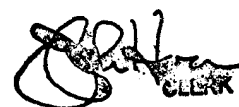


**FILED**

SEP - 7 2011



**UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH DAKOTA  
CENTRAL DIVISION**

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FEDERAL TRADE COMMISSION,

Plaintiff,

v.

PAYDAY FINANCIAL, LLC, et al.,

Defendants.

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\*  
\*  
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\*  
\*

Civil Case No. 11-3017

**STIPULATED  
PRELIMINARY INJUNCTION**

Plaintiff Federal Trade Commission (“FTC”) commenced this civil action on September 6, 2011, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, to obtain temporary, preliminary, and permanent injunctive and other equitable relief for Defendants’ violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a); the FTC’s Trade Regulation Rule Concerning Credit Practices (“Credit Practices Rule”), 16 C.F.R. § 444; and the Electronic Fund Transfer Act (the “EFTA”), 15 U.S.C. §§ 1693-1693r, and its implementing Regulation E, 12 C.F.R. § 205.10, in connection with the offering and extension of credit in the form of high-fee, short-term “payday” loans and the collection of those loans. The FTC has moved this court for the issuance of a Temporary Restraining Order and relief including an Order to Show Cause Why a Preliminary Injunction Should Not Issue. The FTC and Defendants have stipulated and agreed to entry of this preliminary injunction order (“Order”).

## **FINDINGS**

The Court finds as follows:

1. The FTC and Defendants have stipulated and agreed to entry of this preliminary injunction order without any admission of wrongdoing or violation of law, and without a finding by the Court of law or fact other than stated below.

2. The Court has jurisdiction over the subject matter of this case and personal jurisdiction over Defendants, and venue in the District of South Dakota is proper under 28 U.S.C. § 1391(b) and (c) and 15 U.S.C. § 53(b). This Court makes no findings regarding jurisdiction in any other case involving Defendants, and Defendants' consent to personal jurisdiction in this matter does not constitute consent in any other matter.

3. The FTC's complaint states a claim upon which relief may be granted against Defendants.

4. The entry of this Order is in the public interest.

5. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order.

6. No security is required of any agency of the United States for issuance of a preliminary injunction. Fed. R. Civ. P. 65(c).

## **DEFINITIONS**

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

1. "Assisting others" includes, but is not limited to, providing any of the following goods or services to another person: (A) performing customer service functions, including, but

not limited to, receiving or responding to consumer complaints; (B) formulating or providing, or arranging for the formulation or provision of, any telephone sales or debt collection scripts or any other marketing or debt collection materials, including but not limited to, the text of any letter, Internet website, email, or other electronic communication; (C) providing names of, or assisting in the generation of, potential customers; (D) performing marketing or debt collection services of any kind; or (E) acting or serving as an owner, officer, director, manager, or principal of any entity that engages in consumer lending or debt collection activities.

2. "Collection of debts" means any activity the principal purpose of which is to collect or attempt to collect, directly or indirectly, debts owed or due or asserted to be owed or due.

3. "Consumer" means an actual or potential purchaser, customer, or borrower.

4. "Debt" means any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, or services that are the subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment.

5. "Defendants" means the Individual Defendant and Corporate Defendants, individually, collectively, or in any combination. "Individual Defendant" means Martin A. Webb. "Corporate Defendants" means: Payday Financial, LLC, also doing business as Lakota Cash, Big Sky Cash, and Big \$ky Cash; Great Sky Finance, LLC, also doing business as Great Sky Cash, Great \$ky Cash, and G\$ky; Western Sky Financial, LLC; Red Stone Financial, LLC, also doing business as Red Stone Cash; Management Systems, LLC, also doing business as

Gsky; 24-7 Cash Direct, LLC; Red River Ventures, LLC; High Country Ventures, LLC; and Financial Solutions, LLC, and their successors and assigns.

6. “Document” is equal in scope and synonymous in meaning to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and any other data compilations from which information can be obtained. A draft or non-identical copy is a separate document within the meaning of the term.

7. “Person” means a natural person, organization, or other legal entity, including a corporation, partnership, proprietorship, association, cooperative, or any other group or combination acting as an entity.

8. “Third Party” means any person or entity that is not a consumer, including, but not limited to, any parent of a non-minor consumer, or any child, relative, neighbor, co-worker, or employer of a consumer.

## **ORDER**

### **PROHIBITED COLLECTION PRACTICES**

I. **IT IS THEREFORE ORDERED** that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the collection of a debt from any consumer, are hereby preliminarily restrained and enjoined from:

A. Misrepresenting, or assisting others who are misrepresenting, expressly or by implication, any of the following:

1. That any Person is authorized to garnish the pay of a consumer who owes a debt without first obtaining a court order; or

2. That, before any Person sends a garnishment request to a consumer's employer, such Person has notified the consumer of the impending garnishment request and has provided the consumer with the opportunity to dispute the debt that is the subject of the garnishment;

B. Contacting, or assisting others in contacting, directly or indirectly, consumers' employers or co-workers unless the communication is in connection with seeking garnishment pursuant to a valid court order; and

C. Disclosing, or assisting others in disclosing, directly or indirectly, the existence of a consumer's debt or purported debt to any third party, without the consent of the consumer or unless to a licensed debt collection agency, a debt buyer, or attorneys or agents of Defendants.

#### **PROHIBITED CREDIT PRACTICES**

**II. IT IS FURTHER ORDERED** that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the extension of credit to consumers, are hereby preliminarily restrained and enjoined from:

A. Taking or receiving, or assisting others in taking or receiving, from a consumer an obligation that constitutes or contains an assignment of wages or other earnings; or

B. Receiving any funds pursuant to an assignment of wages or other earnings;

*unless:*

i. The assignment by its terms is revocable at the will of the debtor; or

ii. The assignment is a payroll deduction plan or preauthorized payment plan, commencing at the time of the transaction, in which the consumer authorizes a series of wage deductions as a method of making each payment; or

iii. The assignment applies only to wages or other earnings already earned at the time of the assignment.

#### **PROHIBITED ELECTRONIC FUND TRANSFER PRACTICES**

**III. IT IS FURTHER ORDERED** that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, are prohibited from conditioning the extension of credit on mandatory preauthorized electronic fund transfers.

#### **PROHIBITION AGAINST DISCLOSURE OF CONSUMER INFORMATION**

**IV. IT IS FURTHER ORDERED** that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile

transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, are hereby preliminarily restrained and enjoined from disclosing to any third party the name, address, telephone number, Social Security number, credit card number, bank account number, email address, or other identifying information of any person who applied for and/or obtained a loan from any Defendant. Defendants may, however, disclose such information to their attorneys and agents, to a law enforcement agency, or as required by any law, regulation, or other court order.

#### **FINANCIAL AND BUSINESS ACCOUNTING**

**V. IT IS FURTHER ORDERED** that within twenty (20) calendar days after service of this Order:

A. The Individual Defendant shall complete and deliver to the FTC the Financial Statement captioned "Financial Statement of Individual Defendant," a copy of which is attached hereto as Attachment 1;

B. Each Corporate Defendant shall complete and deliver to the FTC the Financial Statement captioned "Financial Statement of Corporate Defendant," a copy of which is attached hereto as Attachment 2. The Individual Defendant shall be jointly and severally liable for this obligation;

C. Defendants shall provide the FTC the following information concerning the each Corporate Defendant: (1) total gross sales revenues on a monthly basis from August 2007 to date, derived from the extension of credit to consumers or the collection of debts from consumers; (2) total gross operating expenses on a monthly basis for August 2007 to date; (3)

gross operating expenditures on a monthly basis per category for August 2007 to date, including but not limited to payroll, advertising, marketing, utilities, and property leases; and (4) gross capital expenditures for August 2007 to date.

#### **PRESERVATION OF RECORDS AND TANGIBLE THINGS**

**VI. IT IS ORDERED** that Defendants and their successors, assigns, officers, agents, servants, employees, and attorneys, and those Persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, are hereby enjoined from:

A. destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any documents or records that relate to the business practices, or business or personal finances, of Defendants, or other entity directly or indirectly under the control of Defendants;

B. failing to create and maintain books, records, and accounts which, in reasonable detail, accurately, fairly, and completely reflect the incomes, assets, disbursements, transactions and use of monies by any Defendant or other entity directly or indirectly under the control of any Defendant.

#### **CONSUMER REPORTS**

**VII. IT IS FURTHER ORDERED** that pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(1), any consumer reporting agency may furnish a consumer report concerning any Defendant to the FTC.



**MONITORING COMPLIANCE WITH THIS ORDER**

**VIII. IT IS FURTHER ORDERED** that, for purposes of monitoring compliance with Sections I-III of this Order, the FTC is authorized to use all lawful means, including, but not limited to, posing as consumers and suppliers to Defendants, their employees, or any other entity managed or controlled in whole or in part by any Defendant, without the necessity of identification or prior notice.

**NOTICE TO EMPLOYEES AND AGENTS**

**IX. IT IS FURTHER ORDERED** that within three (3) calendar days following this Order, Defendants shall provide a copy of this Order to each of their employees, directors, officers, subsidiaries, affiliates, attorneys, independent contractors, representatives, franchisees, and all Persons in active concert or participation with Defendants, to the extent they relate to activities involving the extension of credit to consumers or the collection of debts. Within five (5) calendar days following this Order, Defendants shall provide the FTC with an affidavit identifying the names, titles, addresses, and telephone numbers of the persons and entities that Defendants have served with a copy of this Order in compliance with this provision.

**ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS**

**X. IT IS FURTHER ORDERED** that Defendants, within three (3) business days of receipt of this Order, shall submit to counsel for the FTC a truthful sworn statement acknowledging receipt of this Order.

**CORRESPONDENCE WITH PLAINTIFF**

**XI. IT IS FURTHER ORDERED** that for the purposes of this Order, all correspondence to the FTC shall be sent via email to [ljohnson@ftc.gov](mailto:ljohnson@ftc.gov), overnight mail or facsimile and be addressed to: LaShawn Johnson, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Room NJ-3158, Washington, DC 20580. Telephone: (202) 326-3057; Facsimile: (202) 326-3768.

**SERVICE OF THIS ORDER**

**XII. IT IS FURTHER ORDERED** that copies of this Order may be served by facsimile transmission, personal or overnight delivery, or U.S. Express Mail, by agents and employees of the FTC or any state or federal law enforcement agency or by private process server, on Defendants or any other Person that may be subject to any provision of this Order.

**RETENTION OF JURISDICTION**

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

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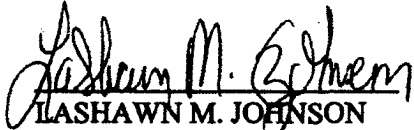
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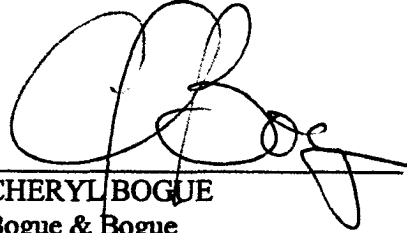
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SO STIPULATED:



LASHAWN M. JOHNSON  
K. MICHELLE GRAJALES  
NIKHIL SINGHVI  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W., NJ-3158  
Washington, DC 20580  
(202) 326-3057 (Johnson)  
(202) 326-3172 (Grajales)  
(202) 326-3480 (Singhvi)  
(202) 326-3768 (facsimile)  
Email: [ljohnson@ftc.gov](mailto:ljohnson@ftc.gov), [mgrajales@ftc.gov](mailto:mgrajales@ftc.gov)  
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Attorneys for Plaintiff  
FEDERAL TRADE COMMISSION

IT IS SO ORDERED, this 7th day of September, 2011



Roberto Lange  
United States District Judge

# ATTACHMENT 1

**FEDERAL TRADE COMMISSION**

**FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT**

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**Instructions:**

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. The font size within each field will adjust automatically as you type to accommodate longer responses.
3. "Dependents" include your live-in companion, dependent children, or any other person, whom you or your spouse (or your children's other parent) claimed or could have claimed as a dependent for tax purposes at any time during the past five years.
4. "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or elsewhere, whether held individually or jointly.
5. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number(s) being continued.
6. Type or print legibly.
7. Initial each page in the space provided in the lower right corner.
8. Sign and date the completed financial statement on the last page.

**Penalty for False Information:**

Federal law provides that any person may be imprisoned for not more than five years, fined, or both, if such person:

- (1) "in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);
- (2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or
- (3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration" (18 U.S.C. § 1623).

For a felony conviction under the provisions cited above, federal law provides that the fine may be not more than the greater of (i) \$250,000 for an individual or \$500,000 for a corporation, or (ii) if the felony results in pecuniary gain to any person or pecuniary loss to any person other than the defendant, the greater of twice the gross gain or twice the gross loss. 18 U.S.C. § 3571.

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**BACKGROUND INFORMATION**

**Item 1. Information About You**

Your Full Name \_\_\_\_\_ Social Security No. \_\_\_\_\_

Place of Birth \_\_\_\_\_ Date of Birth \_\_\_\_\_ Drivers License No. \_\_\_\_\_

Current Address \_\_\_\_\_ From (Date) \_\_\_\_\_

Rent or Own? \_\_\_\_\_ Telephone No. \_\_\_\_\_ Facsimile No. \_\_\_\_\_

E-Mail Address \_\_\_\_\_ Internet Home Page \_\_\_\_\_

Previous Addresses for past five years:

Address \_\_\_\_\_ Rent or Own? \_\_\_\_\_ From/Until \_\_\_\_\_

Address \_\_\_\_\_ Rent or Own? \_\_\_\_\_ From/Until \_\_\_\_\_

Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used \_\_\_\_\_

**Item 2. Information About Your Spouse or Live-In Companion**

Spouse/Companion's Name \_\_\_\_\_ Social Security No. \_\_\_\_\_

Place of Birth \_\_\_\_\_ Date of Birth \_\_\_\_\_

Identify any other name(s) and/or social security number(s) your spouse/companion has used, and the time period(s) during which they were used \_\_\_\_\_

Address (if different from yours) \_\_\_\_\_

From (Date) \_\_\_\_\_ Rent or Own? \_\_\_\_\_ Telephone No. \_\_\_\_\_

Employer's Name and Address \_\_\_\_\_

Job Title \_\_\_\_\_ Years in Present Job \_\_\_\_\_ Annual Gross Salary/Wages \$ \_\_\_\_\_

**Item 3. Information About Your Previous Spouse**

Previous Spouse's Name & Address \_\_\_\_\_

\_\_\_\_\_ Social Security No. \_\_\_\_\_ Date of Birth \_\_\_\_\_

**Item 4. Contact Information**

Name & Address of Nearest Living Relative or Friend \_\_\_\_\_  
\_\_\_\_\_ Telephone No. \_\_\_\_\_

**Item 5. Information About Dependents Who Live With You**

▶Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

▶Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

▶Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

**Item 6. Information About Dependents Who Do Not Live With You**

▶Name & Address \_\_\_\_\_

Date of Birth \_\_\_\_\_ Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

▶Name Address \_\_\_\_\_

Date of Birth \_\_\_\_\_ Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

▶Name & Address \_\_\_\_\_

Date of Birth \_\_\_\_\_ Relationship \_\_\_\_\_ Social Security No. \_\_\_\_\_

**Item 7. Employment Information**

Provide the following information for this year-to-date and for each of the previous five full years, for each company of which you were a director, officer, employee, agent, contractor, participant or consultant at any time during that period. "Income" includes, but is not limited to, any salary, commissions, draws, consulting fees, loans, loan payments, dividends, royalties or other benefits for which you did not pay (e.g., health insurance premiums, automobile lease or loan payments) received by you or anyone else on your behalf.

▶Company Name & Address \_\_\_\_\_

Dates Employed: From (Month/Year) \_\_\_\_\_ To (Month/Year) \_\_\_\_\_

Positions Held with Beginning and Ending Dates \_\_\_\_\_

\_\_\_\_\_

**Item 7. continued**

Income Received: This year-to-date: \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
20\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
\_\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_

►Company Name & Address \_\_\_\_\_

Dates Employed: From (Month/Year) \_\_\_\_\_ To (Month/Year) \_\_\_\_\_

Positions Held with Beginning and Ending Dates \_\_\_\_\_

Income Received: This year-to-date: \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
20\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
\_\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_

►Company Name & Address \_\_\_\_\_

Dates Employed: From (Month/Year) \_\_\_\_\_ To (Month/Year) \_\_\_\_\_

Positions Held with Beginning and Ending Dates \_\_\_\_\_

Income Received: This year-to-date: \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
20\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_  
\_\_\_\_\_ : \$ \_\_\_\_\_ : \$ \_\_\_\_\_

**Item 8. Pending Lawsuits Filed by You or Your Spouse**

List all pending lawsuits that have been filed by you or your spouse in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in Items 16 and 25).

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_



**Item 9. Pending Lawsuits Filed Against You or Your Spouse**

List all pending lawsuits that have been filed against you or your spouse in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in Items 16 and 25).

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 10. Safe Deposit Boxes**

List all safe deposit boxes, located within the United States or elsewhere, held by you, your spouse, or any of your dependents, or held by others for the benefit of you, your spouse, or any of your dependents. *On a separate page, describe the contents of each box.*

<u>Owner's Name</u>	<u>Name &amp; Address of Depository Institution</u>	<u>Box No.</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Item 11. Business Interests**

List all businesses for which you, your spouse, or your dependents are an officer or director.

►Business' Name & Address \_\_\_\_\_

Business Format (e.g., corporation) \_\_\_\_\_ Description of Business \_\_\_\_\_

\_\_\_\_\_ Position(s) Held, and By Whom \_\_\_\_\_

►Business' Name & Address \_\_\_\_\_

Business Format (e.g., corporation) \_\_\_\_\_ Description of Business \_\_\_\_\_

\_\_\_\_\_ Position(s) Held, and By Whom \_\_\_\_\_

►Business' Name & Address \_\_\_\_\_

Business Format (e.g., corporation) \_\_\_\_\_ Description of Business \_\_\_\_\_

\_\_\_\_\_ Position(s) Held, and By Whom \_\_\_\_\_

**FINANCIAL INFORMATION: ASSETS AND LIABILITIES**

**REMINDER: "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or elsewhere, whether held individually or jointly.**

**Item 12.                      Cash, Bank, and Money Market Accounts**

List cash and all bank and money market accounts, including but not limited to, checking accounts, savings accounts, and certificates of deposit, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents. The term "cash" includes currency and uncashed checks.

Cash on Hand \$ \_\_\_\_\_ Cash Held For Your Benefit \$ \_\_\_\_\_

<u>Name on Account</u>	<u>Name &amp; Address of Financial Institution</u>	<u>Account No.</u>	<u>Current Balance</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

**Item 13.                      U.S. Government Securities**

List all U.S. Government securities, including but not limited to, savings bonds, treasury bills, and treasury notes, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

<u>Name on Account</u>	<u>Type of Obligation</u>	<u>Security Amount</u>	<u>Maturity Date</u>
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

**Item 14. Publicly Traded Securities and Loans Secured by Them**

List all publicly traded securities, including but not limited to, stocks, stock options, registered and bearer bonds, state and municipal bonds, and mutual funds, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Issuer \_\_\_\_\_ Type of Security \_\_\_\_\_ No. of Units Owned \_\_\_\_\_

Name on Security \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_ Loan(s) Against Security \$ \_\_\_\_\_

Broker House, Address \_\_\_\_\_ Broker Account No. \_\_\_\_\_

► Issuer \_\_\_\_\_ Type of Security \_\_\_\_\_ No. of Units Owned \_\_\_\_\_

Name on Security \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_ Loan(s) Against Security \$ \_\_\_\_\_

Broker House, Address \_\_\_\_\_ Broker Account No. \_\_\_\_\_

**Item 15. Other Business Interests**

List all other business interests, including but not limited to, non-public corporations, subchapter-S corporations, limited liability corporations ("LLCs"), general or limited partnership interests, joint ventures, sole proprietorships, and oil and mineral leases, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Business Format \_\_\_\_\_ Business' Name & Address \_\_\_\_\_

\_\_\_\_\_ Ownership % \_\_\_\_\_

Owner (e.g., self, spouse) \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_

► Business Format \_\_\_\_\_ Business' Name & Address \_\_\_\_\_

\_\_\_\_\_ Ownership % \_\_\_\_\_

Owner (e.g., self, spouse) \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_

**Item 16. Monetary Judgments or Settlements Owed to You, Your Spouse, or Your Dependents**

List all monetary judgments or settlements owed to you, your spouse, or your dependents.

► Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

► Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

**Item 17. Other Amounts Owed to You, Your Spouse, or Your Dependents**

List all other amounts owed to you, your spouse, or your dependents.

Debtor's Name, Address, & Telephone No. \_\_\_\_\_

Original Amount Owed \$ \_\_\_\_\_ Current Amount Owed \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

**Item 18. Life Insurance Policies**

List all life insurance policies held by you, your spouse, or your dependents.

►Insurance Company's Name, Address, & Telephone No. \_\_\_\_\_

Insured \_\_\_\_\_ Beneficiary \_\_\_\_\_ Face Value \$ \_\_\_\_\_

Policy No. \_\_\_\_\_ Loans Against Policy \$ \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

►Insurance Company's Name, Address, & Telephone No. \_\_\_\_\_

Insured \_\_\_\_\_ Beneficiary \_\_\_\_\_ Face Value \$ \_\_\_\_\_

Policy No. \_\_\_\_\_ Loans Against Policy \$ \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

**Item 19. Deferred Income Arrangements**

List all deferred income arrangements, including but not limited to, deferred annuities, pensions plans, profit-sharing plans, 401(k) plans, IRAs, Keoghs, and other retirement accounts, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

►Name on Account \_\_\_\_\_ Type of Plan \_\_\_\_\_ Date Established \_\_\_\_\_

Trustee or Administrator's Name, Address & Telephone No. \_\_\_\_\_

Account No. \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

►Name on Account \_\_\_\_\_ Type of Plan \_\_\_\_\_ Date Established \_\_\_\_\_

Trustee or Administrator's Name, Address & Telephone No. \_\_\_\_\_

Account No. \_\_\_\_\_ Surrender Value \$ \_\_\_\_\_

**Item 20. Personal Property**

List all personal property, by category, whether held for personal use or for investment, including but not limited to, furniture and household goods of value, computer equipment, electronics, coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property, held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

<u>Property Category</u> (e.g., artwork, jewelry)	<u>Name of Owner</u>	<u>Property Location</u>	<u>Acquisition Cost</u>	<u>Current Value</u>
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____

**Item 21. Cars, Trucks, Motorcycles, Boats, Airplanes, and Other Vehicles**

List all cars, trucks, motorcycles, boats, airplanes, and other vehicles owned or operated by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

▷ Vehicle Type \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_

Registered Owner's Name \_\_\_\_\_ Registration State & No. \_\_\_\_\_

Address of Vehicle's Location \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_ Account/Loan No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Original Loan Amount \$ \_\_\_\_\_ Current Loan Balance \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

▷ Vehicle Type \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_

Registered Owner's Name \_\_\_\_\_ Registration State & No. \_\_\_\_\_

Address of Vehicle's Location \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_ Account/Loan No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Original Loan Amount \$ \_\_\_\_\_ Current Loan Balance \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

**Item 21. Continued**

► Vehicle Type \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_ Year \_\_\_\_\_

Registered Owner's Name \_\_\_\_\_ Registration State & No. \_\_\_\_\_

Address of Vehicle's Location \_\_\_\_\_

Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_ Account/Loan No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Original Loan Amount \$ \_\_\_\_\_ Current Loan Balance \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

**Item 22. Real Property**

List all real estate held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.

► Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Acquisition Date \_\_\_\_\_ Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_

Basis of Valuation \_\_\_\_\_ Loan or Account No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Current Balance On First Mortgage \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

Other Loan(s) (describe) \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Monthly Payment \$ \_\_\_\_\_ Rental Unit? \_\_\_\_\_ Monthly Rent Received \$ \_\_\_\_\_

► Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Acquisition Date \_\_\_\_\_ Purchase Price \$ \_\_\_\_\_ Current Value \$ \_\_\_\_\_

Basis of Valuation \_\_\_\_\_ Loan or Account No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Current Balance On First Mortgage \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

Other Loan(s) (describe) \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Monthly Payment \$ \_\_\_\_\_ Rental Unit? \_\_\_\_\_ Monthly Rent Received \$ \_\_\_\_\_

**Item 23. Credit Cards**

List each credit card held by you, your spouse, or your dependents. Also list any other credit cards that you, your spouse, or your dependents use.

<u>Name of Credit Card (e.g., Visa, MasterCard, Department Store)</u>	<u>Account No.</u>	<u>Name(s) on Account</u>	<u>Current Balance</u>	<u>Minimum Monthly Payment</u>
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	\$ _____	\$ _____

**Item 24. Taxes Payable**

List all taxes, such as income taxes or real estate taxes, owed by you, your spouse, or your dependents.

<u>Type of Tax</u>	<u>Amount Owed</u>	<u>Year Incurred</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

**Item 25. Judgments or Settlements Owed**

List all judgments or settlements owed by you, your spouse, or your dependents.

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date \_\_\_\_\_ Amount \$ \_\_\_\_\_

**Item 26. Other Loans and Liabilities**

List all other loans or liabilities in your, your spouse's, or your dependents' names.

►Name & Address of Lender/Creditor \_\_\_\_\_

Nature of Liability \_\_\_\_\_ Name(s) on Liability \_\_\_\_\_

Date of Liability \_\_\_\_\_ Amount Borrowed \$ \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Payment Amount \$ \_\_\_\_\_ Frequency of Payment \_\_\_\_\_

►Name & Address of Lender/Creditor \_\_\_\_\_

Nature of Liability \_\_\_\_\_ Name(s) on Liability \_\_\_\_\_

Date of Liability \_\_\_\_\_ Amount Borrowed \$ \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Payment Amount \$ \_\_\_\_\_ Frequency of Payment \_\_\_\_\_

**OTHER FINANCIAL INFORMATION**

**Item 27. Tax Returns**

List all federal tax returns that were filed during the last three years by or on behalf of you, your spouse, or your dependents. *Provide a copy of each signed tax return that was filed during the last three years.*

<u>Tax Year</u>	<u>Name(s) on Return</u>	<u>Refund Expected</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

**Item 28. Applications for Credit**

List all applications for bank loans or other extensions of credit that you, your spouse, or your dependents have submitted within the last two years. *Provide a copy of each application, including all attachments.*

<u>Name(s) on Application</u>	<u>Name &amp; Address of Lender</u>
_____	_____
_____	_____
_____	_____



**Item 29. Trusts and Escrows**

List all funds or other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. Also list all funds or other assets that are being held in trust or escrow by you, your spouse, or your dependents, for any person or entity. *Provide copies of all executed trust documents.*

<u>Trustee or Escrow Agent's Name &amp; Address</u>	<u>Date Established</u>	<u>Grantor</u>	<u>Beneficiaries</u>	<u>Present Market Value of Assets</u>
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____

**Item 30. Transfers of Assets**

List each person to whom you have transferred, in the aggregate, more than \$2,500 in funds or other assets during the previous three years by loan, gift, sale, or other transfer. For each such person, state the total amount transferred during that period.

<u>Transferee's Name, Address, &amp; Relationship</u>	<u>Property Transferred</u>	<u>Aggregate Value</u>	<u>Transfer Date</u>	<u>Type of Transfer (e.g., Loan, Gift)</u>
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____
_____	_____	\$ _____	_____	_____

**SUMMARY FINANCIAL SCHEDULES**

**Item 31. Combined Balance Sheet for You, Your Spouse, and Your Dependents**

<u>ASSETS</u>		<u>LIABILITIES</u>	
Cash on Hand (Item 12)	\$ _____	Credit Cards (Item 23)	\$ _____
Cash in Financial Institutions (Item 12)	\$ _____	Motor Vehicles - Liens (Item 21)	\$ _____
U.S. Government Securities (Item 13)	\$ _____	Real Property - Encumbrances (Item 22)	\$ _____
Publicly Traded Securities (Item 14)	\$ _____	Loans Against Publicly Traded Securities (Item 14)	\$ _____
Other Business Interests (Item 15)	\$ _____	Taxes Payable (Item 24)	\$ _____
Judgments or Settlements Owed to You (Item 16)	\$ _____	Judgments or Settlements Owed (Item 25)	\$ _____
Other Amounts Owed to You (Item 17)	\$ _____	Other Loans and Liabilities (Item 26)	\$ _____
Surrender Value of Life Insurance (Item 18)	\$ _____	<u>Other Liabilities (Itemize)</u>	
Deferred Income Arrangements (Item 19)	\$ _____	_____	\$ _____
Personal Property (Item 20)	\$ _____	_____	\$ _____
Motor Vehicles (Item 21)	\$ _____	_____	\$ _____
Real Property (Item 22)	\$ _____	_____	\$ _____
<u>Other Assets (Itemize)</u>		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
<b>Total Assets</b>	<b>\$ _____</b>	<b>Total Liabilities</b>	<b>\$ _____</b>

**Item 32. Combined Average Monthly Income and Expenses for You, Your Spouse, and Your Dependents for the Last 6 Months**

Provide the average monthly income and expenses for you, your spouse, and your dependents for the last 6 months. Do not include credit card payments separately; rather, include credit card expenditures in the appropriate categories.

<u>INCOME</u>		<u>EXPENSES</u>	
Salary - After Taxes	\$ _____	Mortgage Payments for Residence(s)	\$ _____
Fees, Commissions, and Royalties	\$ _____	Property Taxes for Residence(s)	\$ _____
Interest	\$ _____	Rental Property Expenses, Including Mortgage Payments, Taxes, and Insurance	\$ _____
Dividends and Capital Gains	\$ _____	Car or Other Vehicle Lease or Loan Payments	\$ _____
Gross Rental Income	\$ _____	Food Expenses	\$ _____
Profits from Sole Proprietorships	\$ _____	Clothing Expenses	\$ _____
Distributions from Partnerships, S-Corporations, and LLCs	\$ _____	Utilities	\$ _____
Distributions from Trusts and Estates	\$ _____	Medical Expenses, Including Insurance	\$ _____
Distributions from Deferred Income Arrangements	\$ _____	Other Insurance Premiums	\$ _____
Social Security Payments	\$ _____	Other Transportation Expenses	\$ _____
Alimony/Child Support Received	\$ _____	Other Household Expenses	\$ _____
Gambling Income	\$ _____	<u>Other Expenses (Itemize)</u>	
<u>Other Income (Itemize)</u>		_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
<b>Total Income</b>	<b>\$ _____</b>	<b>Total Expenses</b>	<b>\$ _____</b>



# ATTACHMENT 2

**FEDERAL TRADE COMMISSION**  
**FINANCIAL STATEMENT OF CORPORATE DEFENDANT**

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**Instructions:**

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. The font size within each field will adjust automatically as you type to accommodate longer responses.
3. In completing this financial statement, "the corporation" refers not only to this corporation but also to each of its predecessors that are not named defendants in this action.
4. When an Item asks for information about assets or liabilities "held by the corporation," include ALL such assets and liabilities, located within the United States or elsewhere, held by the corporation or held by others for the benefit of the corporation.
5. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number being continued.
6. Type or print legibly.
7. An officer of the corporation must sign and date the completed financial statement on the last page and initial each page in the space provided in the lower right corner.

**Penalty for False Information:**

Federal law provides that any person may be imprisoned for not more than five years, fined, or both, if such person:

- (1) "in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);
- (2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or
- (3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration." (18 U.S.C. § 1623)

For a felony conviction under the provisions cited above, federal law provides that the fine may be not more than the greater of (i) \$250,000 for an individual or \$500,000 for a corporation, or (ii) if the felony results in pecuniary gain to any person or pecuniary loss to any person other than the defendant, the greater of twice the gross gain or twice the gross loss. 18 U.S.C. § 3571.

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**BACKGROUND INFORMATION**

**Item 1. General Information**

Corporation's Full Name \_\_\_\_\_

Primary Business Address \_\_\_\_\_ From (Date) \_\_\_\_\_

Telephone No. \_\_\_\_\_ Fax No. \_\_\_\_\_

E-Mail Address \_\_\_\_\_ Internet Home Page \_\_\_\_\_

All other current addresses & previous addresses for past five years, including post office boxes and mail drops:

Address \_\_\_\_\_ From/Until \_\_\_\_\_

Address \_\_\_\_\_ From/Until \_\_\_\_\_

Address \_\_\_\_\_ From/Until \_\_\_\_\_

All predecessor companies for past five years:

Name & Address \_\_\_\_\_ From/Until \_\_\_\_\_

Name & Address \_\_\_\_\_ From/Until \_\_\_\_\_

Name & Address \_\_\_\_\_ From/Until \_\_\_\_\_

**Item 2. Legal Information**

Federal Taxpayer ID No. \_\_\_\_\_ State & Date of Incorporation \_\_\_\_\_

State Tax ID No. \_\_\_\_\_ State \_\_\_\_\_ Profit or Not For Profit \_\_\_\_\_

Corporation's Present Status: Active \_\_\_\_\_ Inactive \_\_\_\_\_ Dissolved \_\_\_\_\_

If Dissolved: Date dissolved \_\_\_\_\_ By Whom \_\_\_\_\_

Reasons \_\_\_\_\_

Fiscal Year-End (Mo./Day) \_\_\_\_\_ Corporation's Business Activities \_\_\_\_\_

**Item 3. Registered Agent**

Name of Registered Agent \_\_\_\_\_

Address \_\_\_\_\_ Telephone No. \_\_\_\_\_

**Item 4. Principal Stockholders**

List all persons and entities that own at least 5% of the corporation's stock.

<u>Name &amp; Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____

**Item 5. Board Members**

List all members of the corporation's Board of Directors.

<u>Name &amp; Address</u>	<u>% Owned</u>	<u>Term (From/Until)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Item 6. Officers**

List all of the corporation's officers, including *de facto* officers (individuals with significant management responsibility whose titles do not reflect the nature of their positions).

<u>Name &amp; Address</u>	<u>% Owned</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____



**Item 7. Businesses Related to the Corporation**

List all corporations, partnerships, and other business entities in which this corporation has an ownership interest.

<u>Name &amp; Address</u>	<u>Business Activities</u>	<u>% Owned</u>

State which of these businesses, if any, has ever transacted business with the corporation \_\_\_\_\_

**Item 8. Businesses Related to Individuals**

List all corporations, partnerships, and other business entities in which the corporation's principal stockholders, board members, or officers (i.e., the individuals listed in Items 4 - 6 above) have an ownership interest.

<u>Individual's Name</u>	<u>Business Name &amp; Address</u>	<u>Business Activities</u>	<u>% Owned</u>

State which of these businesses, if any, have ever transacted business with the corporation \_\_\_\_\_

**Item 9. Related Individuals**

List all related individuals with whom the corporation has had any business transactions during the three previous fiscal years and current fiscal year-to-date. A "related individual" is a spouse, sibling, parent, or child of the principal stockholders, board members, and officers (i.e., the individuals listed in Items 4 - 6 above).

<u>Name and Address</u>	<u>Relationship</u>	<u>Business Activities</u>

**Item 10. Outside Accountants**

List all outside accountants retained by the corporation during the last three years.

<u>Name</u>	<u>Firm Name</u>	<u>Address</u>	<u>CPA/PA?</u>

**Item 11. Corporation's Recordkeeping**

List all individuals within the corporation with responsibility for keeping the corporation's financial books and records for the last three years.

<u>Name, Address, &amp; Telephone Number</u>	<u>Position(s) Held</u>

**Item 12. Attorneys**

List all attorneys retained by the corporation during the last three years.

<u>Name</u>	<u>Firm Name</u>	<u>Address</u>

**Item 13. Pending Lawsuits Filed by the Corporation**

List all pending lawsuits that have been filed by the corporation in court or before an administrative agency. (List lawsuits that resulted in final judgments or settlements in favor of the corporation in Item 25).

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 14. Current Lawsuits Filed Against the Corporation**

List all pending lawsuits that have been filed against the corporation in court or before an administrative agency. (List lawsuits that resulted in final judgments, settlements, or orders in Items 26 - 27).

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 15. Bankruptcy Information**

List all state insolvency and federal bankruptcy proceedings involving the corporation.

Commencement Date \_\_\_\_\_ Termination Date \_\_\_\_\_ Docket No. \_\_\_\_\_

If State Court: Court & County \_\_\_\_\_ If Federal Court: District \_\_\_\_\_

Disposition \_\_\_\_\_

**Item 16. Safe Deposit Boxes**

List all safe deposit boxes, located within the United States or elsewhere, held by the corporation, or held by others for the benefit of the corporation. *On a separate page, describe the contents of each box.*

<u>Owner's Name</u>	<u>Name &amp; Address of Depository Institution</u>	<u>Box No.</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**FINANCIAL INFORMATION**

**REMINDER:** When an Item asks for information about assets or liabilities "held by the corporation," include **ALL** such assets and liabilities, located within the United States or elsewhere, held by the corporation or held by others for the benefit of the corporation.

**Item 17. Tax Returns**

List all federal and state corporate tax returns filed for the last three complete fiscal years. *Attach copies of all returns.*

<u>Federal/ State/Both</u>	<u>Tax Year</u>	<u>Tax Due Federal</u>	<u>Tax Paid Federal</u>	<u>Tax Due State</u>	<u>Tax Paid State</u>	<u>Preparer's Name</u>
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____

**Item 18. Financial Statements**

List all financial statements that were prepared for the corporation's last three complete fiscal years and for the current fiscal year-to-date. *Attach copies of all statements, providing audited statements if available.*

<u>Year</u>	<u>Balance Sheet</u>	<u>Profit &amp; Loss Statement</u>	<u>Cash Flow Statement</u>	<u>Changes in Owner's Equity</u>	<u>Audited?</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**Item 19. Financial Summary**

For each of the last three complete fiscal years and for the current fiscal year-to-date for which the corporation has not provided a profit and loss statement in accordance with Item 18 above, provide the following summary financial information.

	<u>Current Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>3 Years Ago</u>
<u>Gross Revenue</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Expenses</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Net Profit After Taxes</u>	\$ _____	\$ _____	\$ _____	\$ _____
<u>Payables</u>	\$ _____	[REDACTED]		
<u>Receivables</u>	\$ _____	[REDACTED]		

**Item 20. Cash, Bank, and Money Market Accounts**

List cash and all bank and money market accounts, including but not limited to, checking accounts, savings accounts, and certificates of deposit, held by the corporation. The term "cash" includes currency and uncashed checks.

Cash on Hand \$ \_\_\_\_\_ Cash Held for the Corporation's Benefit \$ \_\_\_\_\_

<u>Name &amp; Address of Financial Institution</u>	<u>Signator(s) on Account</u>	<u>Account No.</u>	<u>Current Balance</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

**Item 21. Government Obligations and Publicly Traded Securities**

List all U.S. Government obligations, including but not limited to, savings bonds, treasury bills, or treasury notes, held by the corporation. Also list all publicly traded securities, including but not limited to, stocks, stock options, registered and bearer bonds, state and municipal bonds, and mutual funds, held by the corporation.

Issuer \_\_\_\_\_ Type of Security/Obligation \_\_\_\_\_

No. of Units Owned \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_ Maturity Date \_\_\_\_\_

Issuer \_\_\_\_\_ Type of Security/Obligation \_\_\_\_\_

No. of Units Owned \_\_\_\_\_ Current Fair Market Value \$ \_\_\_\_\_ Maturity Date \_\_\_\_\_

**Item 22. Real Estate**

List all real estate, including leaseholds in excess of five years, held by the corporation.

Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Current Value \$ \_\_\_\_\_ Loan or Account No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Current Balance On First Mortgage \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

Other Loan(s) (describe) \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Monthly Payment \$ \_\_\_\_\_ Rental Unit? \_\_\_\_\_ Monthly Rent Received \$ \_\_\_\_\_

Type of Property \_\_\_\_\_ Property's Location \_\_\_\_\_

Name(s) on Title and Ownership Percentages \_\_\_\_\_

Current Value \$ \_\_\_\_\_ Loan or Account No. \_\_\_\_\_

Lender's Name and Address \_\_\_\_\_

Current Balance On First Mortgage \$ \_\_\_\_\_ Monthly Payment \$ \_\_\_\_\_

Other Loan(s) (describe) \_\_\_\_\_ Current Balance \$ \_\_\_\_\_

Monthly Payment \$ \_\_\_\_\_ Rental Unit? \_\_\_\_\_ Monthly Rent Received \$ \_\_\_\_\_

**Item 23. Other Assets**

List all other property, by category, with an estimated value of \$2,500 or more, held by the corporation, including but not limited to, inventory, machinery, equipment, furniture, vehicles, customer lists, computer software, patents, and other intellectual property.

<u>Property Category</u>	<u>Property Location</u>	<u>Acquisition Cost</u>	<u>Current Value</u>
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____

**Item 24. Trusts and Escrows**

List all persons and other entities holding funds or other assets that are in escrow or in trust for the corporation.

<u>Trustee or Escrow Agent's Name &amp; Address</u>	<u>Description and Location of Assets</u>	<u>Present Market Value of Assets</u>
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____
		\$ _____



**Item 25. Monetary Judgments and Settlements Owed To the Corporation**

List all monetary judgments and settlements, recorded and unrecorded, owed to the corporation.

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

**Item 26. Monetary Judgments and Settlements Owed By the Corporation**

List all monetary judgments and settlements, recorded and unrecorded, owed by the corporation.

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date \_\_\_\_\_ Amount \$ \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_ Docket No. \_\_\_\_\_

Nature of Lawsuit \_\_\_\_\_ Date of Judgment \_\_\_\_\_ Amount \$ \_\_\_\_\_

**Item 27. Government Orders and Settlements**

List all existing orders and settlements between the corporation and any federal or state government entities.

Name of Agency \_\_\_\_\_ Contact Person \_\_\_\_\_  
 Address \_\_\_\_\_ Telephone No. \_\_\_\_\_  
 Agreement Date \_\_\_\_\_ Nature of Agreement \_\_\_\_\_

**Item 28. Credit Cards**

List all of the corporation's credit cards and store charge accounts and the individuals authorized to use them.

<u>Name of Credit Card or Store</u>	<u>Names of Authorized Users and Positions Held</u>

**Item 29. Compensation of Employees**

List all compensation and other benefits received from the corporation by the five most highly compensated employees, independent contractors, and consultants (other than those individuals listed in Items 5 and 6 above), for the two previous fiscal years and current fiscal year-to-date. "Compensation" includes, but is not limited to, salaries, commissions, consulting fees, bonuses, dividends, distributions, royalties, pensions, and profit sharing plans. "Other benefits" include, but are not limited to, loans, loan payments, rent, car payments, and insurance premiums, whether paid directly to the individuals, or paid to others on their behalf.

<u>Name/Position</u>	<u>Current Fiscal Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>Compensation or Type of Benefits</u>
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	

**Item 30. Compensation of Board Members and Officers**

List all compensation and other benefits received from the corporation by each person listed in Items 5 and 6, for the current fiscal year-to-date and the two previous fiscal years. "Compensation" includes, but is not limited to, salaries, commissions, consulting fees, dividends, distributions, royalties, pensions, and profit sharing plans. "Other benefits" include, but are not limited to, loans, loan payments, rent, car payments, and insurance premiums, whether paid directly to the individuals, or paid to others on their behalf.

<u>Name/Position</u>	<u>Current Fiscal Year-to-Date</u>	<u>1 Year Ago</u>	<u>2 Years Ago</u>	<u>Compensation or Type of Benefits</u>
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	
	\$ _____	\$ _____	\$ _____	

**Item 31. Transfers of Assets Including Cash and Property**

List all transfers of assets over \$2,500 made by the corporation, other than in the ordinary course of business, during the previous three years, by loan, gift, sale, or other transfer.

<u>Transferee's Name, Address, &amp; Relationship</u>	<u>Property Transferred</u>	<u>Aggregate Value</u>	<u>Transfer Date</u>	<u>Type of Transfer (e.g., Loan, Gift)</u>
		\$ _____		
		\$ _____		
		\$ _____		
		\$ _____		
		\$ _____		

