this order does not seek to affect the ability of an attorney to provide advice or take other lawful action on behalf of the defendants in this action.

6. "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.

ORDER

**I. PROHIBITION AGAINST VIOLATION OF SECTION 5**

IT IS THEREFORE ORDERED that, in connection with the offering for sale or selling of any business venture, including franchises, defendants are hereby temporarily restrained and enjoined from making any material misrepresentation or assisting others in making any material misrepresentation, either expressly or by implication, to any prospective purchaser of a business venture, including but not limited to, the following:

A. that consumers who purchase defendants' business ventures are likely to earn substantial income;

B. that references have purchased the defendants' business ventures or will provide reliable descriptions of experiences with the business venture; or

C. that the defendants or locating companies they provide or recommend have obtained the consent of store owners in the prospective purchaser's geographic area for the placement of vending machines.

**II. PROHIBITION AGAINST VIOLATION OF THE FRANCHISE RULE**

IT IS FURTHER ORDERED that defendants are hereby temporarily restrained and enjoined from violating or assisting others to violate any provisions of the Franchise Rule, 16 C.F.R. Part 436, including but not limited to:

A. failing to provide a prospective purchaser with a complete and accurate disclosure document as prescribed by the Franchise Rule, 16 C.F.R. § 436.1(a);

B. failing to provide a prospective purchaser with an earnings claim document as prescribed by the Franchise Rule, 16 C.F.R. § 436.1(b)-(e);

C. failing to disclose, in immediate conjunction with any generally disseminated ("advertised") earnings claim, information required by the Franchise Rule including the number and percentage of prior purchasers known by the defendants to have achieved the same or better results, as required by the Franchise Rule, 16 C.F.R. § 436.1(e)(3)-(4);

D. failing to have a reasonable basis for any earnings claim at the time such claim is made, as required by the Franchise Rule, 16 C.F.R. § 436.1(b)-(e);

E. failing to disclose, in immediate conjunction with any earnings claim, and in a clear and conspicuous manner, that material which constitutes a reasonable basis for the earnings claim is available to the prospective purchasers; or

F. failing to provide material which constitutes a reasonable basis for any earnings claim to prospective purchasers, the Commission, or its staff upon reasonable demand.

### III. ASSET FREEZE

IT IS FURTHER ORDERED that the defendants are hereby temporarily restrained and enjoined from:

A. Transferring, converting, encumbering, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, or otherwise disposing of any assets, wherever located, that are (a) owned or controlled, in whole or in part, by any Corporate Defendant or Individual Defendant; (b) titled or held in the name, singly or jointly, of any Corporate Defendant or Individual Defendant; (c) in the actual or constructive possession of any Corporate Defendant or Individual Defendant; or (d) 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, any Corporate Defendant or Individual Defendant; including, but not limited to, any assets held by or for any Corporate Defendant or Individual 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 or depository of any kind;



B. Opening or causing to be opened any safe deposit boxes titled in the name of or subject to access by any Corporate Defendant or Individual Defendant;

Notwithstanding provisions of this Section, Defendants shall transfer all assets of the Corporate Defendants to the temporary Receiver pursuant to Paragraph IX of this Order.

Notwithstanding the foregoing provisions of this Section, the individual defendants, John Nolan White and John Byron White, may pay from their personal funds reasonable, usual, ordinary, and necessary living expenses, not to exceed Five Hundred dollars (\$500.00), prior to the submission of the sworn financial statement as required by Paragraph XIX of this Order. No such living expenses, however, shall be paid from funds subject to this Order except from cash on the person of the individual defendants, or from an account designated by prior written notice to counsel for the Commission.

Provided, however, that the assets affected by this Paragraph shall include: (1) all of the assets of the Corporate Defendants and Individual Defendants existing as of the date this Order was entered; and (2) for assets obtained after the date this Order was entered, only those assets of the Corporate Defendants and the Individual Defendants that are derived from the sale of business ventures.

#### IV. DUTIES OF ASSET HOLDERS

IT IS FURTHER ORDERED that, pending determination of the plaintiff FTC's request for a preliminary injunction, any financial or brokerage institution, business entity, or person that holds, controls or maintains custody of any account or asset titled in the name of, held for the benefit of, or otherwise under the control of any Corporate Defendant or Individual Defendant, or has held, controlled or maintained custody of any such account or asset at any time since January 1, 1995, shall:

A. Prohibit any person or entity from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling, or otherwise disposing of any such asset except:

1. as directed by further order of the Court; or
2. for assets held in the name or for the benefit of any Corporate Defendant, as directed by the temporary Receiver appointed herein;

B. Deny any person or entity access to any safe deposit box that is:

1. titled in the name of any Corporate Defendant or Individual Defendant, either individually or jointly; or

2. otherwise held for the benefit of or subject to access by any Corporate Defendant or Individual Defendant.

Notwithstanding these subsections, the temporary Receiver appointed herein shall be provided with access to any safe deposit box individually or jointly titled in the name of, subject to access by, or held for the benefit of any Corporate Defendant.

C. Provide counsel for the Commission and the temporary Receiver appointed herein, within five (5) business days of receiving a copy of this Order, a sworn statement setting forth:

1. the identification number of each such account or asset titled in the name, individually or jointly, or held on behalf of, or for the benefit of, any Corporate Defendant or Individual Defendant;
2. the balance of each such account, or a description of the nature and value of such asset as of the time 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, or is

otherwise subject to access by any Corporate Defendant or Individual Defendant;

D. Upon the request by the temporary Receiver or the Commission, promptly provide the temporary Receiver and the Commission with copies of all records or other documentation pertaining to such account or asset, 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 reasonable requests of the temporary Receiver relating to implementation of this Order, including the transferring of funds.

**V. FOREIGN ASSET REPATRIATION**

IT IS FURTHER ORDERED that within five (5) business days following the service of this Order, each Corporate Defendant and Individual Defendant shall:

A. Provide the Commission and the temporary Receiver with a full accounting of all funds, documents, and assets outside of the United States which are: (1) titled in the name, individually or jointly, of any Corporate Defendant or Individual Defendant; or (2) held by any person or entity for the benefit of any Corporate Defendant or Individual

Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Corporate Defendant or Individual Defendant;

B. Transfer to the territory of the United States and deliver to the temporary Receiver all funds, documents, and assets located in foreign countries which are (1) titled in the name individually or jointly of any defendant; or (2) held by any person or entity, for the benefit of any defendant; or (3) under any defendant's direct or indirect control, whether jointly or singly;

C. Provide the Commission access to all records of accounts or assets of the Corporate Defendant and Individual Defendant held by financial institutions located outside the territorial United States by signing the Consent to Release of Financial Records attached to this Order.

#### **VI. INTERFERENCE WITH REPATRIATION**

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

A. Sending any statement, letter, fax, e-mail or wire transmission, telephoning or engaging in any other act,

directly or indirectly, that results in a determination by a foreign trustee or other entity that a "duress" event has occurred under the terms of a foreign trust agreement, until such time that all assets have been fully repatriated pursuant to Paragraph V of this Order;

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

**VII. APPOINTMENT OF A TEMPORARY RECEIVER**

IT IS FURTHER ORDERED that S. Felton Mitchell, Jr., is appointed as temporary Receiver for the Corporate Defendants (Accent Marketing, Inc., Monarch Vending, Inc., Vend 1 One, Inc. and their successors, assigns, affiliates, and subsidiaries), with the full powers of an equity receiver. The temporary Receiver shall be the agent of this Court in acting as Temporary Receiver under this Order.

**VIII. DUTIES AND AUTHORITY OF TEMPORARY RECEIVER**

IT IS FURTHER ORDERED that the temporary Receiver is directed and authorized to accomplish the following consistent with this order, the FTC Act and the Franchise Rule:

A. Assume full control of the Corporate Defendants by removing all Individual Defendants, and any officer, independent contractor, employee, or agent of the Corporate Defendants, from control and management of the affairs of the Corporate Defendants;

B. Take exclusive custody, control, and possession of all the funds, property, mail and other assets of, in the possession of, or under the control of the Corporate Defendants, wherever situated. The temporary Receiver shall have full power to 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 Corporate Defendants, including documents related to customers or clients whose interest are now held by or under the direction, possession, custody or control of the Corporate Defendants;

C. Take all steps necessary to secure the business premises and any storage or other facilities of the Corporate Defendants or under their control, including but not limited to premises located at 29000 Highway 98, Buildings A and C, Daphne, Alabama, 6475 Van Buren Street, Daphne, Alabama.

D. Preserve, hold and manage all receivership assets, and perform all acts necessary to preserve the value of those

assets, in order to prevent any loss, damage or injury to customers or clients;

E. Prevent the withdrawal or misapplication of funds entrusted to the Corporate Defendants, and otherwise protect the interests of customers or clients;

F. Manage and administer the Corporate Defendants by performing all acts incidental thereto that the temporary Receiver deems appropriate, including temporarily hiring or temporarily placing on unpaid leave any and all personnel or temporarily suspending operations, pending this court's ruling on a preliminary injunction or, if the court shall extend the term of this order, pending a final ruling on the merits;

G. Collect all money owed to the Corporate Defendants;

H. Initiate, defend, compromise, adjust, intervene in, dispose of, or become a party to any actions or proceedings in state, federal or foreign court necessary to preserve or increase the assets of the receivership defendants or to carry out his or her duties pursuant to this Order;

I. Choose, engage and employ attorneys, accountants, appraisers, and other independent contractors and technical specialists, as the temporary Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order;



J. Issue subpoenas to obtain documents and records pertaining to the receivership, and conduct discovery in this action on behalf of the receivership estate at any time, including before the discovery conference. See Fed. R. Civ. P. 26(f);

K. Open one or more bank accounts as designated depositories for funds of the Corporate Defendants. The temporary Receiver shall deposit all funds of the Corporate Defendants in such designated accounts and shall make all payments and disbursements from the receivership estate from such accounts; and

L. 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 the Corporate Defendants prior to the date of entry of this Order, except for payments that the temporary Receiver deems necessary or advisable to secure assets of the Corporate Defendants;

M. Prepare and submit a Report to this Court and to the parties, not less than three (3) days prior to the scheduled Preliminary Injunction Hearing. Such report may include all information the temporary Receiver determines is material to

the Preliminary Injunction Hearing, but shall include (1) the number of business ventures the Corporate Defendants have sold to members of the public, (2) the total amount of funds the Corporate Defendants have received from members of the public who purchased business ventures, and (3) a summary of the Corporate Defendants' assets.

**IX.           TURNOVER OF PROPERTY TO THE TEMPORARY RECEIVER**

IT IS FURTHER ORDERED that, immediately upon service of this Order upon them, defendants and any other person or entity served with a copy of this Order, shall immediately or within such time as permitted by the temporary Receiver in writing, deliver over to the temporary Receiver:

A.       Possession and custody of all funds, assets, property, and all other assets, owned beneficially or otherwise, wherever situated, of the Corporate Defendants;

B.       Possession and custody of documents of the Corporate Defendants, including but not limited to, all 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. Possession and custody of all assets being held by or on behalf of the Corporate Defendants or on behalf of the Corporate Defendants' customers;

D. All keys, computer passwords, entry codes, and combinations to locks necessary to gain or to secure access to any of the assets or documents of the Corporate Defendants, including but not limited to, access to the Corporate Defendants' business premises, means of communication, accounts, computer systems, or other property; and

E. Information identifying the accounts, employees, properties or other assets or obligations of the Corporate Defendants.

**X. DUTY TO COOPERATE WITH THE TEMPORARY RECEIVER**

IT IS FURTHER ORDERED that defendants and all other persons or entities served with a copy of this Order shall cooperate fully with and assist the temporary Receiver. This 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; providing any password required to access any computer or electronic files in any medium; and discharging the responsibilities of the temporary Receiver under this Order, and advising all persons who owe money to the Corporate Defendants that all debts should be paid directly to the temporary Receiver.

## XI. STAY OF ACTIONS

IT IS FURTHER ORDERED that except by leave of the Court, during the pendency of the temporary Receivership ordered herein, the defendants and all other persons and entities in active concert with them be and hereby are stayed from taking any action to establish or enforce any claim, right or interest for, against, on behalf of, in, or in the name of, the Corporate Defendants, the temporary Receiver, receivership assets, or the temporary Receiver's duly authorized agents acting in their capacities as such, including but not limited to, the following actions:

A. Commencing, prosecuting, litigating or enforcing any suit, except that actions may be filed to toll any applicable statute of limitations;

B. Accelerating the due date of any obligation or claimed obligation, enforcing any lien upon, or taking or attempting to take possession of, or retaining possession of, property of the Corporate Defendants or any property claimed by the Corporate Defendants, or attempting to foreclose, forfeit, alter or terminate any of the Corporate Defendants' interests in property, whether such acts are part of a judicial proceeding or otherwise;

C. Using self-help or executing or issuing, or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of

impounding or taking possession of or interfering with, or creating or enforcing a lien upon any property, wherever located, owned by or in the possession of the Corporate Defendants, or the temporary Receiver, or any agent of the temporary Receiver; and

D. Doing any act or thing to interfere with the temporary Receiver taking control, possession or management of the property subject to the receivership, or to in any way interfere with the temporary Receiver or the duties of the temporary Receiver; or to interfere with the exclusive jurisdiction of this Court over the property and assets of the Corporate Defendants.

This Paragraph does not stay the commencement or continuation of an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power.

#### **XII. 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, 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 Corporate Defendants. The temporary Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, 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 bases for such fee applications without prior approval of the Court.

**XIII. ASSISTANCE OF THE UNITED STATES MARSHALS SERVICE**

IT IS FURTHER ORDERED that the United States Marshals Service is directed to assist the temporary Receiver in taking control and custody of the assets, records and business premises of the Corporate Defendants.

**XIV. TEMPORARY RECEIVER'S BOND**

IT IS FURTHER ORDERED that the temporary Receiver shall file with the Clerk of this Court a bond in the sum of One Hundred Thousand dollars (\$100,000.00) with sureties to be approved by the Court, conditioned that the temporary Receiver will well and truly perform the duties of the office and abide by and perform all acts the Court directs.

**XV. MAINTENANCE OF RECORDS**

IT IS FURTHER ORDERED that all defendants are restrained and enjoined from directly or indirectly destroying, mutilating, erasing, altering, concealing or disposing of, in any manner any documents that relate to the business practices or business or personal finances of any Corporate Defendant or Individual Defendant.

**XVI. ACCESS TO RECORDS AND PREMISES**

IT IS FURTHER ORDERED that representatives of the Commission be granted immediate access to all premises of the Corporate Defendants where business is being or has been conducted, and where business records and documents may be located, to inspect all records and documents of the Corporate Defendants, including, but not limited to, paper documents, electronically stored data, tape recordings, and computer disks, and to copy said records and documents, either on or off the premises.

IT IS FURTHER ORDERED that the individual defendants and officers and directors of the corporate defendants, their attorneys and any experts designated by them, shall be granted access to the records seized pursuant to this order, at reasonable such times and under such reasonable conditions as may be agreed to by the

parties, PROVIDED that such access shall be had under the direct supervision of the Receiver or such other persons as he may designate, and shall not interfere with the reasonable access of the Receiver or the plaintiffs.

**XVII. SERVICE OF ORDER BY FAX**

IT IS FURTHER ORDERED that copies of this Order may be served by any means, including facsimile transmission, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets of any Corporate Defendant or Individual Defendant, or that may be subject to any provision of this Order.

**XVIII. EXPEDITED DISCOVERY**

IT IS FURTHER ORDERED that the parties and the temporary Receiver are granted leave, at any time after service of this Order, to take the deposition of and demand the production of documents from any person or entity for the purpose of discovering the nature, location, status, and extent of assets of any Corporate Defendant or Individual Defendant, and the location of documents reflecting the business transactions of the defendants; forty-eight (48) hours notice shall be deemed sufficient for any such deposition and five (5) days notice shall be deemed sufficient for



the production of any such documents. The limitations and conditions set forth in Federal Rule of Civil Procedure 30(a)(2)(B) regarding subsequent depositions of an individual shall not apply to depositions taken pursuant to this Order. No depositions taken pursuant to this Order shall count towards the ten deposition limit set forth in Federal Rule of Civil Procedure 30(a)(2)(A).

**XIX. FINANCIAL STATEMENT**

IT IS FURTHER ORDERED that, at least (3) three days prior to the preliminary injunction hearing in this matter, and in no event later than two weeks after entry of this Order, each Individual Defendant shall provide to the Commission and to the temporary Receiver a completed financial statement, on the form attached to this Order, accurate as of the date of service of this Order upon that defendant.

**XX. CONSUMER CREDIT REPORTS**

IT IS FURTHER ORDERED that, pursuant to Section 604 of the Fair Credit Reporting Act, 15 U.S.C. § 1681b, any consumer reporting agency may furnish the Commission or the temporary Receiver with a consumer report concerning any defendant.

**XXI. SERVICE ON THE COMMISSION**

IT IS FURTHER ORDERED that, with regard to any correspondence, pleadings, or notifications related to this Order, service on the Commission shall be performed by personal or facsimile delivery (but not delivery by U.S. Mail) to the attention of Michael Mora, Counsel for the Commission, at the Federal Trade Commission, 600 Pennsylvania Ave., N.W., Room 238, Washington, DC 20580, facsimile number (202) 326-3395 before 4:45 p.m. (EST) of the day that such service is due.

**XXII. PAPERS ON MOTION FOR PRELIMINARY INJUNCTION**

IT IS FURTHER ORDERED that, pursuant to Fed. R. Civ. P. 6(d), memoranda and affidavits, if any, supporting or opposing the motion for preliminary injunction shall be served not later than one day before the preliminary injunction hearing.

**XXIII. PRELIMINARY INJUNCTION HEARING**

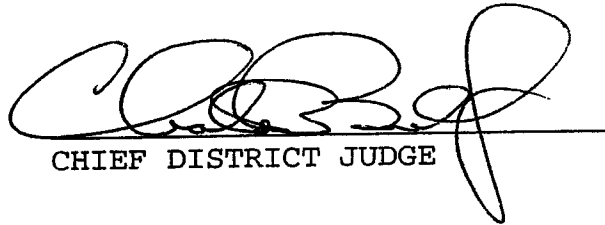
IT IS FURTHER ORDERED that each of the Corporate Defendants and Individual Defendants shall appear before this Court on the 21st day of June, 2002, at 9:30 a.m. at the United States Courthouse, Courtroom 2A, to show cause, if any there be, why this Court should not enter a preliminary injunction, pending final ruling on the Complaint, against said defendants enjoining them

from further violations of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a), and the Franchise Rule, 16 C.F.R. Part 436, continuing the freeze of their assets, appointing a permanent receiver, and imposing such additional relief as may be appropriate.

**XXIV. COURT'S RETENTION OF JURISDICTION**

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

**SO ORDERED**, this 11<sup>th</sup> day of June, 2002, at this hour of 10:20 A.M.

  
CHIEF DISTRICT JUDGE