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**IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

FEDERAL TRADE COMMISSION,
Plaintiff,
vs.
DIGITAL ALTITUDE LLC, ET AL.,
Defendants.

No. 2:18-CV-00729 JAK (MRWx)
**ORDER RE STIPULATED
PRELIMINARY INJUNCTION
AGAINST DEFENDANT
MORGAN JOHNSON**

This matter comes before the court upon the stipulation of Plaintiff, the Federal Trade Commission (“FTC”), and Defendant Morgan Johnson (“Johnson”) for the entry of a Preliminary Injunction against Johnson.

On January 29, 2018, Plaintiff, the Federal Trade Commission, filed its Complaint for a Permanent Injunction And Other Relief pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b) (Dkt. 1). Pursuant to Fed. R. Civ. P. 65(b), the FTC also filed an ex parte application for a temporary restraining order, asset freeze, other equitable relief, and an order to show cause why a preliminary injunction should not issue against Digital Altitude LLC, Digital Altitude Limited, Aspire Processing LLC, Aspire Processing Limited, Aspire Ventures Ltd, Disc Enterprises Inc., RISE Systems & Enterprise LLC (Utah), RISE Systems & Enterprise LLC (Nevada), Soar International Limited Liability Company, The Upside, LLC, Thermography for Life, LLC, d/b/a Living

1 Exceptionally, Inc., Michael Force, Mary Dee, Morgan Johnson, Alan Moore, and
2 Sean Brown (collectively, “Defendants”). Dkt. 5.

3 The Court granted the application, issuing a temporary restraining order
4 (“TRO”) on February 1, 2018, including an asset freeze, appointment of a receiver,
5 immediate access to Defendants’ business premises, and other temporary relief.
6 Dkt. 34. The TRO also ordered Defendants to appear on February 15, 2018 and
7 show cause why a preliminary injunction should not issue against them. The
8 parties stipulated to a continuance of the show cause hearing and the court granted
9 that request, extending the TRO and continuing the hearing to March 5, 2018. Dkt.
10 61. Prior to the hearing, the FTC and Defendant Morgan Johnson agreed to the
11 entry of a preliminary injunction for the duration of this litigation. The terms of the
12 stipulated preliminary injunction are set out below.

13 **FINDINGS**

14 A. This Court has jurisdiction over the subject matter of this case, and
15 there is good cause to believe that it will have jurisdiction over all parties hereto
16 and that venue in this district is proper.

17 B. The FTC has sufficiently demonstrated that Defendant Johnson has
18 engaged in and is likely to engage in acts or practices that violate Section 5(a) of
19 the FTC Act, 15 U.S.C. § 45(a), and that Plaintiff is therefore likely to prevail on
20 the merits of this action. As demonstrated by transcripts of Defendants’ web
21 videos, screen captures of Defendants’ websites, a declaration of the FTC’s
22 investigator and transcripts of his calls with Defendants’ representatives, consumer
23 declarations, bank and payment processor documentation, and the additional
24 documentation filed by the FTC, the FTC has established a likelihood of success in
25 showing that Johnson is liable for material misrepresentations in the promotion and
26 sale of a program to make money online, to numerous consumers, including that
27 consumers are likely to earn substantial income and that they will receive business
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1 coaching that will provide what the consumer needed to build a successful
2 business.

3 C. The FTC has sufficiently demonstrated that immediate and irreparable
4 harm will result from Defendant Johnson’s ongoing violations of the FTC Act
5 unless Johnson is restrained and enjoined by order of this Court.

6 D. The FTC has sufficiently demonstrated the need for: (a) maintaining
7 the freeze over Defendant Morgan Johnson’s assets; and (b) the ancillary relief
8 ordered below. *See, e.g., FTC v. World Wide Factors, Ltd.*, 882 F.2d 344, 347 (9th
9 Cir. 1989) (the Court “need only . . . find some chance of probable success on the
10 merits” in order to award preliminary relief). *See also FTC v. am. Nat’l Cellular,*
11 *Inc.*, 810 F.2d 1511, 1512-14 (9th Cir. 1987) (upholding preliminary injunction
12 including asset freeze and appointment of a receiver). The FTC has demonstrated a
13 likelihood that Defendant Johnson is individually liable and properly subject to the
14 asset freeze. Specifically, the FTC has demonstrated that it likely will prevail in
15 showing that Johnson directly participated in the wrongful acts or has the ability to
16 control certain Corporate Defendants because he is the Chief Technology Officer
17 of Digital Altitude LLC and Secretary of Aspire Processing Limited. Similarly, the
18 FTC has demonstrated that it will likely prevail in showing that Johnson either had
19 knowledge of the misrepresentations or was recklessly indifferent to the fact that
20 misrepresentations were being made. An asset freeze is appropriate equitable relief
21 permitted by the FTC Act and the inherent equitable powers of the Court. *See FTC*
22 *v. H.N. Singer, Inc.*, 668 F.2d 1107, 1112-13 (9th Cir. 1982) (Section 13(b) of the
23 FTC Act “provides a basis” for a preliminary injunction “freezing assets”).

24 E. Weighing the equities and considering Plaintiff’s likelihood of
25 ultimate success on the merits, a preliminary injunction with an asset freeze and
26 other equitable relief is in the public interest.

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A. Consumers who purchase Defendants' purported money-making opportunities will earn or are likely to earn substantial income;

B. Consumers who purchase Defendants' purported money-making opportunities will receive business coaching that will provide what the consumers need to build a successful online business; and

C. Any other fact material to consumers concerning any good or service, such as: the total costs; any refund policy; any material restrictions, limitations, or

1 | discovery in this action in the manner required by the Federal Rules of Civil
2 | Procedure and by any protective order in the case.

3 | III. ASSET FREEZE

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1 account for which any Defendant is, or was on the date that this Order was signed
2 an authorized signor; or

3 D. Cashing any checks or depositing any money orders or cash received
4 from consumers, clients, or customers of any Defendant.

5 The Assets affected by this Section shall include Assets: (1) existing as of
6 the date the TRO was entered; and (2) obtained by Defendant Morgan Johnson
7 following entry of the TRO, if those Assets are derived from any activity that is the
8 subject of the Complaint in this matter or that is prohibited by this Order. This
9 Section does not prohibit any transfers to the Receiver or repatriation of foreign
10 Assets specifically required by this Order.

11 IV. DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES

12 IT IS FURTHER ORDERED that any financial or brokerage institution,
13 Electronic Data Host, credit card processor, payment processor, merchant bank,
14 acquiring bank, independent sales organization, third party processor, payment
15 gateway, insurance company, business entity, or Person who receives actual notice
16 of this Order (by service or otherwise) and that has held, controlled, or maintained
17 custody, through an account or otherwise, of (a) any Document on behalf of
18 Defendant Morgan Johnson or any Asset that has been owned or controlled,
19 directly or indirectly, by Johnson; held, in part or in whole, for the benefit of
20 Johnson; in the actual or constructive possession of Johnson; or owned or
21 controlled by, in the actual or constructive possession of, or otherwise held for the
22 benefit of, any corporation, partnership, asset protection trust, or other entity that is
23 directly or indirectly owned, managed or controlled by Johnson; or (b) any
24 Document or Asset associated with credits, debits or charges made on behalf of
25 Johnson, including reserve funds held by payment processors, credit card
26 processors, merchant banks, acquiring banks, independent sales organizations,
27 third party processors, payment gateways, insurance companies, or other entities
28 shall:

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

6 B. Deny any Person, except the Receiver, access to any safe deposit box,
7 commercial mail box, or storage facility that is titled in the name of any Defendant,
8 either individually or jointly, or otherwise subject to access by any Defendant;

9 C. If they have not done so already in compliance with the TRO
10 previously issued in this matter (Dkt. 34), provide Plaintiff's counsel and the
11 Receiver, within three (3) business days of receiving a copy of this Order, a sworn
12 statement setting forth:

- 13 1) The identification number of each such account or Asset;
- 14 2) The balance of each such account, or a description of the nature
15 and value of each such Asset as of the close of business on the
16 day on which this Order is served, and, if the account or other
17 Asset has been closed or removed, the date closed or removed,
18 the total funds removed in order to close the account, and the
19 name of the Person or entity to whom such account or other
20 Asset was remitted; and
- 21 3) The identification of any safe deposit box, commercial mail
22 box, or storage facility that is either titled in the name,
23 individually or jointly, of any Defendant, or is otherwise subject
24 to access by any Defendant; and

25 D. If they have not done so already in compliance with the TRO
26 previously issued in this matter (Dkt. 34), upon the request of Plaintiff's counsel or
27 the Receiver, promptly provide Plaintiff's counsel and the Receiver with copies of
28 all records or other Documents pertaining to such account or Asset, including

1 originals or copies of account applications, account statements, signature cards,
2 checks, drafts, deposit tickets, transfers to and from the accounts, including wire
3 transfers and wire transfer instructions, all other debit and credit instruments or
4 slips, currency transaction reports, 1099 forms, and all logs and records pertaining
5 to safe deposit boxes, commercial mail boxes, and storage facilities

6 Provided, however, that this Section does not prohibit any transfers to the
7 Receiver or repatriation of foreign Assets specifically required by this Order.

8 V. FINANCIAL DISCLOSURES

9 IT IS FURTHER ORDERED that, if he has not done so already in
10 compliance with the TRO previously issued in this matter (Dkt. 34), within five (5)
11 calendar days of the issuance of this Order, Defendant Johnson shall prepare and
12 deliver to Plaintiff's counsel and the Receiver:

13 A. Completed financial statements on the form attached to this Order as
14 Attachment A (Financial Statement of Individual Defendant) for Johnson and
15 Attachment B (Financial Statement of Corporate Defendant) for each business
16 entity under which Johnson conducts business or of which Johnson is an officer,
17 and for each trust for which Johnson is a trustee; and

18 VI. REPATRIATION OF FOREIGN ASSETS AND DOCUMENTS

19 IT IS FURTHER ORDERED that, if he has not done so already in
20 compliance with the TRO previously issued in this matter (Dkt. 34), within five (5)
21 days following the issuance of this Order, Defendant Morgan Johnson shall:

22 A. Provide Plaintiff's counsel and the Receiver with a full accounting,
23 verified under oath and accurate as of the date of this Order, of all Assets,
24 Documents, and accounts outside of the United States which are: (1) titled in the
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1 owned, managed or controlled by any Defendant; or (3) under the direct or indirect
2 control, whether jointly or singly, of any Defendant;

3 B. Take all steps necessary to provide Plaintiff's counsel and Receiver
4 access to all Documents and records that may be held by third parties located
5 outside of the territorial United States of America.

6 C. Transfer to the territory of the United States and all Documents and
7 Assets located in foreign countries which are: (1) titled in the name, individually or
8 jointly, of Johnson; (2) held by any Person or entity for the benefit of Johnson or
9 for the benefit of, any corporation, partnership, asset protection trust, or other
10 entity that is directly or indirectly owned, managed or controlled by Johnson; or (3)
11 under the direct or indirect control, whether jointly or singly, of Johnson; and

12 D. The same business day as any repatriation, (1) notify the Receiver and
13 counsel for Plaintiff of the name and location of the financial institution or other
14 entity that is the recipient of such Documents or Assets; and (2) serve this Order on
15 any such financial institution or other entity.

16 VII. NON-INTERFERENCE WITH REPATRIATION

17 IT IS FURTHER ORDERED that Defendant Morgan Johnson, his
18 officers, agents, employees, and attorneys, and all other Persons in active concern
19 or participation with him, who receive actual notice of this Order, whether acting
20 directly or indirectly, are hereby preliminarily restrained and enjoined from
21 taking any action, directly or indirectly, which may result in the encumbrance or
22 dissipation of foreign Assets, or in the hindrance of the repatriation required by this
23 Order, including, but not limited to:

24 A. Sending any communication or engaging in any other act, directly or
25 indirectly, that results in a determination by a foreign trustee or other entity that a
26 "duress" event has occurred under the terms of a foreign trust agreement until such
27 time that all Johnson's Assets have been fully repatriated pursuant to this Order; or
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1 B. Notifying any trustee, protector or other agent of any foreign trust or
2 other related entities of either the existence of this Order, or of the fact that
3 repatriation is required pursuant to a court order, until such time that Johnson's
4 Assets have been fully repatriated pursuant to this Order.

5 VIII. CONSUMER CREDIT REPORTS

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

11 IX. PRESERVATION OF RECORDS

12 IT IS FURTHER ORDERED that Defendant Morgan Johnson, his
13 officers, agents, employees, and attorneys, and all other Persons in active concern
14 or participation with him, who receive actual notice of this Order, whether acting
15 directly or indirectly, are hereby preliminarily restrained and enjoined from:

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

23 B. Failing to create and maintain Documents that, in reasonable detail,
24 accurately, fairly, and completely reflect Defendants' incomes, disbursements,
25 transactions, and use of Defendants' Assets.

26 X. REPORT OF NEW BUSINESS ACTIVITY

27 IT IS FURTHER ORDERED that Defendant Morgan Johnson, his
28 officers, agents, employees, and attorneys, and all other Persons in active concern

1 or participation with him, who receive actual notice of this Order, whether acting
2 directly or indirectly, are hereby preliminarily restrained and enjoined from
3 creating, operating, or exercising any control over any business entity, whether
4 newly formed or previously inactive, including any partnership, limited
5 partnership, joint venture, sole proprietorship, or corporation, without first

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1 and machines (onsite or remotely) and any cloud account (including specific
2 method to access account) or electronic file in any medium; advising all Persons
3 who owe money to any Receivership Entity that all debts should be paid directly to
4 the Receiver; and transferring funds at the Receiver's direction and producing
5 records related to the Assets and sales of the Receivership Entities.

6 XIV. NON-INTERFERENCE WITH THE RECEIVER

7 IT IS FURTHER ORDERED that Defendant Morgan Johnson, his
8 officers, agents, employees, attorneys, and all other Persons in active concert or
9 participation with him, who receive actual notice of this Order, and any other
10 Person served with a copy of this Order, are hereby restrained and enjoined from
11 directly or indirectly:

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

14 B. Transacting any of the business of the Receivership Entities;

15 C. Transferring, receiving, altering, selling, encumbering, pledging,
16 assigning, liquidating, or otherwise disposing of any Assets owned, controlled, or
17 in the possession or custody of, or in which an interest is held or claimed by, the
18 Receivership Entities;

19 D. Refusing to cooperate with the Receiver or the Receiver's duly
20 authorized agents in the exercise of their duties or authority under any order of this
21 Court; or

22 E. Harassing or interfering with the Receiver in any way.

23 XV. STAY OF ACTIONS

24 IT IS FURTHER ORDERED that, except by leave of this Court, during
25 the pendency of the receivership in this matter, Defendant Johnson, his officers,
26 agents, employees, attorneys, and all other Persons in active concert or
27 participation with him, who receive actual notice of this Order, and their
28 corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

1 stockholders, lessors, customers and other Persons seeking to establish or enforce
2 any claim, right, or interest against or on behalf of Defendants, and all others
3 acting for or on behalf of such Persons, are hereby enjoined from taking action that
4 would interfere with the exclusive jurisdiction of this Court over the Assets or
5 Documents of the Receivership Entities, including, but not limited to:

6 A. Filing or assisting in the filing of a petition for relief under the
7 Bankruptcy Code, 11 U.S.C. § 101 seq. or of any similar insolvency proceeding
8 on behalf of the Receivership Entities;

9 B. Commencing, prosecuting, or continuing a judicial, administrative, or
10 other action or proceeding against the Receivership Entities, including the issuance
11 or employment of process against the Receivership Entities, except that such
12 actions may be commenced if necessary to toll any applicable statute of
13 limitations;

14 C. Filing or enforcing any lien on any asset of the Receivership Entities,
15 taking or attempting to take possession, custody, or control of any Asset of the
16 Receivership Entities; or attempting to foreclose, forfeit, alter, or terminate any
17 interest in any Asset of the Receivership Entities, whether in whole or in part,
18 or otherwise; or

19 Provided, however, that this Order does not stay: (1) the commencement or
20 continuation of a civil action or proceeding; (2) the exercise of the
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22 548 (see applicable regulatory power) 59616.;

23 BUTION OF
24 THE COURT IS ORDERED
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1 independent contractor, client, attorney, spouse, subsidiary, division, and
2 representative of any Defendant, and shall, within ten (10) days from the date of
3 entry of this Order, provide Plaintiff and the Receiver with a sworn statement that
4 this provision of the Order has been satisfied, which statement shall include the
5 names, physical addresses, phone number, and email addresses of each such Person
6 or entity who received a copy of the Order. Furthermore, Defendant Johnson shall
7 not take any action that would encourage officers, agents, members, directors,
8 employees, salespersons, independent contractors, attorneys, subsidiaries,
9 affiliates, successors, assigns or other Persons or entities in active concert or
10 participation with them to disregard this Order or believe that they are not bound
11 by its provisions.

12 XVII. SERVICE OF THIS ORDER

13 IT IS FURTHER ORDERED that copies of this Order, as well as all other
14 filings in this case, may be served by any means, including facsimile transmission,
15 electronic mail or other electronic messaging, personal or overnight delivery, U.S.
16 Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement
17 agency, or by private process server, upon any Defendant or any Person (including
18 any financial institution) that may have possession, custody or control of any Asset
19 or Document of any Defendant, or that may be subject to any provision of this
20 Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For
21 purposes of this Section, service upon any branch, subsidiary, affiliate or office of
22 any entity shall effect service upon the entire entity.

23 XVIII. CORRESPONDENCE WITH FTC

24 IT IS FURTHER ORDERED that, for the purpose of this Order, all
25 correspondence and service of pleadings on Plaintiff shall be addressed to:

26 Andrew Hudson
27 Laura Basford
28 Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

1 independent contractor, client, attorney, spouse, subsidiary, division, and
2 representative of any Defendant, and shall, within ten (10) days from the date of
3 entry of this Order, provide Plaintiff and the Receiver with a sworn statement that
4 this provision of the Order has been satisfied, which statement shall include the
5 names, physical addresses, phone number, and email addresses of each such Person
6 or entity who received a copy of the Order. Furthermore, Defendant Johnson shall
7 not take any action that would encourage officers, agents, members, directors,
8 employees, salespersons, independent contractors, attorneys, subsidiaries,
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16 Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement
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18 any financial institution) that may have possession, custody or control of any Asset
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27 Laura Basford
28 Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

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2 representative of any Defendant, and shall, within ten (10) days from the date of
3 entry of this Order, provide Plaintiff and the Receiver with a sworn statement that
4 this provision of the Order has been satisfied, which statement shall include the
5 names, physical addresses, phone number, and email addresses of each such Person
6 or entity who received a copy of the Order. Furthermore, Defendant Johnson shall
7 not take any action that would encourage officers, agents, members, directors,
8 employees, salespersons, independent contractors, attorneys, subsidiaries,
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16 Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement
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18 any financial institution) that may have possession, custody or control of any Asset
19 or Document of any Defendant, or that may be subject to any provision of this
20 Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For
21 purposes of this Section, service upon any branch, subsidiary, affiliate or office of
22 any entity shall effect service upon the entire entity.

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25 correspondence and service of pleadings on Plaintiff shall be addressed to:

26 Andrew Hudson
27 Laura Basford
28 Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

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accounts, computer systems (onsite and remote), Electronic Data Hosts, or other property.

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and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

XIV. NON-INTERFERENCE WITH THE RECEIVER

IT IS FURTHER ORDERED that Defendant Morgan Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and any other Person served with a copy of this Order, are hereby restrained and enjoined from directly or indirectly:

- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

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and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

XIV. NON-INTERFERENCE WITH THE RECEIVER

IT IS FURTHER ORDERED that Defendant Morgan Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and any other Person served with a copy of this Order, are hereby restrained and enjoined from directly or indirectly:

- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten (10) days from the date of entry of this Order, provide Plaintiff and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such Person or entity who received a copy of the Order. Furthermore, Defendant Johnson shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other Persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

XVII. SERVICE OF THIS ORDER

IT IS FURTHER ORDERED that copies of this Order, as well as all other filings in this case, may be served by any means, including facsimile transmission, electronic mail or other electronic messaging, personal or overnight delivery, U.S. Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement agency, or by private process server, upon any Defendant or any Person (including any financial institution) that may have possession, custody or control of any Asset or Document of any Defendant, or that may be subject to any provision of this Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For purposes of this Section, service upon any branch, subsidiary, affiliate or office of any entity shall effect service upon the entire entity.

XVIII. CORRESPONDENCE WITH FTC

IT IS FURTHER ORDERED that, for the purpose of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Andrew Hudson
Laura Basford
Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten (10) days from the date of entry of this Order, provide Plaintiff and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such Person or entity who received a copy of the Order. Furthermore, Defendant Johnson shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other Persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

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XVIII. CORRESPONDENCE WITH FTC

IT IS FURTHER ORDERED that, for the purpose of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Andrew Hudson
Laura Basford
Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten (10) days from the date of entry of this Order, provide Plaintiff and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such Person or entity who received a copy of the Order. Furthermore, Defendant Johnson shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other Persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

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XVIII. CORRESPONDENCE WITH FTC

IT IS FURTHER ORDERED that, for the purpose of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Andrew Hudson
Laura Basford
Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

XIV. NON-INTERFERENCE WITH THE RECEIVER

IT IS FURTHER ORDERED that Defendant Morgan Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and any other Person served with a copy of this Order, are hereby restrained and enjoined from directly or indirectly:

- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

stockholders, lessors, customers and other Persons seeking to establish or enforce any claim, right, or interest against or on behalf of Defendants, and all others acting for or on behalf of such Persons, are hereby enjoined from taking action that would interfere with the exclusive jurisdiction of this Court over the Assets or Documents of the Receivership Entities, including, but not limited to:

A. Filing or assisting in the filing of a petition for relief under the Bankruptcy Code, 11 U.S.C. § 101 seq. or of any similar insolvency proceeding on behalf of the Receivership Entities;

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

C. Filing or enforcing any lien on any asset of the Receivership Entities, taking or attempting to take possession, custody, or control of any Asset of the Receivership Entities; or attempting to foreclose, forfeit, alter, or terminate any interest in any Asset of the Receivership Entities, whether in part or in whole, or otherwise;

Provided, however, that this Order does not stay: (1) the commencement or continuation of a criminal action or proceeding; (2) the commencement or continuation of an action or proceeding to enforce a money judgment, other than a judgment for the payment of taxes;

22 548 (see applicable for regulatory power) 59616.;

BUTION OF

THE COURT ORDERED

or participation with him, who receive actual notice of this Order, whether acting directly or indirectly, are hereby preliminarily restrained and enjoined from creating, operating, or exercising any control over any business entity, whether newly formed or previously inactive, including any partnership, limited partnership, joint venture, sole proprietorship, or corporation, without first

accounts, computer systems (onsite and remote), Electronic Data Hosts, or other property.

F.

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

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

B. Transacting any of the business of the Receivership Entities;

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 Entities;

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

E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten (10) days from the date of entry of this Order, provide Plaintiff and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such Person or entity who received a copy of the Order. Furthermore, Defendant Johnson shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other Persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

XVII. SERVICE OF THIS ORDER

IT IS FURTHER ORDERED that copies of this Order, as well as all other filings in this case, may be served by any means, including facsimile transmission, electronic mail or other electronic messaging, personal or overnight delivery, U.S. Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement agency, or by private process server, upon any Defendant or any Person (including any financial institution) that may have possession, custody or control of any Asset or Document of any Defendant, or that may be subject to any provision of this Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For purposes of this Section, service upon any branch, subsidiary, affiliate or office of any entity shall effect service upon the entire entity.

XVIII. CORRESPONDENCE WITH FTC

IT IS FURTHER ORDERED that, for the purpose of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Andrew Hudson
Laura Basford
Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

XIV. NON-INTERFERENCE WITH THE RECEIVER

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten (10) days from the date of entry of this Order, provide Plaintiff and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such Person or entity who received a copy of the Order. Furthermore, Defendant Johnson shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other Persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

XVII. SERVICE OF THIS ORDER

IT IS FURTHER ORDERED that copies of this Order, as well as all other filings in this case, may be served by any means, including facsimile transmission, electronic mail or other electronic messaging, personal or overnight delivery, U.S. Mail or FedEx, by agents and employees of Plaintiff, by any law enforcement agency, or by private process server, upon any Defendant or any Person (including any financial institution) that may have possession, custody or control of any Asset or Document of any Defendant, or that may be subject to any provision of this Order pursuant to Rule 65(d)(2) of the Federal Rules of Civil Procedure. For purposes of this Section, service upon any branch, subsidiary, affiliate or office of any entity shall effect service upon the entire entity.

XVIII. CORRESPONDENCE WITH FTC

IT IS FURTHER ORDERED that, for the purpose of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Andrew Hudson
Laura Basford
Jody Goodman
Federal Trade Commission
600 Pennsylvania Ave., NW

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership in this matter, Defendant Johnson, his officers, agents, employees, attorneys, and all other Persons in active concert or participation with him, who receive actual notice of this Order, and their corporations, subsidiaries, divisions, or affiliates, and all investors, creditors,

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 Johnson's Assets have been fully repatriated pursuant to this Order.

VIII. CONSUMER CREDIT REPORTS

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

IX. PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that Defendant Morgan Johnson, his officers, agents, employees, and attorneys, and all other Persons in active concern or participation with him, who receive actual notice of this Order, whether acting directly or indirectly, are hereby preliminarily restrained and enjoined from:

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

B. Failing to create and maintain Documents that, in reasonable detail, accurately, fairly, and completely reflect Defendants' incomes, disbursements, transactions, and use of Defendants' Assets.

X. REPORT OF NEW BUSINESS ACTIVITY

IT IS FURTHER ORDERED that Defendant Morgan Johnson, his officers, agents, employees, and attorneys, and all other Persons in active concern

or participation with him, who receive actual notice of this Order, whether acting directly or indirectly, are hereby preliminarily restrained and enjoined from creating, operating, or exercising any control over any business entity, whether newly formed or previously inactive, including any partnership, limited partnership, joint venture, sole proprietorship, or corporation, without first

accounts, computer systems (onsite and remote), Electronic Data Hosts, or other property.

F.

and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium; advising all Persons who owe money to any Receivership Entity that all debts should be paid directly to the Receiver; and transferring funds at the Receiver's direction and producing records related to the Assets and sales of the Receivership Entities.

XIV. NON-INTERFERENCE WITH THE RECEIVER

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- A. Interfering with the Receiver's efforts to manage, or take custody, control, or possession of, the Assets or Documents subject to the receivership;
- B. Transacting any of the business of the Receivership Entities;
- 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 Entities;
- D. Refusing to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their duties or authority under any order of this Court; or
- E. Harassing or interfering with the Receiver in any way.

XV. STAY OF ACTIONS

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stockholders, lessors, customers and other Persons seeking to establish or enforce any claim, right, or interest against or on behalf of Defendants, and all others acting for or on behalf of such Persons, are hereby enjoined from taking action that would interfere with the exclusive jurisdiction of this Court over the Assets or Documents of the Receivership Entities, including, but not limited to:

A. Filing or assisting in the filing of a petition for relief under the Bankruptcy Code, 11 U.S.C. § 101 seq. or of any similar insolvency proceeding on behalf of the Receivership Entities;

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

C. Filing or enforcing any lien on any asset of the Receivership Entities, taking or attempting to take possession, custody, or control of any Asset of the Receivership Entities; or attempting to foreclose, forfeit, alter, or terminate any interest in any Asset of the Receivership Entities, whether in part or in whole, or otherwise;

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

22 548 (see applicable for regulatory power) 59616.;

BUTION OF

TO BE ORDERED

independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten (10) days from the date of entry of this Order, provide Plaintiff and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such Person or entity who received a copy of the Order. Furthermore, Defendant Johnson shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other Persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

XVII. SERVICE OF THIS ORDER

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XVIII. CORRESPONDENCE WITH FTC

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