

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

FEDERAL TRADE COMMISSION

Plaintiff,


v.

ECOLOGICAL FOX, LLC, a Maryland limited liability company,

LUKE CHADWICK, individually and as an officer or owner of Global Property Alliance, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, Bamboo Springs, Eco Futures, Eco Futures Development, Eco Futures Belize, Sittee River Wildlife Reserve, Buy Belize, Buy International, and Buy Paradise), Sittee River Wildlife Reserve (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Buy Belize, LLC (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Buy International, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Foundation Development Management Inc., Eco Futures-Development (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Eco-Futures Belize Limited (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Power Haus Marketing, Prodigy Management Group, LLC, Belize Real Estate Affiliates, LLC (also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize), Exotic Investor, LLC (also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize), and Southern Belize Realty LLC (also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize),

ANDRIS PUKKE, also known as Marc Romeo and Andy Storm, individually and as an officer or owner of Global Property Alliance, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, Bamboo Springs, Eco Futures, Eco Futures Development, Eco Futures Belize, Sittee River Wildlife

Civil Action No:


**[PROPOSED] EX PARTE
TEMPORARY RESTRAINING
ORDER WITH ASSET
FREEZE, WRITS *NE EXEAT*,
APPOINTMENT OF A
TEMPORARY RECEIVER,
AND OTHER EQUITABLE
RELIEF, AND ORDER TO
SHOW CAUSE WHY A
PRELIMINARY INJUNCTION
SHOULD NOT ISSUE**

[UNDER SEAL]

**DO NOT DOCKET/
MOTION TO DELAY ECF
PENDING**

Reserve, Buy Belize, Buy International, and Buy Paradise), Sittee River Wildlife Reserve (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Buy Belize, LLC (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Buy International, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Foundation Development Management Inc., Eco Futures-Development (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Eco-Futures Belize Limited (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Power Haus Marketing, Prodigy Management Group, LLC, Belize Real Estate Affiliates, LLC (also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize), Exotic Investor, LLC (also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize), and Southern Belize Realty LLC (also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize),

PETER BAKER, individually and as an officer or owner of Global Property Alliance, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, Bamboo Springs, Eco Futures, Eco Futures Development, Eco Futures Belize, Sittee River Wildlife Reserve, Buy Belize, Buy International, and Buy Paradise), Sittee River Wildlife Reserve (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Buy Belize, LLC (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Buy International, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Foundation Development Management Inc., Eco Futures-Development (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Eco-Futures Belize Limited (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Power Haus Marketing,

GLOBAL PROPERTY ALLIANCE, INC., a California corporation, also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, Bamboo Springs, Eco Futures, Eco Futures Development,

Eco Futures Belize, Sittee River Wildlife Reserve, Buy Belize, Buy International, and Buy Paradise,

SITTEE RIVER WILDLIFE RESERVE, an entity organized under the laws of Belize, also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve,

BUY BELIZE, LLC, a California limited liability company, also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs,

BUY INTERNATIONAL, INC., a California corporation, also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs,

FOUNDATION DEVELOPMENT MANAGEMENT INC., a California corporation,

ECO-FUTURES DEVELOPMENT, a California corporation, also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve,

ECO-FUTURES BELIZE LIMITED, a company organized under the laws of Belize, also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve,

POWER HAUS MARKETING, a California corporation,

BRANDI GREENFIELD, individually and as an officer or owner of Global Property Alliance, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, Bamboo Springs, Eco Futures, Eco Futures Development, Eco Futures Belize, Sittee River Wildlife Reserve, Buy Belize, Buy International, and Buy Paradise), Sittee River Wildlife Reserve (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Buy Belize, LLC (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Buy International, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Foundation Development Management Inc., Eco Futures-Development (also doing business as Sanctuary Bay, Sanctuary Belize, and The

Reserve), Eco-Futures Belize Limited (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), Power Haus Marketing, and BG Marketing, LLC,

BG MARKETING, LLC, an Oklahoma limited liability company,

PRODIGY MANAGEMENT GROUP, LLC, a Wyoming limited liability company,

JOHN USHER, individually and as an officer or owner of Sittee River Wildlife Reserve (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve) and Eco-Futures Belize Limited (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve),

ROD KAZAZI, individually and as an officer or owner of Global Global Property Alliance, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, Bamboo Springs, Eco Futures, Eco Futures Development, Eco Futures Belize, Sittee River Wildlife Reserve, Buy Belize, Buy International, and Buy Paradise), Buy Belize, LLC (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Buy International, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), Eco Futures-Development (also doing business as Sanctuary Bay, Sanctuary Belize, and The Reserve), and Foundation Partners,

FOUNDATION PARTNERS, a California corporation formerly known as Red Crane Advisors, Inc.,

FRANK COSTANZO, also known as Frank Green, and Frank Peerless Green, Frank Connelly, and Frank Connelly-Costanzo, individually and as officer or owner of Ecological Fox, LLC, Buy International, Inc. (also doing business as Sanctuary Bay, Sanctuary Belize, The Reserve, Kanantik, Laguna Palms, and Bamboo Springs), and Foundation Development Management, Inc.,

BELIZE REAL ESTATE AFFILIATES, LLC, a limited liability company organized under the laws of St. Kitts and Nevis, also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize,

EXOTIC INVESTOR, LLC, a limited liability company organized under the laws of St. Kitts and Nevis, also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize,

SOUTHERN BELIZE REALTY, LLC, a limited liability company organized under the laws of Belize, also doing business as Coldwell Banker Belize and Coldwell Banker Southern Belize,

SANCTUARY BELIZE PROPERTY OWNERS' ASSOCIATION, a Texas non-profit corporation, also doing business as The Reserve Property Owners' Association, and

ATLANTIC INTERNATIONAL BANK, LTD., a company organized under the laws of Belize,

Defendants, and

ANGELA CHITTENDEN,

BEACH BUNNY HOLDINGS, LLC, a California limited liability company,

THE ESTATE OF JOHN PUKKE,

JOHN VIPULIS, and

DEBORAH CONNELLY

Relief Defendants.

Plaintiff, the Federal Trade Commission, has filed its Complaint for Permanent Injunction and Other Equitable Relief pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), and has moved, pursuant to Fed. R. Civ. P. 65(b), for a temporary restraining order, asset freeze, other equitable relief, and an order to show cause why a preliminary injunction should not issue against individual defendants Andris Pukke, Luke Chadwick, John Usher, Rod Kazazi, Brandi Greenfield, Frank Costanzo, and Defendants

Global Property Alliance, Inc., Sittee River Wildlife Reserve, Buy Belize, LLC, Buy International, Inc., Foundation Development Management, Inc., Eco-Futures Development, Eco-Futures Belize Limited, Power Haus Marketing, Sanctuary Belize Property Owners' Association, Prodigy Management Group LLC, Foundation Partners, BG Marketing, LLC, Ecological Fox, LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, Atlantic International Bank Ltd. (collectively, the "Sanctuary Belize Enterprise" or "SBE"); and relief defendants Angela Chittenden, Beach Bunny Holdings, LLC, the Estate of John Pukke, John Vipulis, and Deborah Connelly.

FINDINGS OF FACT

The Court, having considered the Complaint, the *ex parte* Motion for a Temporary Restraining Order, declarations, exhibits, and the memorandum filed in support thereof, and being otherwise advised, finds that:

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

B. In numerous instances, Defendants telemarketed real estate investments in Belize, representing to consumers:

1. SBE uses a "no debt" business model. The "no debt" model makes Sanctuary Belize a less risky investment than one in which the developer has to make payments to creditors.
2. In part because of the "no debt" model, every dollar SBE collects from lot sales goes back into the development.

3. This funding stream means SBE will finish the development quickly—within two to five years.
4. The finished development will contain numerous amenities including a hospital staffed with American physicians and nurses near the development, an emergency medical center near the downtown “Marina Village,” a championship-caliber golf course, an airstrip within the development, and a new international airport nearby with direct flights to and from the United States. Furthermore, the defendants promise that the “Marina Village” will contain high-end boutique shops, restaurants, cafes, an American-style grocery store, an elegant casino, a hotel, and a 250-slip world-class marina.
5. These impressive amenities mean the lots will appreciate from 200% to 300% within two to three years.
6. Consumers can realize the rapid appreciation without difficulty because there is already a robust resale market, making it easy to resell the lots should they choose to do so.
7. Andris Pukke has no material involvement with the Defendants’ real estate business.

C. As demonstrated by detailed evidence, including consumer testimony, documents and testimony from Defendants’ former employees, sales scripts, sales videos, transcripts of sales pitches, and expert testimony demonstrating the falsity of the representations detailed above. Therefore, there is good cause to believe that Defendants have engaged in and are likely to engage in acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the

Telemarketing Sales Rule, 16 C.F.R. Part 310 (“TSR”), and that the FTC is therefore likely to prevail on the merits of this action.

D. There is good cause to believe that immediate and irreparable harm will result from Defendants’ ongoing violations of the FTC Act and TSR unless Defendants are restrained and enjoined by order of this Court.

E. There is good cause to believe that immediate and irreparable damage to the Court’s ability to grant effective final relief for consumers – including monetary restitution, rescission, or refunds – will occur from the sale, transfer, destruction or other disposition or concealment by Defendants of their assets or records, unless Defendants are immediately restrained and enjoined by order of this Court; and that, in accordance with Fed. R. Civ. P. 65(b), the interests of justice require that this Order be granted without prior notice to Defendants. Thus, there is good cause for relieving the FTC of the duty to provide Defendants with prior notice of its Motion for a Temporary Restraining Order.

F. There is good cause to believe that the Relief Defendants received, at a minimum, funds totaling the Relief Defendant Limitation Amounts from the Defendants’ likely unlawful acts or practices. This finding does not in any way prohibit the FTC or the Relief Defendants from proving that these Relief Defendants received greater or lesser amounts or otherwise affect the FTC’s ability to obtain judgments greater than these amounts against these Relief Defendants.

G. There is good cause to believe that Individual Defendants Andris Pukke, Peter Baker, Luke Chadwick, and Frank Costanzo may flee the United States as a result of this litigation in order to avoid the obligations from litigation, including discovery and monetary obligations, because: (1) these individuals have a history of avoiding discovery and other court

obligations; (2) have substantial assets overseas; and (3) the ability to flee to another jurisdiction, such as Belize. The Court must retain the ability to enforce its orders against these individuals to effect the remedial purposes that Sections 5 and 13(b) of the FTC Act embody. As a result, there is good cause to temporarily prevent Individual Defendants Andris Pukke, Peter Baker, Luke Chadwick, and Frank Costanzo from traveling internationally.

H. Good cause exists for appointing a temporary receiver over the Receivership Entities; freezing Defendants' assets; permitting the FTC and the Receiver immediate access to the Defendants' business premises; permitting the Receiver to take immediate control of Pukke's and Baker's valuable personal assets; and permitting the FTC and the Receiver to take expedited discovery.

I. Weighing the equities and considering the FTC's likelihood of ultimate success on the merits, a temporary restraining order with an asset freeze, the appointment of a temporary receiver, immediate access to business premises, immediate possession of certain personal assets, expedited discovery, and other equitable relief is in the public interest.

J. This Court has authority to issue this Order pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b); Federal Rule of Civil Procedure 65; and the All Writs Act, 28 U.S.C. § 1651.

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

DEFINITIONS

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

A. "Asset" means any legal or equitable interest in, right to, or claim to, any property, wherever located and by whomever held, whether tangible, intangible, digital, or

otherwise, including, but not limited to, digital currencies, virtual currencies, digital tokens, and cryptocurrencies.

B. **“Corporate Defendant(s)”** means Global Property Alliance, Inc., Sittee River Wildlife Reserve, Buy Belize, LLC, Buy International, Inc., Foundation Development Management, Inc., Eco-Futures Development, Eco-Futures Belize Limited, Power Haus Marketing, and Sanctuary Belize Property Owners’ Association, Prodigy Management Group LLC, Foundation Partners, BG Marketing, LLC, Ecological Fox, LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, and Atlantic International Bank Ltd. and each of their subsidiaries, affiliates, successors, and assigns.

C. **“Defendant(s)”** means the Corporate Defendants and Individual Defendants, individually, collectively, or in any combination.

D. **“Document”** is synonymous in meaning and equal in scope to the usage of “document” and “electronically stored information” in Federal Rule of Civil Procedure 34(a), Fed. R. Civ. P. 34(a), and includes writings, drawings, graphs, charts, photographs, sound and video recordings, images, Internet sites, web pages, websites, electronic correspondence, including e-mail and instant messages, contracts, accounting data, advertisements, FTP Logs, Server Access Logs, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, computer records, customer or sales databases and any other electronically stored information, including Documents located on remote servers or cloud computing systems, and other data or data compilations from which information can be obtained directly or, if necessary, after translation into a reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

E. **“Electronic Data Host”** means any person or entity in the business of storing, hosting, or otherwise maintaining electronically stored information. This includes, but is not limited to, any entity hosting a website or server, and any entity providing “cloud based” electronic storage.

F. **“Individual Defendant(s)”** means Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Rod Kazazi, Brandi Greenfield, and Frank Costanzo individually, collectively, or in any combination.

G. **“Receiver”** means the temporary receiver appointed in Section XV of this Order and any deputy receivers who shall be named by the temporary receiver.

H. **“Receivership Entities”** means the Corporate Defendants (except Atlantic International Bank, Ltd.) as well as any other entity that: (1) is located at, registered to, or operated from 3333 Michelson Drive, Suite 500, Irvine, California, and assists, facilitates, or otherwise conducts business related to the sale of real estate in Belize; (2) assists, facilitates, or otherwise conducts business related to the acts identified in the Findings of Fact in this Order, and is owned or controlled by any Defendant; or (3) Assets that are otherwise in the Receivership and that are corporations or other legal entities.

I. **“Relief Defendant(s)”** means Angela Chittenden, Beach Bunny Holdings LLC, the Estate of John Pukke, John Vipulis, and Deborah Connelly.

J. **“Relief Defendant Limitation Amount”** means, for Angela Chittenden, \$150,000.00; for Beach Bunny Holdings, LLC, \$115,000.00; for the Estate of John Pukke, \$705,000.00; for John Vipulis, \$4,111,000.00; and for Deborah Connelly, \$478,804.93.

ORDER

I. PROHIBITED BUSINESS ACTIVITIES

IT IS THEREFORE ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or indirectly, in connection with the advertising, marketing, promoting, or offering for sale of any goods or services (including the sale of lots or homes), are temporarily restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication, any material fact, including, but not limited to:

A. The use of a "no debt" business model in a real estate development makes an investment in the real estate development a less risky investment than one in which the developer makes payments to creditors;

B. Every dollar, or the vast majority of dollars, collected from selling lots in a real estate development goes back into the development;

C. The real estate development will be completed within a specified period of time, such as a particular number of weeks, months, or years;

D. The real estate development will have specific amenities including those expected of an American luxury resort community;

E. Lots within a real estate development will appreciate or appreciate rapidly, such as a particular rate within a particular period of time;

F. Consumers can realize the appreciation of their lots within the real estate development because there is a robust resale market through which consumers could easily resell their lots should they choose to do so; and

G. One or more Defendants have no meaningful involvement with the relevant business;

H. Any other fact material to consumers concerning any good or service, such as: the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics.

II. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from:

A. Selling, renting, leasing, transferring, or otherwise disclosing, the name, address, birth date, telephone number, email address, credit card number, bank account number, Social Security number, lot number, lot sale contract, buyback agreement, or other financial or identifying information of any person that any Defendant obtained in connection with any activities conducted by the Receivership Entities; and

B. Benefitting from or using the name, address, birth date, telephone number, email address, credit card number, bank account number, Social Security number, or other financial or identifying information of any person that any Defendant obtained in connection with any activities conducted by the Receivership Entities.

Provided, however, that Defendants may disclose such identifying information to a law enforcement agency, to their attorneys as required for their defense, as required by any law, regulation, or court order, or in any filings, pleadings or discovery in this action in the manner required by the Federal Rules of Civil Procedure, applicable local rules, and by any protective order in the case.

III. ASSET FREEZE

IT IS FURTHER ORDERED that Defendants, Relief Defendants, and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from:

A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of any Assets that are:

1. owned or controlled, directly or indirectly, by any Defendant or Relief Defendant;
2. held, in part or in whole, for the benefit of any Defendant or Relief Defendant;
3. in the actual or constructive possession of any Defendant or Relief Defendant;
4. owned or controlled by, controlled or managed by, under common control with, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, HYCET trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant or Relief Defendant; or
5. transferred from any Defendant or Relief Defendant without adequate consideration, or for the primary purpose of shielding the Asset from any creditor.

Provided, however, at any time, a Relief Defendant may request, in writing and with supporting documentation if appropriate, that the Receiver determine whether the Relief Defendant's Assets

affected by this Section exceed the amount necessary to satisfy a judgment in favor of the FTC and against the Relief Defendant in the amount of the applicable Relief Defendant Limitation Amount. The Receiver will respond as soon as practical, and if the Receiver determines that sufficient Assets exist, then the Receiver shall determine, in its sole discretion, which of the Relief Defendant's Assets to exclude from this Section. In that event, the Receiver shall promptly advise Relief Defendant in writing and in a form suitable to present to third parties holding the Relief Defendant's Assets. Additionally: (a) Both the Relief Defendant and Receiver will copy the FTC on all correspondence exchanged concerning requests to exclude Assets; (b) if a Relief Defendant and one or more Defendants have joint control over an Asset, or the Asset is held for the benefit of a Defendant by a Relief Defendant, the Receiver will not count that Asset as an Asset available to satisfy the Relief Defendant Limitation Amount; and (c) if one or more Relief Defendants have joint control over an Asset, the Receiver will not count that Asset as an Asset available to satisfy any Relief Defendant's Limitation Amount unless all affected Relief Defendants agree in writing.

B. Opening or causing to be opened any safe deposit boxes, commercial mail boxes, or storage facilities titled in the name of any Defendant or subject to access by any Defendant (other than Atlantic International Bank), except as necessary to comply with written requests from the Receiver acting pursuant to its authority under this Order;

C. Incurring charges or cash advances on any credit, debit, or ATM card issued in the name, individually or jointly, of any Receivership Entity (which includes any corporation, partnership, or other entity directly or indirectly owned, managed, or controlled by any Individual Defendant) or other corporate, partnership, or other entity of which any Individual Defendant is an officer, director, member, or manager. This includes any corporate bankcard or

corporate credit card account for which any Individual Defendant is, or was on the date that this Order was signed, an authorized signor. This provision is included for clarity, because such conduct would also violate Paragraph A.; or

D. Cashing any checks or depositing any money orders or cash received from consumers, clients, or customers of any Receivership Entity.

Provided, however, the Assets affected by this Section shall only include: (1) all Assets of Defendants and Relief Defendants as of the time this Order is entered; and (2) Assets obtained by Defendants and Relief Defendants after this Order is entered if those Assets are derived from any activity described in the Findings of Fact in this Order or that is prohibited by this Order. This Section does not prohibit any transfers to the Receiver or repatriation of foreign Assets specifically required by this order.

Provided further, for Atlantic International Bank, Ltd., the Assets subject to this section are limited to \$144,000,000.00, the estimated consumer loss for which Atlantic International Bank, Ltd., would be liable as an assistor and facilitator. For Atlantic International Bank, Ltd., the Assets subject to this section will also include any Assets obtained after this Order is entered if those Assets are derived from any activity described in the Findings of Fact in this Order or that is prohibited by this Order.

Notwithstanding anything else herein, Assets that Atlantic International Bank Ltd. holds for others (such as accountholders) are not covered by this Order unless Defendants or Relief Defendants control the Assets.

IV. DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES

IT IS FURTHER ORDERED that any financial or brokerage institution (which, for clarity, includes defendant Atlantic International Bank, Ltd.), coin exchange, cryptocurrency exchange, or crypto currency service provider, Electronic Data Host, credit card processor,

payment processor, merchant bank, acquiring bank, independent sales organization, third party processor, payment gateway, insurance company, business entity, or person who receives actual notice of this Order (by service or otherwise) that:

(a) has held, controlled, or maintained custody, through an account or otherwise, of any Document on behalf of any Receivership Entity, Defendant or Relief Defendant, or any Asset that has been owned or controlled, directly or indirectly, by any Receivership Entity, Individual Defendant, or Relief Defendant; held, in part or in whole, for the benefit of any Receivership Entity or Individual Defendant; in the actual or constructive possession of any Receivership Entity, Individual Defendant, or Relief Defendant; or owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Receivership Entity, Individual Defendant, or Relief Defendant;

(b) has held, controlled, or maintained custody, through an account or otherwise, of any Document or Asset associated with credits, debits, or charges made on behalf of any Receivership Entity, Individual Defendant, or Relief Defendant, including reserve funds held by payment processors, credit card processors, merchant banks, acquiring banks, independent sales organizations, third party processors, payment gateways, insurance companies, or other entities; or

(c) has extended credit to any Receivership Entity, Individual Defendant, or Relief Defendant, including through a credit card account, shall:

A. Hold, preserve, and retain within its control and prohibit the withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance, disbursement, dissipation, relinquishment, conversion, sale, or other disposal of any such Document or Asset, as well as all Documents or

other property related to such Assets, except by further order of this Court; *provided, however*, that this provision does not prohibit an Individual Defendant from incurring charges on a personal credit card established prior to entry of this Order, up to the pre-existing credit limit;

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

C. Provide FTC counsel and the Receiver, within three (3) days of receiving a copy of this Order, a sworn statement setting forth, for each Asset or account covered by this Section:

1. The identification number of each such account or Asset;
2. The balance of each such account, or a description of the nature and value of each such Asset as of the close of business on the day on which this Order is served, and, if the account or other Asset has been closed or removed, the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom such account or other Asset was remitted; and
3. The identification of any safe deposit box, commercial mail box, or storage facility that is either titled in the name, individually or jointly, of any Receivership Entity, Individual Defendant, or Relief Defendant, or is otherwise subject to access by any Receivership Entity, Individual Defendant, or Relief Defendant; and
4. The cryptographic hash value, time stamp, transaction data, public addresses or other information sufficient to identify, locate, and track

cryptocurrency in any blockchain or distributed ledger technology system that is belonging to, for the use or benefit of, or subject to access by any Receivership Entity, Individual Defendant, or Relief Defendant.

D. Upon the request of FTC counsel or the Receiver, provide FTC counsel and the Receiver, within seven (7) days of any request, with copies of all Documents covered by this Section, including originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, including wire transfers and wire transfer instructions, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and all logs and records pertaining to safe deposit boxes, commercial mail boxes, and storage facilities.

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

V. FINANCIAL DISCLOSURES

IT IS FURTHER ORDERED that:

- A. Within five (5) days of service of this Order upon them:
1. Each Individual Defendant and Relief Defendant shall complete financial statements on the form attached to this Order as **Attachment A** (Financial Statement of Individual Defendant) and deliver them to FTC counsel and the Receiver;
 2. Each Corporate Defendant shall complete financial statements on the form attached to the Order as **Attachment B** (Financial Statement of Corporate Defendant) and deliver them to FTC counsel and the Receiver; and
 3. Each Individual Defendant, Relief Defendant, and Corporate Defendant shall complete the forms attached to this Order as **Attachment C** (IRS

Form 4506, Request for Copy of a Tax Return), **Attachment D** (consent to release financial records), and **Attachment E** (cryptocurrency disclosure statement) and deliver them to FTC counsel and the Receiver;

B. Within three (3) days of a written request from the FTC or the Receiver, each Individual Defendant, Relief Defendant, and Corporate Defendant shall provide any other executed form, letter, or request sufficient to cause the release to the FTC or Receiver any tax return, return information, or related material, whether related to a domestic or foreign taxing authority, that the FTC or Receiver may request.

VI. FOREIGN ASSET REPATRIATION

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

A. Provide FTC counsel and the Receiver with a full accounting, verified under oath and accurate as of the date of this Order, of all Assets, Documents, and accounts outside of the United States which are: (1) titled in the name, individually or jointly, of any Defendant; (2) held by any person or entity for the benefit of any Defendant or for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant;

B. Take all steps necessary to provide FTC counsel and Receiver access to all Documents and records that may be held by third parties located outside of the territorial United States of America, including signing the Consent to Release of Financial Records appended to this Order as **Attachment E**;

C. Transfer to the territory of the United States all Documents and Assets located in foreign countries which are: (1) titled in the name, individually or jointly, of any Defendant; (2)

held by any person or entity for the benefit of any Defendant or for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed or controlled by any Defendant; or (3) under the direct or indirect control, whether jointly or singly, of any Defendant. *Provided, however,* that Atlantic International Bank, Ltd., need only transfer (1) those Assets related to its own financial holdings up to \$144,000,000; (2) those Documents related in any way to the conduct identified in the Findings of Fact identified in this Order; (3) and all Documents and Assets held by or for the benefit of any other Defendant. Atlantic International Bank, Ltd., is not required to transfer Assets held by its other depositors to the territory of the United States; and

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

VII. RELIEF DEFENDANT ASSET REPATRIATION

IT IS FURTHER ORDERED that if any Relief Defendant's domestic Assets are less than the applicable Relief Defendant Limitation Amount, then within five (5) days following service of this Order, each such Relief Defendant shall transfer to the territory of the United States sufficient Assets located in foreign countries until their domestic Assets equal the amounts detailed above.

Provided, each Relief Defendant must, within five (5) days following service of this Order, inform the FTC and the Receiver how it has made the valuation determination necessary to comply with this section and provide the FTC and the Receiver sufficient documentation to evaluate the valuation method used. The FTC and Receiver shall have the right to challenge any such valuation determination before the Court by filing a memorandum challenging the

determination, attaching all documentation provided by the Relief Defendants, and any additional evidence, if any, relied upon by the movant. The Court shall hear any such challenge on an expedited basis, in no event less than fourteen (14) days from any challenge.

Provided further, when any Relief Defendant repatriates any Asset, it will inform the Receiver and the FTC immediately and disclose: (1) a description of the Asset(s) being transferred; (2) the location to which they are being transferred; and (3) if to a financial institution, the name of the financial institution, the name of the account at the financial institution, and the account number of the account at the financial institution.

VIII. NON-INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that Defendants and Relief Defendants, Defendants' and Relief Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of foreign Assets, or in the hindrance of the repatriation required by this Order, including, but not limited to:

A. Sending any communication or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that would impede repatriation, including any "duress" event, has occurred under the terms of a foreign trust agreement until such time that all Defendants' Assets have been fully repatriated pursuant to this Order;

B. Notifying any trustee, protector or other agent of any foreign trust or other related entities of either the existence of this Order, or of the fact that repatriation is required pursuant to a court order, until such time that all Defendants' Assets have been fully repatriated pursuant to this Order; and

C. Notifying any person or entity of this Order or of anything related to this Order that causes any person or entity holding Assets that must be repatriated pursuant to this Order to interfere with or prevent such repatriation.

IX. CONSUMER CREDIT REPORTS

IT IS FURTHER ORDERED that the FTC may obtain credit reports concerning any Defendant or Relief Defendant 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.

X. PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that Defendants, and Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily 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 Receivership Entity or Individual Defendant; (2) the business practices or finances of entities directly or indirectly under the control of any Receivership Entity of Individual Defendant; or (3) the business practices or finances of entities directly or indirectly under common control with any other Receivership Entity, Individual Defendant, or Relief Defendant; and

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

XI. REPORTS OF NEW ACTIVITIES

IT IS FURTHER ORDERED that Defendants, Relief Defendants, and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from:

A. For Defendants, failing to maintain Documents that, in reasonable detail, accurately, fairly, and completely reflect their incomes, disbursements, transactions, and use of money;

B. For Defendants, 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 providing Plaintiff's counsel and the Receiver with a written statement, sworn to under penalty of perjury, disclosing: (1) the name of the business entity; (2) the address and telephone number of the business entity; (3) the names of the business entity's officers, directors, principals, managers, and employees; and (4) a detailed description of the business entity's intended activities;

C. For Individual Defendants, affiliating with, becoming employed by, or performing any work for, or directly or indirectly receiving any compensation from any person or entity (including, without limitation, any purportedly "nonprofit" entity) without first providing the Commission with a written statement, sworn to under penalty of perjury, disclosing: (1) the name of the person or entity; (2) the address and telephone number of the business or person; (3) if an entity, its registered agent (4) if an entity, the names of its officers, directors, principals, and managers; (4) which, if any, of the other Defendants or Relief Defendants are in any way related to the entity or person, including the nature of that relationship; (5) a detailed description of the

person or entity's activities and intended activities; and (6) a detailed description of the Individual Defendant's services for the person or entity.

D. For Individual Defendants and Relief Defendants that are natural persons, failing to provide a written statement, sworn to under penalty of perjury, within five (5) days of any change in residence, physical address, phone number, email address, or other contact information, disclosing: (1) all current residences; (2) all current mail boxes or other physical addresses; (3) all current telephone numbers; (4) all current email addresses; and (5) at least one reasonable means of contact (such as through counsel) through which the Individual Defendant or Relief Defendant agrees to accept service of process and receive filings or other legal documents.

XII. INTERNATIONAL TRAVEL RESTRICTIONS AND SURRENDER OF PASSPORTS—WRITS *NE EXEAT*

IT IS FURTHER ORDERED that Individual Defendants Andris Pukke, Peter Baker, Luke Chadwick, and Frank Costanzo:

- A. Not leave the United States without Court approval; and
- B. Surrender immediately all of their passports (whether issued by the United States or any other country), and any other documents that would permit international travel, to the custody of the Receiver.
- C. Any and all law enforcement authorities shall be authorized to enforce this order, including but not limited to preventing any departure from the United States and confiscating any passports. If any such law enforcement authority confiscates a passport, it shall turn over the passport to the Receiver, either directly or through an intermediary.

XIII. THIRD PARTY INTERNATIONAL TRAVEL PROVIDERS

IT IS FURTHER ORDERED that any common carrier or other company providing international transportation services or facilitating such services shall not, without Court approval:

A. Permit Individual Defendants Andris Pukke, Peter Baker, Luke Chadwick, and Frank Costanzo to travel internationally;

B. Take any action that would cause any common carrier or other company providing international transportation services to issue a ticket or other contract for international travel to Andris Pukke, Peter Baker, Luke Chadwick, and Frank Costanzo (such as providing booking or agency services, whether online or otherwise); and

D. Fail to notify the FTC immediately if Individual Defendants Andris Pukke, Peter Baker, Luke Chadwick, or Frank Costanzo book, or attempt to book, international travel or leave, or attempt to leave, the United States.

XIV. TAMPERING

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, are hereby temporarily restrained and enjoined from, in the course of this proceeding:

A. Using or attempting to use force, the threat of force, or payment to influence, delay, or prevent the testimony of any person,

B. Causing or inducing, or attempting to cause or induce, any person to:

1. withhold testimony, or withhold a Document or other object;
2. alter, destroy, mutilate, or conceal any Document or other object with intent to impair the integrity or availability of the item;

3. evade legal process summoning that person to appear as a witness, or to produce Document(s) or other object(s); or
4. be absent from an official proceeding to which that person has been summoned by legal process.

XV. TEMPORARY RECEIVER

pfm

IT IS FURTHER ORDERED that Robb Evans & Assoc. is appointed as temporary receiver of the Receivership Entities and all other Assets and Documents ordered into his or her custody, possession, or control pursuant to Sections XII., XVI., and XVIII. of this Order. He shall have full powers of an equity receiver. The Receiver shall be solely the agent of this Court in acting as Receiver under this Order.

XVI. DUTIES AND AUTHORITY OF RECEIVER

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

A. Assume full control of Receivership Entities by removing, as the Receiver deems necessary or advisable, any director, officer, independent contractor, employee, attorney, or agent of any Receivership Entity from control of, management of, or participation in, the affairs of the Receivership Entity;

B. Take exclusive custody, control, and possession of all Assets and Documents of, or in the possession, custody, or under the control of, any Receivership Entity, wherever situated, and take exclusive custody, control, and possession of all Assets valued by the Receiver at \$1,000.00 or more held by or for the benefit of Individual Defendants Andris Pukke or Peter Baker as of the date this Order is entered. The Receiver shall take control over all such Documents and Assets as soon as practicable, including all Documents stored with Electronic Data Host providers;

C. Take exclusive custody, control, and possession of all office suites or business locations with leases in the name of any Receivership Entity, including, but not limited to, 3333 Michelson Drive, Irvine, California, Suite 500 (“Receivership Premises”). For clarity, the Receiver’s custody, control, and possession will be exclusive for this Order’s duration, notwithstanding any claims by an individual or entity that may also be occupying Receivership Premises that they are not Defendants, Receivership Entities, or are otherwise unrelated to the Receivership Entities. The Receiver’s custody, control, and possession shall include all Documents at Receivership Premises until further order from the Court;

D. Conserve, hold, manage, and prevent the loss of all Assets of the receivership estate, and perform all acts necessary or advisable to preserve the value of those Assets. The Receiver shall assume control over the income and profits therefrom and all sums of money now or hereafter due or owing to the Receivership Entities. The Receiver shall have full power to sue for, collect, and receive, all Assets of the receivership estate and of other persons or entities whose interests are now under the direction, possession, custody, or control of, the Receivership Entities. *Provided, however,* that the Receiver shall not attempt to collect any amount from a consumer if the Receiver believes the consumer’s debt to the Receivership Entities has resulted from the deceptive acts or practices or other violations of law alleged in the Complaint in this matter, without prior Court approval;

E. Obtain, conserve, hold, manage, and prevent the loss of all Documents of the Receivership Entities or otherwise relating to the Assets within the Receivership derived from Individual Defendants Pukke or Baker (“Receivership Documents”), and perform all acts necessary or advisable to preserve such Documents. The Receiver shall: divert mail; preserve all Receivership Documents that are accessible via electronic means (such as online access to

financial accounts) and access to electronic documents held onsite or by Electronic Data Hosts, by changing usernames, passwords or other log-in credentials; take possession of all electronic Receivership Documents stored onsite or remotely; take whatever steps necessary to preserve all such Documents; and obtain the assistance of the FTC's Digital Forensic Unit for the purpose of obtaining electronic documents stored onsite or remotely. In particular, the Receiver shall take all steps necessary to obtain copies of the Defendants' business email accounts, including those of any of its employees, whether that information is stored onsite or offsite.

F. In addition to obtaining email accounts under Paragraph E, the Receiver shall take all steps necessary to obtain copies of other known email accounts associated with Andris Pukke or Peter Baker, regardless of whether the email is denoted as a personal account. In furtherance of this duty and as part of the Defendants' duty to cooperate, Andris Pukke and Peter Baker shall provide the Receiver with all credentials or log in information needed to access any of the records identified in this paragraph;

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

H. Make payments and disbursements from the receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order, and to incur, or authorize the making of, such agreements as may be necessary and advisable in discharging his or her duties as Receiver. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by the Receivership Entities prior to the date of entry of this Order, except payments that the Receiver deems necessary or advisable to secure Assets of the Receivership Entities, such as rental payments;

I. Take all steps necessary to secure and take exclusive custody of each location from which the Receivership Entities operate their businesses. Such steps may include, but are not limited to, any of the following, as the Receiver deems necessary or advisable: (1) securing the location by changing the locks and alarm codes and disconnecting any internet access or other means of access to the computers, servers, internal networks, or other records maintained at that location; and (2) requiring any persons present at the location to leave the premises, to provide the Receiver with proof of identification, and/or to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises Documents or Assets of the Receivership Entities. Law enforcement personnel, including, but not limited to, police or sheriffs, may assist the Receiver in implementing these provisions in order to keep the peace and maintain security. If requested by the Receiver, they may provide appropriate and necessary assistance to the Receiver to implement this Order and are authorized to use any necessary and reasonable force to do so;

J. Take all steps necessary to prevent the modification, destruction, or erasure of any web page or website registered to and operated, in whole or in part, by any Defendants, and to provide access to all such web page or websites to Plaintiff's representatives, agents, and assistants, as well as Defendants and their representatives;

K. Enter into and cancel contracts and purchase insurance as advisable or necessary;

L. Prevent the inequitable distribution of Assets and determine, adjust, and protect the interests of consumers who have transacted business with the Receivership Entities;

M. Make an accounting, as soon as practicable, of the Assets and financial condition of the receivership and file the accounting with the Court and deliver copies thereof to all parties;

N. Institute, compromise, adjust, appear in, intervene in, defend, dispose of, or otherwise become party to any legal action in state, federal or foreign courts or arbitration proceedings as the Receiver deems necessary and advisable to preserve or recover the Assets of the Receivership Entities, or to carry out the Receiver's mandate under this Order, including but not limited to, actions challenging fraudulent or voidable transfers;

O. Demand from any person or entity Documents and records pertaining to the Receivership within three (3) days after delivery of the Order by mail, courier, email, or other method by which the recipient receives a copy of this Order, in addition to obtaining other discovery as set forth in this Order;

P. Open one or more bank accounts at designated depositories for funds of the receivership estate. The Receiver shall deposit all funds of the receivership estate in such designated accounts and shall make all payments and disbursements from the receivership estate from such accounts. The Receiver shall serve copies of monthly account statements on all parties;

Q. Maintain accurate records of all receipts and expenditures incurred as Receiver;

R. Allow the FTC's representatives, agents, and assistants, as well as Defendants' representatives and Defendants themselves, reasonable access to the premises of the Receivership Entities, or any other premises where the Receivership Entities conduct business. The purpose of this access shall be to inspect and copy any and all books, records, Documents, accounts, and other property owned by, or in the possession of, the Receivership Entities or their agents. The Receiver shall have the discretion to determine the time, manner, and reasonable conditions of such access;

S. Allow the FTC's representatives, agents, and assistants, as well as Defendants and their representatives reasonable access to all Documents in the possession, custody, or control of the Receivership Entities or otherwise obtained from any Individual Defendants;

T. Cooperate with reasonable requests for information or assistance from any state or federal civil or criminal law enforcement agency;

U. Suspend business operations of the Receivership Entities if in the judgment of the Receiver such operations cannot be continued legally and profitably;

V. If in the Receiver's judgment the business operations cannot be continued legally and profitably, take all steps necessary to ensure that any of the Receivership Entities' web pages or websites relating to the activities alleged in the Complaint cannot be accessed by the public, or are modified for consumer education and/or informational purposes, and take all steps necessary to ensure that any telephone numbers associated with the Receivership Entities cannot be accessed by the public, or are answered solely to provide consumer education or information regarding the status of operations;

W. Determine if any nonparty is a Receivership Entity, and upon determining that a nonparty is a Receivership Entity, the Receiver shall treat that entity as a Receivership Entity and exercise all of its rights and duties specified in this Order as to that nonparty Receivership Entity;

X. If the Receiver identifies a nonparty entity as a Receivership Entity, promptly notify the entity as well as the parties, and inform the entity that it can challenge the Receiver's determination by filing a motion with the Court. *Provided, however,* that the Receiver may delay providing such notice until the Receiver has established control of the nonparty entity, and its assets and records, if the Receiver determines that notice to the entity or the parties before the

Receiver establishes control over the entity may result in the destruction of records, dissipation of assets, or any other obstruction of the Receiver's control of the entity; and

Y. If, as part of its implementation of this Order, the Receiver makes judgments about who has what ownership interest in which lot, the Receiver may not consider actions to change or alter interests after the FTC's Complaint and this Order become public, or the effect of any such actions.

XVII. TEMPORARY RECEIVER'S REPORT

IT IS FURTHER ORDERED that the Temporary Receiver shall report to this Court at least one day before the date set for the hearing regarding the Preliminary Injunction, regarding: (1) the steps taken by the Temporary Receiver to implement the terms of this Order; (2) the value of all liquidated and unliquidated Assets of the receivership estate; (3) the sum of all liabilities of the Receivership Entities; (4) the steps the Temporary Receiver intends to take in the future to: (a) prevent any diminution in the value of Assets of the receivership estate; (b) pursue receivership estate Assets from third parties; and (c) adjust the liabilities of the Receivership Entities, if appropriate; and (5) any other matters which the Temporary Receiver believes should be brought to the Court's attention. *Provided, however*, if any of the required information would hinder the Temporary Receiver's ability to pursue receivership Assets, the portions of the Temporary Receiver's report containing such information may be redacted and be filed for the Court's benefit under seal without service on the parties.

XVIII. TRANSFER OF RECEIVERSHIP PROPERTY TO RECEIVER

IT IS FURTHER ORDERED that Defendants and any other person with possession, custody or control of property of, or records relating to, the Receivership Entities, or otherwise related to Assets held by or for the benefit of Individual Defendants Andris Pukke and Peter Baker, shall, upon notice of this Order, fully cooperate with and assist the Receiver in taking and

maintaining possession, custody, or control of the Assets and Documents of the receivership estate and immediately transfer or deliver to the Receiver possession, custody, and control of, the following:

- A. All Assets held by or for the benefit of the Receivership Entities;
- B. All Assets held by or for the benefit of Individual Defendants Andris Pukke and Peter Baker that the Receiver values at more than \$1,000.00, including, but not limited to, the residence located at 104 King's Place, Newport Beach, CA;
- C. All Documents of or pertaining to the Receivership Entities;
- D. All Documents related to the receivership estate Assets derived from Individual Defendants Andris Pukke and Peter Baker;
- E. All computers, electronic devices, smartwatches, smartphones, tablets, other mobile devices, and machines within Receivership Premises that either (1) contain Receivership Entity business records or are used to conduct Receivership Entity business, or (2) are on the person of, or within the control of, any Individual Defendant or natural person Relief Defendant who is present in the Receivership Premises; *provided, however*, that these devices shall be forensically imaged (with the data provided to the FTC as soon as possible) and then returned within three business days. The Receiver may rely on the FTC to complete any such forensic imaging.
- F. All computers, electronic devices, smartwatches, smartphones, tablets, other mobile devices, other machines, and machines used by Individual Defendants Andris Pukke and Peter Baker. *Provided, however*, that these devices shall be forensically imaged (with the data provided to the FTC as soon as possible) and then returned to the Individual Defendants within 3 business days. The Receiver may rely on the FTC to complete any such forensic imaging;

G. All emails, instant messages, or other digital communications sent or received by any Receivership Entity or employee or agent of the Receivership Entity in its business capacity, as determined by the Receiver;

H. All emails, instant messages, or other digital communications not covered by Paragraph G., sent or received by Andris Pukke or Peter Baker;

I. All Assets and Documents belonging to other persons or entities whose interests are under the direction, possession, custody, or control of the Receivership Entities or Individual Defendants Andris Pukke or Peter Baker;

J. All keys, codes, user names and passwords necessary to gain or to secure access to any Assets or Documents within the receivership estate, including access to their physical premises, means of communication, accounts, computer systems (onsite and remote), Electronic Data Hosts, or other property. Regarding digital Assets such as digital currencies, virtual currencies, and cryptocurrencies, this includes providing the Receiver with all means necessary to take control over such currencies, including any such digital wallet and cryptographic keys used to access such Assets;

Provided, the Receivership estate does not contain lots or interests in lots owned or controlled by a consumer unaffiliated with Defendants or Relief Defendants, or any other Asset owned or controlled by a consumer unaffiliated with Defendants or Relief Defendants.

In the event that any person or entity fails to deliver or transfer any Asset or Document, or otherwise fails to comply with any provision of this Section, the Receiver may file an Affidavit of Non-Compliance regarding the failure and a motion seeking compliance or a contempt citation.

XIX. PROVISION OF INFORMATION TO RECEIVER

IT IS FURTHER ORDERED that Defendants and Relief Defendants shall immediately provide to the Receiver:

A. A list of all Assets, including accounts, of the Receivership Entities, wherever they may be situated and whoever they may be held by, including, but not limited to, all such accounts that are held in any name other than the name of a Receivership Entity, or by any person or entity other than a Receivership Entity;

B. A list of all Assets, including accounts, of Individual Defendants Andris Pukke or Peter Baker, wherever they may be situated and whoever they may be held by, including, but not limited to, all such accounts that are held in any name other than that of Individual Defendants Andris Pukke or Peter Baker;

C. A list of all agents, employees, officers, attorneys, servants and those persons in active concert and participation with the Receivership Entities, or who have been associated or done business with the Receivership Entities; and

D. A description of any Receivership Documents covered by attorney-client privilege or attorney work product, including files where such documents are likely to be located, authors or recipients of such documents, and search terms likely to identify such electronic documents.

XX. COOPERATION WITH THE RECEIVER

IT IS FURTHER ORDERED that Defendants and Relief Defendants and their officers, agents, employees, and attorneys, all other persons in active concert or participation with any of them, and any other person with possession, custody, or control of property or of records relating to the Receivership Entities or otherwise within the receivership estate, who receive actual notice of this Order, shall fully cooperate with and assist the Receiver. This cooperation and assistance

shall include, but is not limited to, providing information to the Receiver that the Receiver deems necessary to exercise the authority and discharge the responsibilities of the Receiver under this Order; providing any keys, codes, user names and passwords required to access any computers, electronic devices, smartwatches, smartphones, tablets, other mobile devices, other machines (onsite or remotely), and any cloud account (including specific methods to access accounts) or electronic file in any medium; advising all persons who owe money to any Receivership Entity or Individual Defendants Andris Pukke and Peter Baker that all such 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.

XXI. NON-INTERFERENCE WITH THE RECEIVER

IT IS FURTHER ORDERED that Defendants and Relief Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, 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; or
- 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.

XXII. STAY OF ACTIONS

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of the receivership ordered herein, Defendants and Relief Defendants and their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, 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 any action that would interfere with the exclusive jurisdiction of this Court over the Assets or Documents within the receivership, 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 *et seq.*, or of any similar insolvency proceeding on behalf of any 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 estate, taking or attempting to take possession, custody, or control of any Asset of the receivership estate; or attempting to foreclose, forfeit, alter, or terminate any interest in any Asset of the receivership estate, whether such acts are part of a judicial proceeding, are acts of self-help, or otherwise. For clarity, as described in detail in this Order, the Assets of the receivership estate include all Assets of the Receivership Entities as well as all Assets of Andris Pukke and Peter Baker that the receiver values at \$1,000.00 or more.

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 by a governmental unit to enforce such governmental unit's police or regulatory power; or (3) the enforcement of a judgment, other than a money judgment, obtained in an action or proceeding by a governmental unit to enforce such governmental unit's police or regulatory power.

XXIII. COMPENSATION OF RECEIVER

IT IS FURTHER ORDERED that the Receiver and all personnel hired by the Receiver as herein authorized, including counsel to the Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the Assets now held by, in the possession or control of, or which may be received by, the receivership estate. The Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, with the first such request filed no more than sixty (60) days after the date of entry of this Order. The Receiver shall not increase the hourly rates used as the bases for such fee applications without prior approval of the Court.

XXIV. IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS

IT IS FURTHER ORDERED that:

A. In order to allow the FTC and the Receiver to preserve Assets and evidence relevant to this action and to expedite discovery, the FTC and the Receiver, and their representatives, agents, contractors, and assistants, shall have immediate access to the business premises and storage facilities, owned, controlled, or used by the Receivership Entities. Such locations include, but are not limited to, 3333 Michelson Drive, Irvine, Suite 500, CA 92612, and any offsite location or commercial mailbox leased or used by the Receivership Entities. The

FTC and the Receiver may exclude Defendants, Receivership Entities, and their employees from the business premises during the immediate access.

B. The FTC and the Receiver, and their representatives, agents, contractors, and assistants, are authorized to remove Documents from the Receivership Entities' premises in order that they may be inspected, inventoried, and copied. The FTC shall return any removed materials to the Receiver within five (5) business days of completing inventorying and copying, or such time as is agreed upon by Plaintiff and the Receiver;

C. If any Documents within the receivership are stored with an Electronic Data Host, the Electronic Data Host shall, immediately upon receiving notice of this order, preserve all such Documents, prevent access to these Documents by any person or entity other than the Receiver, and shall provide the Receiver with access or all means to access the Documents, including any required username(s), password(s), or other credential(s);

D. When the Receiver has obtained access to any data held by an Electronic Data Host controlled in whole or in part by any Receivership Entity, the Receiver shall make such data available to the FTC for forensic copying and collection as soon as possible;

E. The Receiver, and his representatives, agents, and assistants, shall have immediate access to all personal residences and storage facilities ("personal premises"), owned, controlled, or used by Individual Defendants Andris Pukke or Peter Baker. During this immediate access, the Receiver may exclude any individuals within his discretion from the personal premises, including but not limited to any Defendants, Defendants' friends and family, Defendants' attorneys, and any other agent or employee of any of the foregoing. The Receiver may require any person to leave the personal premises during the immediate access and require any person at the personal or business premises to provide him proof of identification and demonstrate to his

satisfaction that such persons are not removing Documents or Assets from the premises. The purpose of the immediate access shall be to effect service, inventory all Assets, remove Assets from the premises if appropriate, and to inspect and copy the business and financial records of Individual Defendants Andris Pukke and Peter Baker, including forensic imaging of electronically stored information at the Receiver's discretion, including any such information on a computer, smartphone, or tablet. The Receiver may make use of the FTC's digital forensic examiners, but no FTC personnel shall enter any personal premises of Andris Pukke or Peter Baker. The Assets and Documents that may be removed include all Assets and Documents previously defined by this Order to be within the receivership estate. As is required under the cooperation provisions of this Order, Individual Defendants Andris Pukke and Peter Baker, and all of their employees or agents, shall provide the Receiver with any necessary means of access to Assets and Documents within the receivership estate, including the locations of the Assets and Documents, keys and combinations to locks, computer access codes, and storage access information. The Receiver shall return any computer, smartphone, or tablet removed for forensic imaging within five (5) business days of the immediate access. The Receiver shall return the originals of any Documents after they have been copied. Once the immediate access is complete, the Receiver shall not have any further access to the personal premises of Individual Defendants without a further order from this Court;

F. As soon as the Receiver has collected Documents and Assets from the personal premises of Andris Pukke or Peter Baker, he shall make those Documents and Assets available to the FTC for copying or forensic imaging;

G. The FTC and the Receiver, and their representatives, agents, contractors, and assistants, are authorized to obtain the assistance of federal, state and local law enforcement

officers as they deem necessary to effect service and to implement peacefully the provisions of this Order;

H. The FTC's access to the Receivership Entities' documents pursuant to this Section shall not provide grounds for any party to object to any subsequent request for documents the FTC or any other party serves. Furthermore, in such discovery responses, if a responsive Document was in the custody, control, or possession of the responding party prior to the creation of the receivership, that party must identify that Document with sufficient specificity to allow the requesting party to easily locate the Document within the materials the Receiver possesses or, if the responding party lacks such information, the responding party must provide whatever information it has regarding the requested Document including, without limitation, any other information the responding party has regarding whether the requested Document exists; and

I. If any Documents, computers, or electronic storage devices containing information related to the business practices or finances of the Receivership Entities are at a location other than those listed herein, including personal residence(s) of any Defendant, then, immediately upon receiving notice of this order, Defendants and Receivership Entities shall produce to the Receiver all such Documents, computers, and electronic storage devices, along with any codes or passwords needed for access. In order to prevent the destruction of computer data, upon service of this Order, any such computers or electronic storage devices shall be powered down in the normal course of the operating system used on such devices and shall not be powered up or used until produced for copying and inspection. Upon receipt, the Receiver shall make these Documents, computers, or electronic storage devices available to the FTC for copying and forensic imaging.

XXV. DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that Defendants shall immediately provide a copy of this Order to each affiliate, telemarketer, marketer, sales entity, successor, assign, member, officer, director, employee, agent, 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 the FTC 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 numbers, and email addresses of each such person or entity who received a copy of the Order. Furthermore, Defendants 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.

XXVI. EXPEDITED DISCOVERY

IT IS FURTHER ORDERED that, notwithstanding the provisions of the Fed. R. Civ. P. 26(d) and (f) and 30(a)(2)(A)(iii), and pursuant to Fed. R. Civ. P. 30(a), 34, and 45, the FTC and the Receiver are granted leave, at any time after service of this Order, to conduct limited expedited discovery for the purpose of discovering: (1) the nature, location, status, and extent of Defendants' and Relief Defendants' Assets; (2) the nature, location, and extent of Defendants' business transactions and operations; (3) Documents reflecting Defendants' business transactions and operations; or (4) compliance with this Order. The limited expedited discovery set forth in this Section shall proceed as follows:

A. The FTC and the Receiver may take the deposition of parties and non-parties. Forty-eight (48) hours' notice shall be sufficient notice for such depositions. The limitations and conditions set forth in Rules 30(a)(2)(B) and 31(a)(2)(B) of the Federal Rules of Civil Procedure

regarding subsequent depositions of an individual shall not apply to depositions taken pursuant to this Section. Any such deposition taken pursuant to this Section shall not be counted towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and depositions may be taken by telephone or other remote electronic means. The FTC may require that any such depositions take place behind a U.S. government security perimeter, such as within a government office;

B. The FTC and the Receiver may serve upon parties requests for production of Documents or inspection that require production or inspection within five (5) days of service, provided, however, that three (3) days of notice shall be deemed sufficient for the production of any such Documents that are maintained or stored only in an electronic format;

C. The FTC and the Receiver may serve upon parties interrogatories that require a response within five (5) days after service;

D. The FTC and the Receiver may serve subpoenas upon non-parties that direct production or inspection within five (5) days after service;

E. Service of discovery upon a party to this action, taken pursuant to this Section, shall be sufficient if made by facsimile, email, or by overnight delivery;

F. Any expedited discovery taken pursuant to this Section is in addition to, and is not subject to, the limits on discovery set forth in the Federal Rules of Civil Procedure and the Local Rules of this Court. The expedited discovery permitted by this Section does not require a meeting or conference of the parties, pursuant to Rules 26(d) & (f) of the Federal Rules of Civil Procedure;

G. The Parties are exempted from making initial disclosures under Fed. R. Civ. P. 26(a)(1) until further order of this Court; and

H. The Parties shall treat all documents containing personal identifying information (“PII”) of any individual as “attorney’s eyes only.” Although a name alone shall not constitute PII, a name along with a full residential address or phone number shall constitute PII. Furthermore, PII shall include any individual’s social security number, tax identification number, driver’s license number, sensitive health information, or financial account number. Such information shall not be made public and shall only be shared directly with a party if that party is unrepresented in this matter.

XXVII. SERVICE OF THIS ORDER

IT IS FURTHER ORDERED that copies of this Order as well as the Motion for Temporary Restraining Order and all other pleadings, Documents, and exhibits filed contemporaneously with that Motion (other than the complaint and summons), 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.

XXVIII. CORRESPONDENCE AND SERVICE ON PLAINTIFF

IT IS FURTHER ORDERED that, all correspondence, filings, or other documents related to this Order or the FTC’s Complaint in this matter shall be served upon the FTC by serving them upon Jonathan Cohen, Benjamin J. Theisman, Amanda B. Kostner, and Khouryanna DiPrima via email, at jcohen2@ftc.gov, btheisman@ftc.gov, akostner@ftc.gov, and kdiprima@ftc.gov regardless of whether such correspondence or other documents are or may be

served upon the FTC via the Court's ECF system or another way; however, if email is unavailable or impractical, such documents may be served via overnight delivery to Jonathan Cohen, Benjamin J. Theisman, Amanda B. Kostner, and Khouryanna DiPrima at Federal Trade Commission, 600 Pennsylvania Ave NW, CC 9528, Washington, DC 20580.

XXIX. PRELIMINARY INJUNCTION HEARING AND OTHER HEARINGS

IT IS FURTHER ORDERED that, pursuant to Fed. R. Civ. P. 65(b), Defendants shall appear before this Court on the 19th day of November, 2018, at 6:10 pm, to show cause, if there is any, why this Court should not enter a preliminary injunction, pending final ruling on the Complaint against Defendants, enjoining the violations of the law alleged in the Complaint, continuing the freeze of their Assets, continuing the receivership, and imposing such additional relief as may be appropriate.

IT IS FURTHER ORDERED that, unless the Court orders otherwise, all Individual Defendants shall physically appear at all hearings in the District of Maryland.

XXX. BRIEFS AND AFFIDAVITS CONCERNING PRELIMINARY INJUNCTION

IT IS FURTHER ORDERED that:

A. Defendants shall file with the Court and serve on FTC's counsel any answering pleadings, affidavits, motions, expert reports or declarations, or legal memoranda no later than four (4) days prior to the show cause hearing scheduled pursuant to this Order. The FTC may file responsive or supplemental pleadings, materials, affidavits, or memoranda with the Court and serve the same on counsel for Defendants no later than one (1) day prior to the show cause hearing. Provided that such affidavits, pleadings, motions, expert reports, declarations, legal memoranda or oppositions must be served by email or overnight delivery, and be received by the other party or parties no later than 5:00 p.m. Eastern Daylight Saving Time on the appropriate dates set forth in this Section; and

B. An evidentiary hearing on the FTC's request for a preliminary injunction is not necessary unless Defendants demonstrate that they have, and intend to introduce, evidence that raises a genuine and material factual issue. The question of whether this Court should enter a preliminary injunction shall be resolved on the pleadings, declarations, exhibits, and memoranda filed by, and oral argument of, the parties. Live testimony shall be heard only on further order of this Court. Any motion by any Defendant or Relief Defendant to permit such testimony shall be filed with the Court and served on counsel for the other parties at least seven (7) days prior to the preliminary injunction hearing in this matter. Such motion shall set forth the name, address, and telephone number of each proposed witness, a detailed summary or affidavit revealing the substance of each proposed witness's expected testimony, and an explanation of why the taking of live testimony would be helpful to this Court. Any motion by the FTC to permit such testimony, or any response by the FTC to any motion by any Defendant or Relief Defendant to permit such testimony, shall be filed with the Court and served on counsel for the other parties' at least four (4) days prior to the preliminary injunction hearing in this matter. Any papers opposing a timely motion to present live testimony or to present live testimony in response to another party's timely motion to present live testimony shall be filed with this Court and served on the other parties at least two (2) days prior to the order to show cause hearing.

Provided, however, that service shall be performed by email or overnight delivery, and Documents shall be delivered so that they shall be received by the other parties no later than 5:00 p.m. Eastern Time on the appropriate dates provided in this Section.

XXXI. DURATION OF THE ORDER

IT IS FURTHER ORDERED that this Order shall expire fourteen (14) days from the date of entry noted below, unless within such time, the Order is extended for an additional period pursuant to Fed. R. Civ. P. 65(b)(2).

XXXII. RETENTION OF JURISDICTION

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

SO ORDERED, this 5th day of November, 20 , at 6:10^{P.}.m.


UNITED STATES DISTRICT JUDGE