

1 JONATHAN E. NUECHTERLEIN
General Counsel
2 CHARLES A. HARWOOD
Regional Director
3 LAURA M. SOLIS (WA Bar No. 36005)
Email: lsolis@ftc.gov
4 JULIE K. MAYER (WA Bar No. 34638)
Email: jmayer@ftc.gov
5 SOPHIE H. CALDERON (CA Bar No. 78135)
Email: scalderon@ftc.gov
6 Federal Trade Commission
915 Second Avenue, Suite 2896
7 Seattle, WA 98174
Telephone: (206) 220-6350 Facsimile: (206) 220-6366
8 RAYMOND E. MCKOWN (CA Bar No. 150975)
Email: rmckown@ftc.gov
9 Federal Trade Commission
10877 Wilshire Blvd., Suite 700
10 Los Angeles, CA 90024
Telephone: (310) 824-4325 Facsimile: (310) 824-4380
11 Attorneys for Plaintiff
12 Federal Trade Commission

13 STEPHEN G. LARSON (CA Bar 145225)

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1 Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed
2 its Complaint for Permanent Injunction and Other Equitable Relief, for a
3 permanent injunction and other equitable relief in this matter, pursuant to Sections
4 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§
5 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention
6 Act (“Telemarketing Act”), 15 U.S.C. §§ 101-6108. On December 3, 2013, the
7 Court entered a temporary restraining order against Defendants (Doc. 20). The
8 Court entered a Stipulated Preliminary Injunction on January 9, 2014 (Doc. 32).
9 On April 2, 2014, the FTC amended its Complaint (“First Amended Complaint”)
10 (Doc. 58), adding claims against Relief Defendants Spring Acres, LLC, and
11 Bahareh Ramin. Through counsel for the Commission and Defendants Cream
12 Group, Inc., and Sami Charchian (“Stipulating Defendants”) and Relief
13 Defendants Spring Acres, LLC, and Bahareh Ramin (“Relief Defendants”)
14 stipulate to the entry of this Stipulated Order for Permanent Injunction and
15 Monetary Judgment Against Defendants Cream Group, Inc., and Sami Charchian
16 and for Monetary Relief as to Relief Defendants Spring Acres, LLC, and Bahareh
17 Ramin (“Order”) to resolve all matters in dispute in this action between them and Bahareh Ramin.

1 alleged therein, and disgorgement from the Defendants of all funds and assets
2 received by them that are traceable to Defendants' unlawful acts or practices.

3 3. Stipulating Defendants and Relief Defendants neither admit nor deny
4 any of the allegations in the First Amended Complaint, except as specifically
5 stated in this Order. Only for purposes of this action, Stipulating Defendants and
6 Relief Defendants admit the facts necessary to establish jurisdiction.

7 4. Stipulating Defendants and Relief Defendants waive any claim that
8 they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412,
9 concerning the prosecution of this action through the date of this Order. The
10 Commission, Stipulating Defendants, and Relief Defendants shall each bear their
11 own costs and attorney fees incurred in this action.

12 5. Stipulating Defendants, Relief Defendants, and the Commission
13 waive all rights to appeal or otherwise challenge or contest the validity of this
14 Order.

15 6. Entry of this Order is in the public interest.

16 DEFINITIONS

17 For purposes of this Order the following definitions apply:

18 A. "Corporate Defendant" means Cream Group, Inc., also d/b/a Terra
19 Nova, TNT, Inc., and CRM, Inc., and its successors, assigns, affiliates, and
20 subsidiaries.

21 B. "Defendants" means the Individual Defendants and the Corporate
22 Defendant, individually, collectively, or in any combination.

23 C. "Electronic Data Host" means any person or entity that stores,
24 hosts, or otherwise maintains electronically-stored information.

25 D. "Financial Institution" means any bank, savings and loan
26 institution, credit union, or any financial depository of any kind, including, but
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1 not limited to, any brokerage house, trust broker-dealer, escrow agent, title
2 company, commodity trading company, or precious metal dealer.

3 E. "Individual Defendants" means Sami Charchian, also d/b/a Oro
4 Marketing, Inc., Modo, Modo Industry, Oro Max, Casa de Oro, Casa de Moda,
5 Oro Mundo, and Nation/Modo; and John Charchian, a/k/a Djahangir Charchian
6 and Jahangir John Charchian, also d/b/a Oro Marketing, Inc., Modo, Modo
7 Industry, Oro Max, Casa de Oro, Casa de Moda, Oro Mundo, and Nation/Modo,
8 by whatever other names each may be known.

9 F. "Liquidator Receiver" means the liquidator receiver appointed in
10 this Order. The term "Liquidator Receiver" also includes any deputy receivers as
11 may be named by the Liquidator Receiver.

12 G. "Receiver" means the permanent receiver appointed in the Stipulated
13 Preliminary Injunction (Doc. 32). The term "Receiver" also includes any deputy
14 receivers as may be named by the Receiver.

15 H. "Receivership Defendant" means Cream Group, Inc., also d/b/a
16 Terra Nova, TNT, Inc., and CRM, Inc., and its successors, assigns, affiliates, and
17 subsidiaries, including, but not limited to, Applied Design Services, Inc., and CA
18 Mart, and any related d/b/a used by any of the Individual Defendants, including,
19 but not limited to, Oro Marketing, Inc., Modo, Modo Industry, Oro Max, Casa de
20 Oro, Casa de Moda, Oro Mundo, and Nation/Modo, and each of them by

1 K. "Telemarketing" means a plan, program, or campaign which is
 2 conducted to induce the purchase of goods or services or a charitable contribution,
 3 by use of one or more telephones and which involves more than one interstate
 4 telephone call. The term does not include the solicitation of sales through the
 5 mailing of a catalog which: contains a written description or illustration of the
 6 goods or services offered for sale; includes the business address of the seller;
 7 includes multiple pages of written material or illustrations; and has been issued
 8 not less frequently than once a year, when the person making the solicitation does
 9 not solicit customers by telephone but only receives calls initiated by customers in
 10 response to the catalog and during those calls takes orders only without further
 11 solicitation. For purposes of the previous sentence, the term "further solicitation"
 12 does not include providing the customer with information about, or attempting to
 13 sell, any other item included in the same catalog which prompted the customer's
 14 call or in a substantially similar catalog.

15 ORDER

16 I. PERMANENT BAN ON TELEMARKETING

17 IT IS ORDERED that Stipulating Defendants are permanently restrained
 18 and enjoined from participating in Telemarketing, or assisting others engaged in
 19 Telemarketing, whether directly or through an intermediary.

20 II. PROHIBITION AGAINST MISREPRESENTATIONS

21 IT IS FURTHER ORDERED that Stipulating Defendants, Stipulating
 22 Defendants' officers, agents, servants, employees, and attorneys, and all other
 23 persons in active concert or participation with any of them, who receive actual
 24 notice of this Order, whether acting directly or indirectly, in connection with the
 25 advertising, marketing, promotion, offering for sale, sale, or distribution of, any
 26 good or service, are permanently restrained and enjoined from misrepresenting, or

1 assisting others in misrepresenting, expressly or by implication, any material fact,
2 including, but not limited to, the following:

3 A. That consumers will receive:

- 4 1. Well-known or brand-name merchandise; or
- 5 2. Merchandise at low or wholesale prices;

6 B. That consumers who pay for and accept additional shipments of
7 merchandise will receive:

- 8 1. The well-known or brand-name goods they ordered; or
- 9 2. A refund of the amount they paid;

10 C. That any adverse action will be taken against any consumer,
11 including, but not limited to, legal actions, fines, damage to consumers' credit
12 history, garnishment of income and bank accounts, arrest, or reporting consumers
13 to immigration authorities;

14 D. Any material aspect of the performance, efficacy, nature, or central
15 characteristics of any good or service, including, but not limited to, the quality or
16 manufacturer of merchandise;

17 E. Any material aspect of the nature or terms of any refund,
18 cancellation, exchange, or repurchase policy, including, but not limited to, that
19 customers will be granted refunds if they pay for additional goods;

20 F. The total costs to purchase, receive, use, or the quantity of, goods
21 or services; and

22 G. Any material restriction, limitation, or condition on purchasing,
23 receiving, or using a good or service.

24 III. MONETARY JUDGMENT

25 IT IS FURTHER ORDERED that:

1 A. Judgment in the amount of Five Million, One Hundred Seventy
2 Thousand, Nine Hundred Fifty Three Dollars (\$5,170,953.00.) is entered in favor
3 of the Commission against Stipulating Defendants, jointly and severally.

4 B. Stipulating Defendants and Relief Defendants are ordered to pay to
5 the Commission as follows:

6 1. Within twenty four (24) months of entry of this Order,
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1 necessary expenses of the Liquidator Receiver are paid pursuant to Section V. of
2 this Order, shall be paid to the Commission;

3 c. Represent and warrant that they are the sole owners of the
4 Real Property and that they have the authority to sell the Real Property;

5 d. Represent and acknowledge that the properties identified in
6 this Subsection III.B. are currently unencumbered by any other lien, mortgage,
7 deed of trust, assignment, pledge, security interest, or other interest except as
8 disclosed to the Commission in the financial representations referenced in
9 Subsection III.D.;

10 e. Cooperate fully with the Liquidator Receiver and take such
11 other steps as the Liquidator Receiver may require in connection with the listing,
12 marketing, and sale of the Real Property;

13 f. Within five (5) days after entry of this Order take all steps
14 requested by the Liquidator Receiver to assist and cooperate with the Liquidator
15 Receiver in the sale of the Real Property, including the provision of all
16 documents, contracts, and leases related to the Real Property, and any utility bills
17 and account information, including passwords necessary to change such
18 accounts;

19 g. Sign any documents necessary for the sale of the Real
20 Property, including, but not limited to, any powers of attorney that the Liquidator
21 Receiver may request them to sign in connection with the sale of the Real
22 Property and any documents necessary for the transfer of the Real Property to
23 new buyers, as well as any documents necessary to transfer any accounts, mail, or
24 notices related to the Real Property to the Liquidator Receiver;

25 h. Cooperate fully and not interfere with the Liquidator
26 Receiver's efforts to enter onto, market, and sell the Real Property, including, but
27 not limited to, the Liquidator Receiver's efforts to gain access to and show the

1 Real Property to prospective purchasers or to evaluate or cause its
2 agents, representatives, or contractors to maintain, repair, restore, and evaluate the
3 condition of the property from the entry of this Order and thereafter. Upon
4 request of the Liquidator Receiver, Defendant Sami Charchian and Relief
5 Defendants shall provide a set of all keys and/or codes used for the Real Property
6 to the Liquidator Receiver and/or its agent(s);

7 i. Until possession, custody, and control of the Real Property is
8 transferred to the Liquidator Receiver, maintain property and liability insurance
9 on the Real Property for at least its replacement value; remain current on all
10 amounts due and payable on the Real Property, including, but not limited to,
11 taxes, utilities, reasonable and necessary maintenance, homeowner's assessments,
12 sewer and/or water usage fees and similar fees; and promptly provide the
13 Commission and the Liquidator Receiver with written paid receipts to the
14 satisfaction of Commission representatives and the Liquidator Receiver upon the
15 transfer of the Real Property. In the event that the Real Property suffers any loss
16 or damage covered by any applicable insurance policy prior to the transfer of the
17 Real Property to the Liquidator Receiver, Individual Defendant Sami Charchian
18 and Relief Defendant Bahareh Ramin shall make such claims as are permitted by
19 the insurance policy and shall assign on its any insurance payment they receive
20 as a result of such loss or damage to the Commission. Upon transfer of
21 possession, custody, and control of the Real Property to the Liquidator Receiver,
22 the Liquidator Receiver shall maintain property and liability insurance and use its
23 best efforts to include Individual Defendant Sami Charchian and Relief
24 Defendants as additional insured parties until such time as they no longer own and
25 maintain title to the Real Property. Nothing in this Order requires Individual
26 Defendant Sami Charchian or Relief Defendants to pay any amount relating to or
27 concerning the Real Property, including, but not limited to, any taxes, insurance,

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1 n. Within three (3) days after entry of this Order, provide a list to
2 the Liquidator Receiver setting forth the name of all tenants in the Real Property
3 and their contact information, including any phone numbers and e-mail addresses;

4 o. Upon sale of the Real Property, forever waive, release,
5 discharge, and disclaim all right, title, and interest, including any homestead, in
6 the Real Property;

7 p. All ad valorem taxes, any transfer fees, recording fees, other
8 fees, advertising, and any commissions associated with or resulting from the sale
9 of the Real Property shall be paid from the proceeds of the sale at the time the
10 Real Property is sold; and

11 q. In no way profit from the sale of the Real Property, including
12 by sharing in any sales commission or fee, or by receiving anything of value in
13 kind.

14 3. Within seven (7) days of the date of entry of this Order, Individual
15 Defendant Sami Charchian and Relief Defendant Bahareh Ramin shall promptly
16 take all steps necessary to sell the following vehicles: (i) a 2009 Mercedes-Benz
17 AMG and (ii) a 2008 Murc 640 Lamborghini (collectively the "Vehicles") for fair
18 market value to a third-party buyer, and pay to the Commission the proceeds of
19 the sale, after paying off any existing loan or other monetary obligation owed on
20 the Vehicles, subject to the following:

21 a. Individual Defendant Sami Charchian and Relief Defendant
22 Bahareh Ramin represent that no encumbrances have been added to the vehicles
23 since the Court's entry of the Temporary Restraining Order on December 3, 2013,
24 and that they will not add any such encumbrances after signing this Order, except
25 as needed to secure their performance under this Subsection.

26 b. Individual Defendant Sami Charchian and Relief Defendant
27 Bahareh Ramin shall keep the Vehicles in conditions suitable for showing to

1 prospective purchasers; sign the contracts for sale of the Vehicles; sign all
2 documents necessary or appropriate for the transfer of the Vehicles to new buyers,
3 and comply with any reasonable requests from Commission representatives
4 related to those sales;

5 c. Individual Defendant Sami Ghochian and Relief Defendant
6 Bahareh Ramin shall immediately transfer, by electronic fund transfer in
7 accordance with instructions provided by representative of the Commission, the
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1 Commission, they shall remain current on all amounts due and payable on the
2 Vehicles, including, but not limited to, tax insurance, reasonable and necessary
3 maintenance, registration, and similar fees. Individual Defendant Sami Charchian
4 and Relief Defendant Bahareh Ramin shall use existing insurance coverage for
5 the Vehicles to remain in force until the transfer of ownership. In the event that
6 the Vehicles suffer any loss or damage covered by such insurance policy,
7 Individual Defendant Sami Charchian and Relief Defendant Bahareh Ramin shall
8 make such claims as are permitted by insurance policy and shall assign or
9 remit any insurance payments they receive as a result of such loss or damage to the
10 Commission;

11 g. Individual Defendant Sami Charchian and Relief Defendant
12 Bahareh Ramin shall in no way profit from the sale of the Vehicles, including by
13 sharing in any sales commission or fee, by receiving anything of value in kind;
14 and

15 h. Upon sale of the Vehicles, Individual Defendant Sami
16 Charchian and Relief Defendant Bahareh Ramin forever waive, release,
17 discharge, and disclaim all right, title, and interest in the Vehicles.

18 C. Stipulating Defendants grant to the Commission all rights and claims
19 they have to any assets currently in the possession, custody, or control of the
20 Receiver, including, but not limited to, funds transferred to the Receiver from
21 the following accounts:

22 a. JP Morgan Chase account ending 7023, held in
23 the name of Applied Design Services, Inc.;

24 b. JP Morgan Chase account ending 7487, held in
25 the name of Cream Group, Inc.;

26 c. US Bank account ending 7268, held in the name
27 of Cream Group, Inc.;

1 d. Bank of America account ending 2431, held in
2 the name of Oro Marketing, Inc.; and

3 e. Bank of America account ending 3598, held in
4 the name of Oro Marketing, Inc.

5 D. Upon completion of all obligations under Subsections III.B. through
6 III.C., above, including all asset transfers and payments, the remainder of the
7 judgment set forth in Subsection III.A. is suspended, subject to the following:

8 1. The Commission's agreement to its suspension of part of the
9 judgment is expressly premised upon the truthfulness, accuracy, and completeness
10 of Stipulating Defendants' sworn financial statements and related documents
11 (collectively, "financial representations") submitted to the Commission, namely:

12 a. the sworn Corporate Financial Statement of Cream
13 Group, Inc., signed on October 1, 2014, including all
14 attachments and enclosures, submitted by counsel for
15 Corporate Defendant Cream Group, Inc., via Secure File
16 Transfer on October 1, 2014, at 5:18 pm;

17 b. the sworn Individual Financial Statement of Individual
18 Defendant Sami Charchian signed on December 30,
19 2013, including all attachments and enclosures,
20 submitted by counsel for Individual Defendant Sami
21 Charchian via email on December 30, 2013, at 3:30 pm,
22 and as amended and filed on October 1, 2014,
23 including all attachments and enclosures, submitted by
24 counsel for Individual Defendant Sami Charchian via
25 Secure File Transfer on October 1, 2014, at 5:18 pm,
26 and further amended via email on October 2, 2014 at
27 2:58 pm;

- 1 c. all documents and information submitted by counsel for
2 Individual Defendant SanCharchian via email on
3 September 15, 2014, at 9:26 am, including an appraisal
4 for Individual Defendant SanCharchian's residence in
5 Los Angeles, California;
- 6 d. all documents and information submitted by counsel for
7 Individual Defendant SanCharchian via email on
8 August 27, 2014, at 2:49 pm, including photographs of
9 Individual Defendant SanCharchian's residence in
10 Los Angeles, California;
- 11 e. all documents and information submitted by counsel for
12 Individual Defendant SanCharchian via email on
13 January 23, 2014, at 10:26 am, including information
14 concerning the payment of property taxes;
- 15 f. all documents and information submitted by counsel for
16 Individual Defendant SanCharchian via email on
17 January 22, 2014, at 4:52 pm, including information
18 concerning the payment of homeowners' insurance and
19 property taxes; and
- 20 g. Stipulating Defendants' representations that none of the
21 properties described in Sections III.B., above, are
22 currently encumbered by any other lien, mortgage, deed
23 of trust, assignment, pledge, security interest, or other
24 interest, except as disclosed in the financial
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1 Defendants failed to disclose any material asset, materialy misstated the value of
2 any asset, or made any other material misstatement or omission in the financial
3 representations identified above; and

4 3. If the suspension of the judgment is lifted, the judgment
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1 E. All money paid to the Commission pursuant to this Order may be
2 deposited into a fund administered by Commission or its designee to be used
3 for equitable relief, including consumer redress and any attendant expenses for
4 the administration of any redress fund. If a representative of the Commission
5 decides that direct redress to consumers is wholly or partially impracticable or
6 money remains after redress is completed, the Commission may apply any
7 remaining money for such other equitable relief (including consumer information
8 remedies) as it determines to be closely related to Defendants' practices
9 alleged in the First Amended Complaint. Any money not used for such equitable
10 relief is to be deposited to the U.S. Treasury as disgorgement. Stipulating
11 Defendants and Relief Defendants have no right to challenge any actions the
12 Commission or its representatives may take pursuant to this Subsection.

13 F. The Preliminary Injunction's freeze of the Stipulating Defendants'
14 and Relief Defendants' assets shall remain in effect until the assets have been
15 transferred in accordance with Subsections III.B. – C. Provided, however, that
16 the asset freeze may be lifted as the Stipulating Defendants and Relief
17 Defendants to the extent necessary to comply with the transfer and turnover
18 requirements of Subsections III.B. – C. Upon compliance with the transfer and
19 turnover requirements of Subsections III.B. – C., the freeze on the assets of
20 Individual Defendant Sami Charchian and Relief Defendants pursuant to the
21 Stipulated Preliminary Injunction entered in this action is lifted.

22 V. APPOINTMENT AND DUTIES OF LIQUIDATOR RECEIVER

23 IT IS FURTHER ORDERED that the Permanent Receiver in this matter, is
24 appointed as Liquidator Receiver, with the rights and powers of an equity
25 receiver, over the Real Property listed in Subsection III.B.2.

1 A. As soon as reasonably possible, the Liquidator Receiver shall, at
2 reasonable cost and in a commercially reasonable fashion, liquidate, without
3 further approval from the Court, the Real Property for fair market value.

4 B. Upon Individual Defendant Sami Charchian's and Relief
5 Defendants' transfer of possession, the Liquidator Receiver shall assume
6 responsibility for management and maintenance of the Real Property, including,
7 but not limited to, making disbursements for operating expenses as may be
8 appropriate, undertaking repairs, procuring appropriate insurance or modifying
9 existing insurance, making payment for amounts due and payable on the Real
10 Property, including, but not limited to, taxes, insurance, homeowner's
11 assessments, reasonable and necessary maintenance, and similar fees, and making
12 payments for and taking any other actions necessary to efficiently manage the
13 Real Property and to maintain their value.

14 C. The Liquidator Receiver shall have all necessary powers to manage
15 and maintain the Real Property, including, without limitation, the following
16 powers and responsibilities:

- 17 1. To take possession of the Real Property;
- 18 2. To employ such counsel, real estate agents, auctioneers,
19 appraisers, accountants, contractors, other professionals, and other such persons,
20 including maintenance and repair persons, as may be necessary in order to carry
21 out its duties as Liquidator Receiver to preserve, maintain, and protect the
22 Real Property;
- 23 3. To determine or abrogate, in the Liquidator Receiver's sole
24 sound business discretion, and all agreements, contracts, understandings, or
25 commitments entered into by Individual Defendant Sami Charchian and Relief
26 Defendants with respect to the Real Property to the extent permitted by law;

1 4. To open new accounts with, negotiate, compromise or
2 otherwise modify Individual Defendant Sami Charchian's and Relief Defendants'
3 existing obligations to third parties, including utility companies, secured creditors,
4 other service providers or suppliers of goods and services related to the Real
5 Property, and to otherwise enter into such agreements, contracts, or understanding
6 with such third parties as are necessary to maintain, preserve, and protect the Real
7 Property;

8 5. To open new bank accounts with respect to the Liquidator
9 Receiver's management and operation of the Real Property; and

10 6. To rent the Real Property to third parties, until the Real
11 Property is sold.

12 D. The Liquidator Receiver shall keep a true and accurate account of
13 any and all receipts and expenditures and periodically file with the Court a
14 Liquidatorship Report under oath, accurately identifying all such revenues
15 received and expenditures made, including adequately detailed information
16 concerning income, expenses, payables, and receivables. These periodic filings
17 shall be served by the Liquidator Receiver on the Commission and Stipulating
18 Defendants' and Relief Defendants' counsel.

19 E. Any and all sums collected by the Liquidator Receiver over and
20 above those necessary to maintain the Real Property or those
21 necessary to make payments authorized by this Order shall be paid to the
22 Commission.

23 F. The Liquidator Receiver is entitled to reasonable compensation for
24 the performance of duties pursuant to this Order and for the cost of actual out-of-
25 pocket expenses incurred by it. The Liquidator Receiver's compensation and the
26 compensation of any persons hired by it are to be paid solely from the proceeds of
27 the sale of the Real Property and other sums collected by the Liquidator Receiver

1 pursuant to this Section V., and such payments shall have priority over all other
2 distributions except for any transfer fees, recording fees, or other payments owed
3 through the transfer of the Real Property at the time of the sale. The Liquidator
4 Receiver shall file with the Court and serve on the Commission and Individual
5 Defendant Sami Charchia and Relief Defendants periodic requests for the
6 payment of such reasonable compensation. The Liquidator Receiver shall not
7 increase the fees or rates used as the basis for such fee applications without prior
8 approval of the Court.

9 G. The Liquidator Receiver shall file its final application for fees,
10 complete liquidation, and terminate its service within twelve (12) months of the
11 execution of this Order unless good cause is shown to extend beyond twelve (12)
12 months.

13 H. Upon the final transfer of all funds to the Commission pursuant to
14 this Section, the duties of the Liquidator Receiver shall terminate.

15 I. The powers and duties of the Liquidator Receiver under this Order
16 are in addition to, and not in lieu of, its powers and duties as the Court-appointed
17 Receiver in this matter. Nothing in Sections III. or V. of this Order shall be
18 construed to, nor does, limit the powers and duties of the Receiver as set forth in
19 the prior Orders of this Court in this litigation, which powers and duties shall
20 continue until the termination of the entire Receivership in this litigation. Further,
21 nothing in this Order limits the obligations of any Defendant or third party to
22 cooperate with the Receiver as set forth in the Court's prior Orders until
23 termination of the entire Receivership.

24 VI. CONTINUATION OF RECEIVERSHIP

25 IT IS FURTHER ORDERED that the Receiver shall continue to exercise
26 its full powers, including, but not limited to, those powers set forth in the
27 Preliminary Injunction, and including liquidation powers. The Receiver is

1 number, other identifying information, or any data that enables access to a
2 customer's account (including a credit card, bank account, or other financial
3 account), that any Defendant obtained prior to entry of this Order in connection
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1 B. For five (5) years after entry of this Order, Individual Defendant
2 Sami Charchian, for any business that he individually or collectively with any
3 other Defendant, is the majority owner or controls directly or indirectly, and the
4 Corporate Defendant, must deliver a copy of this Order to: (1) all principals,
5 officers, directors, and LLC managers and members; (2) all employees, agents,
6 and representatives who participate in conduct related to the subject matter of the
7 Order; and (3) any business entity resulting from any change in structure as set
8 forth in the section of this Order titled Compliance Reporting. Delivery must
9 occur within seven (7) days of entry of this Order for current personnel. For all
10 others, delivery must occur before they assume their responsibilities.

11 C. From each individual or entity to which a Stipulating Defendant
12 delivered a copy of this Order, that Defendant must obtain, within thirty (30)
13 days, a signed and dated acknowledgment of receipt of this Order.

14 X. COMPLIANCE REPORTING

15 IT IS FURTHER ORDERED that Stipulating Defendants make timely
16 submissions to the Commission:

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1 whether and how that Defendant is in compliance with each Section of this Order;
2 and (e) provide a copy of each Order Acknowledgment obtained pursuant to this
3 Order, unless previously submitted to the Commission.

4 2. Additionally, Individual Defendant Sami Charchian must: (a)
5 identify all telephone numbers and all physical, postal, email, T005 Tc TD .6

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C. Each Stipulating Defendant must submit to the Commission notice of the filing of any bankruptcy petition,

1 B. personnel records showing, for each person providing services,
2 whether as an employee or otherwise, the person's: name; addresses; telephone
3 numbers; job title or position; dates of service; and (if applicable) the reason for
4 termination;

5 C. records of all consumer complaints and refund requests, whether
6 received directly or indirectly, such as through a third party, and any response;

7 D. all records necessary to demonstrate full compliance with each
8 provision of this Order, including all submissions to the Commission; and

9 E. a copy of all scripts, training materials, unique advertisements, or
10 other marketing materials.

11 XII. COMPLIANCE MONITORING

12 IT IS FURTHER ORDERED that, for the purpose of monitoring
13 Stipulating Defendants' compliance with this Order, and any failure to transfer
14 any assets as required by this Order:

15 A. Within fourteen (14) days of receipt of a written request from a
16 representative of the Commission, each Stipulating Defendant must: submit
17 additional compliance reports or other requested information, which must be
18 sworn under penalty of perjury; appear for depositions; and produce documents
19 for inspection and copying. The Commission is also authorized to obtain
20 discovery, without further leave of court, using any of the procedures prescribed
21 by the Federal Rules of Civil Procedure 29, 30 (including telephonic depositions),
22 31, 33, 34, 36, 45, and 69.

23 B. For matters concerning this Order, the Commission is authorized to
24 communicate directly with each Stipulating Defendant. Stipulating Defendants
25 must permit representatives of the Commission to interview any employee or
26 other person affiliated with any Defendant who has agreed to such an interview.
27 The person interviewed may have counsel present.

1 C. The Commission may use all other lawful means, including posing,
2 through its representatives, as consumers, suppliers, or other individuals or
3 entities, to Stipulating Defendants or any individual or entity affiliated with
4 Defendants, without the necessity of identification or prior notice. Nothing in this
5 Order limits the Commission's lawful use of compulsory process, pursuant to
6 Sections 9 and 20 of the FTC Act, 15 U.S.C §§ 49, 57b-1.

7 XIII. RETENTION OF JURISDICTION

8 IT IS FURTHER ORDERED that this Court retains jurisdiction of this
9 matter for purposes of construction, modification, and enforcement of this Order.

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11 SO ORDERED this 22nd day of December, 2014.

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14 U.S. District Judge John F. Walter

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