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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

FEDERAL TRADE COMMISSION,

Plaintiff,

vs.

BIGSMART.COM L.L.C.; MARK
TAHLIANI; and HARRY
TAHLIANI,

Defendants.

CV-01 _____ PHX-__ .

ORDER APPOINTING EQUITY
RECEIVER

This matter came before the Court pursuant to the "Motion For Order Appointing Equity Receiver" (the "Receiver Motion") filed by the Plaintiff FEDERAL TRADE COMMISSION (the "FTC" or the "Commission") and by the Defendant BIGSMART.COM L.L.C. ("Bigsmart"). The Receiver Motion was filed contemporaneously with and in conjunction with the filing of a "Stipulated Final Judgment And Order For Permanent Injunction" (the "Consent Decree") executed by the FTC, Bigsmart, and the other Defendants named above and therein, and a Motion (the "Settlement Approval Motion") for approval of a Settlement Agreement by and among the FTC, Bigsmart (with the joinder and approval of the other Defendants relating to certain provisions), and Harris Trust and Savings Bank (the "Harris Settlement Agreement"). Pursuant to the Receiver Motion, the FTC and Bigsmart have requested that the Court enter an Order appointing Robb Evans as a receiver (the "Receiver")

1 in this case to administer the Redress Fund established under the Consent Decree, and granting
2 the Receiver the powers necessary to administer the Redress Fund and to oversee the related
3 claims process, all as stated in the terms and provisions of the Consent Decree and the Harris
4 Settlement Agreement relating to the Redress Fund and such claims.

5 Having reviewed and considered the Receiver Motion, the Settlement Motion, the
6 Consent Decree, the Harris Settlement Agreement, and the entire record presented in this case;
7 and having considered the presentations by counsel; and good cause appearing therefor,

8 IT IS HEREBY ORDERED that:

9 A. The Receiver Motion shall be, and hereby is, granted in its entirety.

10 B. Robb Evans of Robb Evans & Associates is hereby appointed the Receiver
11 under the Consent Decree to administer the Redress Fund and the claims process in accordance
12 with and subject to the Consent Decree and the Harris Settlement Agreement; and the Receiver
13 is hereby granted and vested with all powers necessary to do so. Notwithstanding the foregoing,
14 the Receiver shall not have any involvement with or power or authority over the on-going
15 business of Bigsmart.

16 C. The Receiver and any individual or entity (including any professional)
17 employed by the Receiver or otherwise rendering services or incurring costs and expenses at the
18 Receiver's request shall be entitled to reasonable compensation and reimbursement for services
19 rendered and costs and expenses incurred. Such compensation and reimbursements shall be
20 paid from the Redress Fund, provided, however, that, the payment of all such compensation and
21 reimbursement shall be subject to prior written application to and approval of the Court after
22 notice to the FTC, Bigsmart and the other Defendants, and Harris Trust Savings Bank
23 ("Harris").

24 D. In light of the appointment of the Receiver and the creation of the
25 receivership estate, all individuals and entities who receive notice of this Order, and anyone
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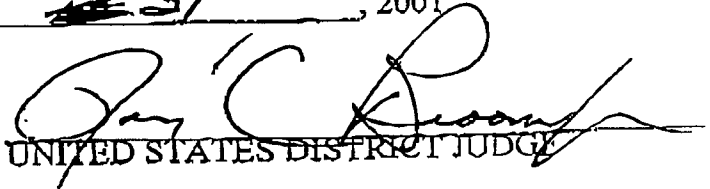
1 acting on behalf of any of them, shall be, and hereby are, restrained and enjoined from doing
2 any act whatsoever to assert or enforce any claim that is the subject of the Consent Decree
3 and/or the Settlement Agreement, except as expressly permitted by the Consent Decree, the
4 Settlement Agreement, the Settlement Approval Order, and any further Order(s) this Court
5 enters to implement and enforce them (including this Order).

6 E. Subject to the Harris Settlement Agreement and the Settlement Approval
7 Order, which are not and shall not be affected by this provision, all merchant banks holding
8 Bigsmart credit reserves of any kind shall be, and hereby are, ordered to turn over to the
9 Receiver, within three (3) business days after they receive notice of this Order, all reserve funds
10 which they are holding when they receive such notice; and the Receiver then shall include those
11 reserves in the Redress Fund. Further, such merchant banks shall account to the Receiver, in
12 verified statements, detailing all chargebacks, fees, and the amounts of each which they have
13 charged against those reserves on or within ninety (90) days before entry of this Order. Any
14 merchant bank wanting to claim any specific protection in conjunction with the turnover of
15 funds shall do so in writing to the Receiver, with copies to Bigsmart and the FTC; and the
16 merchant bank may seek relief from this Court if a dispute remains, provided, however, that any
17 such dispute and the resolution thereof shall not delay or extend the merchant bank's turnover
18 and accounting obligations heretofore provided.

19 F. The Court shall retain jurisdiction to enforce all aspects of this Order.

20 G. There is no just reason for delay and this Order is, and shall be entered
21 immediately as, a final order of this Court.

22 DATED: MARCH 21, 2001

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25 UNITED STATES DISTRICT JUDGE
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