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CV '080909 PHX JAT

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

SEALED

Federal Trade Commission,
Plaintiff,
v.
Helping Hands of Hope, Inc.,
a corporation;
U.S. Blind Services, Inc.,
a corporation;
**Employment Opportunities of
America, Inc.,**
a corporation;
Third Strike Employment, Inc.,
a corporation; and
Robyn Mayhan,
an individual;
Defendants.

Case No.

(Proposed)

**Temporary Restraining Order
With Asset Freeze, Appointment of
Temporary Receiver and Other
Equitable Relief, and Order to Show
Cause Why a Preliminary Injunction
Should Not Issue and a Permanent
Receiver Should Not Be Appointed**

Plaintiff Federal Trade Commission having filed its Complaint for a permanent injunction and other equitable relief in this matter pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. §§ 6101-6108, and having applied *ex parte* for a

1 Temporary Restraining Order pursuant to Rule 65 of the Federal Rules of Civil
2 Procedure, and the Court having considered the Complaint, Plaintiff's application,
3 and the memorandum of points and authorities and other materials filed in support
4 thereof, and now being advised in the premises, finds as follows:

5 1. This Court has jurisdiction of the subject matter of this case. There is
6 also good cause to believe it will have jurisdiction of all parties hereto, and that
7 venue in this district is proper.

8 2. There is good cause to believe that Defendants Helping Hands of
9 Hope, Inc., U.S. Blind Services, Inc., Employment Opportunities of America, Inc.,
10 Third Strike Employment, Inc., and Robyn Mayhan have engaged in and are likely
11 to engage in acts that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the
12 FTC's Telemarketing Sales Rule, 16 C.F.R. Part 310, and the Unordered
13 Merchandise Statute, 39 U.S.C. § 3009, and that the Commission is likely to
14 prevail on the merits of this action.

15 3. There is good cause to believe that immediate and irreparable harm
16 will result from Defendants' ongoing violations of the FTC Act unless Defendants
17 are restrained and enjoined by Order of this Court.

18 4. There is good cause to believe that immediate and irreparable damage
19 to the Court's ability to grant effective final relief for consumers—including
20 refunds, rescission and restitution, disgorgement or other equitable monetary
21 relief—will occur from the sale, transfer, or other disposition or concealment by
22 Defendants of assets or records if Defendants are provided with advance notice of
23 this Order, and that therefore in accordance with Fed. R. Civ. P. 65(b), the interests
24 of justice therefore require that this order be granted without prior notice to
25 Defendants. There is thus good cause for relieving the Commission of the duty to
26 provide Defendants with prior notice of the Commission's application.

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1 subsidiaries that conduct any business related to the Defendants' telemarketing
2 program and which the Temporary Receiver has reason to believe are owned or
3 controlled in whole or in part by any of the Defendants.

4 7. "Assisting others" means knowingly providing any of the following
5 goods or services to another person or entity:

- 6 a. performing customer service functions, including, but not
7 limited to, receiving or responding to consumer complaints; or
- 8 b. formulating or providing, or arranging for the formulation or
9 provision of, any telephone sales script or any other marketing
10 material; or
- 11 c. providing names of, or assisting in the generation of, potential
12 customers; or
- 13 d. performing marketing services of any kind.

14 8. To "mail" an item means to place such item in the mail or to direct
15 any other person to place such item in the mail.

16 8. "Material fact" means to any fact that is likely to affect a person's
17 choice of, or conduct regarding, goods or services.

18 9. "Assets" means any legal or equitable interest in, right to, or claim to,
19 any real or personal property, including, without limitation, chattels, goods,
20 instruments, equipment, fixtures, general intangibles, leaseholds, mail or other
21 deliveries, inventory, checks, notes, accounts, credits, contracts, receivables, shares
22 of stock, and all cash, wherever located.

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

3 11. "Person" means a natural person, organization, or other legal entity,
4 including a corporation, partnership, proprietorship, association, cooperative,
5 government or governmental subdivision or agency, or any other group or
6 combination acting as an entity.

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8 **I.**

9 **PROHIBITED REPRESENTATIONS**

10 **IT IS THEREFORE ORDERED** that Defendants and their successors,
11 assigns, officers, agents, servants, employees, and attorneys, and those persons or
12 entities in active concert or participation with any of them who receive actual
13 notice of this Order by personal service or otherwise, whether acting directly or
14 through any corporation, subsidiary, division, or other device, in connection with
15 the advertising, marketing, promotion, offering for sale or sale of any good or
16 service, **are hereby temporarily restrained and enjoined** from falsely
17 representing, or from assisting others who are falsely representing, any of the
18 following:

- 19 A. that any consumer's purchase will significantly help handicapped or
20 disabled people;
- 21 B. that all or most persons employed by or working on behalf of
22 Defendants are handicapped or disabled;
- 23 C. that any specific person employed by or working on behalf of any
24 Defendant is handicapped or disabled;
- 25 D. that any of Defendants' products are packaged or manufactured by the
26 handicapped or disabled;
- 27 E. that Defendants operate a charitable organization;
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1 F. that any consumer has ordered and/or agreed to purchase one or more
2 products from any Defendant and therefore owes money to any of the
3 Defendants; and/or

4 G. any other fact material to a consumer's decision to purchase any good
5 or service from Defendants.

6 **II.**

7 **PROHIBITION AGAINST MAILING AND BILLING FOR**
8 **UNORDERED MERCHANDISE**

9 **IT IS FURTHER ORDERED** that Defendants and their successors,
10 assigns, officers, agents, servants, employees, and attorneys, and those persons or
11 entities in active concert or participation with any of them who receive actual
12 notice of this Order by personal service or otherwise, whether acting directly or
13 through any corporation, subsidiary, division, or other device, in connection with
14 the advertising, marketing, promotion, offering for sale or sale of any product, **are**
15 **hereby temporarily restrained and enjoined** from:

- 16 A. mailing any package containing any product to any consumer without
17 the prior expressed request or consent of the recipient, unless such
18 product is clearly identified as a free sample; or
19 B. mailing any bill, invoice or dunning communication to any consumer
20 to whom any Defendant has mailed a product without that consumer's
21 prior expressed request or consent.

22 **III.**

23 **PROHIBITION AGAINST VIOLATING**
24 **THE TELEMARKETING SALES RULE**

25 **IT IS FURTHER ORDERED** that Defendants and their successors,
26 assigns, officers, agents, servants, employees, and attorneys, and those persons or
27 entities in active concert or participation with any of them who receive actual
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1 notice of this Order by personal service or otherwise, whether acting directly or
2 through any corporation, subsidiary, division, or other device, in connection with
3 the telemarketing of any good or service, are hereby temporarily restrained and
4 enjoined from violating any provision of the Telemarketing Sales Rule, 16 C.F.R.
5 Part 310, including, but not limited to:

6 A. violating Section 310.3(a)(3) of the TSR, 16 C.F.R. § 310.3(a)(3), by
7 causing billing information to be submitted for payment (using a
8 payment method other than a credit card subject to the protections of
9 the Truth In Lending Act, 15 U.S.C. § 1601 *et seq.*, and Regulation Z,
10 12 C.F.R. Part 226, or a debit card subject to the protections of the
11 Electronic Funds Transfer Act, 15 U.S.C. § 1693 *et seq.*, and
12 Regulation E, 12 C.F.R. Part 205) without the consumer's express
13 verifiable authorization;

14 B. violating Section 310.3(a)(4) of the TSR, 16 C.F.R. § 310.3(a)(4), by
15 making false or misleading statements to induce consumers to pay for
16 such products, including but not limited to misrepresentations:

- 17 1. that a consumer's purchase will significantly help
18 handicapped or disabled people;
 - 19 2. that all or most persons employed by or working on
20 behalf of Defendants are handicapped or disabled;
 - 21 3. that any specific person employed by or working on
22 behalf of any Defendant is handicapped or disabled;
 - 23 4. that any of Defendants' products are packaged or
24 manufactured by the handicapped or disabled;
 - 25 5. that Defendants operate a charitable organization; or
 - 26 6. any other fact material to a consumer's decision to
27 purchase any good or service from Defendants;
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- 1 C. violating Section 310.4(b)(1)(i) of the TSR, 16 C.F.R.
2 § 310.4(b)(1)(i), by causing consumers' telephones to ring repeatedly,
3 or engaging consumers repeatedly in telephone conversations, with
4 the intent to annoy, abuse, or harass persons at the called number;
- 5 D. violating Section 310.4(b)(1)(iii)(B) of the TSR, 16 C.F.R.
6 § 310.4(b)(1)(iii)(B), by engaging in or causing others to engage in
7 initiating an outbound telephone call to a person when that person's
8 telephone number is on the National Do Not Call Registry;
- 9 E. violating Section 310.4(b)(1)(iii)(A) of the TSR, 16 C.F.R.
10 § 310.4(b)(1)(iii)(A), by engaging in or causing others to engage in
11 initiating an outbound telephone call to persons who had previously
12 stated that they do not wish to receive calls made by or on behalf of
13 any of the Defendants;
- 14 F. violating Section 310.8 of the TSR, 16 C.F.R. § 310.8, by initiating, or
15 causing others to initiate, an outbound telephone call to a telephone
16 number within a given area code without Defendants, either directly
17 or through another person, first paying the annual fee required for
18 access to the telephone numbers within that area code that are
19 included in the National Do Not Call Registry.

20 **IV.**

21 **ASSET FREEZE**

22 **IT IS FURTHER ORDERED** that each of the Defendants is hereby
23 temporarily restrained and enjoined, until further order of this Court, from:

- 24 A. Transferring, encumbering, selling, concealing, pledging,
25 hypothecating, assigning, spending, withdrawing, disbursing,
26 conveying, gifting, dissipating, or otherwise disposing of any funds,
27 property, coins, lists of consumer names, shares of stock, or other
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1 assets, wherever located, that are (1) owned or controlled by any of
2 the Defendants, in whole or in part; (2) in the actual or constructive
3 possession of any of the Defendants; (3) held by an agent of any of the
4 Defendants, as a retainer for the agent's provision of services to a
5 Defendant; or (4) owned, controlled by, or in the actual or
6 constructive possession of, or otherwise held for the benefit of, any
7 corporation, partnership, or other entity directly or indirectly owned or
8 controlled by any of the Defendants.

9 B. Opening or causing to be opened any safe deposit boxes titled in the
10 name of any of the Defendants, or subject to access by any of the
11 Defendants;

12 C. Incurring charges or cash advances on any credit or debit card issued
13 in the name, singly or jointly, of any of the Defendants, or any
14 corporation, partnership, or other entity directly or indirectly owned or
15 controlled by any of the Defendants; and

16 D. Failing to disclose to Plaintiff, immediately upon service of this
17 Order, information that fully identifies each asset of the Defendants,
18 and each entity holding such asset, including, without limitation, the
19 entity's name, address, and telephone number, the number of the
20 account, and the name under which the account is held.

21 E. Provided, that the freeze imposed in this Section shall be construed to
22 apply to assets that Defendant Mayhan acquires following service of
23 this Order only if such assets are derived from activity prohibited by
24 this Order.

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V.

FINANCIAL REPORTS

IT IS FURTHER ORDERED that within forty-eight hours after service of this Order:

- A. Defendant Mayhan shall complete and deliver to Plaintiff the Financial Statement captioned "Financial Statement of Individual Defendant," a copy of which is attached hereto as Attachment 1;
- B. Defendant Mayhan shall prepare and deliver to Plaintiff and the Temporary Receiver, for each of the Corporate Defendants, the Financial Statement captioned "Financial Statement of Corporate Defendant," a copy of which is attached hereto as Attachment 2;
- C. Defendant Mayhan shall, on behalf of each corporation of which she is the majority owner or otherwise controls, other than the Corporate Defendants, complete and deliver to Plaintiff a separate copy of the "Financial Statement of Corporate Defendant"; and
- D. Defendants shall provide the Commission access to records and documents pertaining to assets of any of the Defendants that are held by financial institutions outside the territory of the United States by signing a Consent to Release of Financial Records if requested by Plaintiff.

VI.

PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that Defendants, and their agents, servants, employees, and attorneys, and all persons or entities directly or indirectly under the control of any of them, and all other persons or entities in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, and each such person, are hereby temporarily

1 restrained and enjoined from destroying, erasing, mutilating, concealing, altering,
2 transferring or otherwise disposing of, in any manner, directly or indirectly, any
3 documents that relate to the business practices or finances of any of the
4 Defendants, including, but not limited to, such documents as any contracts,
5 accounting data, correspondence, advertisements, computer tapes, discs or other
6 computerized records, books, written or printed records, handwritten notes,
7 telephone logs, telephone scripts, receipt books, ledgers, personal and business
8 canceled checks and check registers, bank statements, appointment books, copies
9 of federal, state, or local business or personal income or property tax returns.

10 This Section specifically applies to all documents displayed on or accessible
11 from any and all Internet websites owned or controlled by any Defendant,
12 including but not limited to any of the websites with the following domain names:
13 helpinghandsofhope.com, and usblindservices.com.

14 **VII.**

15 **RECORD KEEPING**

16 **IT IS FURTHER ORDERED** that Defendant Mayhan is hereby
17 temporarily restrained and enjoined from failing to make and keep, and to provide
18 to Plaintiff's counsel promptly upon request, an accurate accounting that, in
19 reasonable detail, accurately, fairly, and completely reflects her incomes (including
20 all income resulting from any services, activity, or efforts rendered by Defendant),
21 disbursements, transactions, and use of money, beginning immediately upon
22 service or actual notice of this Order, and continuing daily until otherwise ordered
23 by the Court.

24 **VIII.**

25 **NOTIFICATION OF BUSINESS ACTIVITIES**

26 **IT IS FURTHER ORDERED** that
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1 A. Defendant Mayhan is hereby temporarily restrained and enjoined from
2 directly or indirectly creating, operating, or exercising any control
3 over any business entity, including any partnership, limited
4 partnership, joint venture, sole proprietorship or corporation, without
5 first serving on counsel for the Commission a written statement
6 disclosing the following: (1) the name of the business entity; (2) the
7 address and telephone number of the business entity; (3) the names of
8 the business entity's officers, directors, principals, managers and
9 employees; and (4) a detailed description of the business entity's
10 intended activities.

11 B. Defendant Mayhan shall notify the Commission at least seven (7)
12 days prior to affiliating with, becoming employed by, or performing
13 any work for any business that is not a named Defendant in this
14 action. Each notice shall include the Defendant's new business
15 address and a statement of the nature of the business or employment
16 and the nature of her duties and responsibilities in connection with
17 that business or employment.

18 **IX.**

19 **FINANCIAL INSTITUTIONS**

20 **IT IS FURTHER ORDERED** that any financial or brokerage institution
21 (including but not limited to Bank of America, Bank One, Compass Bank, JP
22 Morgan Chase Bank, Sunrise Bank of Arizona, and Wells Fargo Bank), any
23 business entity, or any other person having possession, custody, or control of any
24 records of any of the Defendants, or of any account, safe deposit box, or other asset
25 titled in the name of any of the Defendants, either individually or jointly or held for
26 the benefit of any of the Defendants, or which has maintained any such account,
27 safe deposit box, or other asset at any time since March 9, 2000, shall:
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upon being served with a copy of this order

- 1 A. Hold and retain within its control and prohibit the transfer,
2 encumbrance, pledge, assignment, removal, withdrawal, dissipation,
3 sale, or other disposal of any such account or other asset, except for
4 transfers or withdrawals authorized in writing by counsel for Plaintiff,
5 by the Temporary Receiver (with respect to assets of any of the
6 Receivership Defendants), or by further order of this Court;
- 7 B. Deny access to any safe deposit box titled individually or jointly in
8 the name of, or otherwise subject to access by, any of the Defendants;
- 9 C. Provide to Plaintiff and to the Temporary Receiver, within three (3)
10 business days of notice of this Order, a sworn statement setting forth:
- 11 1. The identification of each account or asset;
- 12 2. The balance of each account or a description of the nature and
13 value of each asset as of the close of business on the day
14 notification of this Order is received, and, if the account or
15 asset has been closed or moved, the balance or value removed
16 and the person or entity to whom it was transferred; and
- 17 3. The identification of any safe deposit box titled in the name of
18 or subject to access by any of the Defendants.
- 19 D. Upon request by counsel for Plaintiff (or by the Temporary Receiver,
20 with respect to assets held for any of the Receivership Defendants),
21 promptly provide Plaintiff or the Temporary Receiver with copies of
22 all records or other documentation pertaining to such account or asset,
23 including but not limited to originals or copies of account
24 applications, account statements, signature cards, checks, drafts,
25 deposit tickets, transfers to and from the accounts, all other debit and
26 credit instruments or slips, currency transaction reports, 1099 forms,
27 and safe deposit box logs; and
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1 E. At the direction of Plaintiff (or the Temporary Receiver, with respect
2 to assets held for any of the Receivership Defendants), and without
3 further order of this Court, convert any stocks, bonds, options, mutual
4 funds, or other securities to their cash equivalents.

5 **X.**

6 **REPATRIATION OF ASSETS**

7 **IT IS FURTHER ORDERED** that within five business days following
8 service of this Order, each of the Defendants shall:

- 9 A. Repatriate to the United States all funds, documents, or assets in
10 foreign countries held either: (1) by them; (2) for their benefit; or (3)
11 under their direct or indirect control, jointly or singly;
- 12 B. The same business day as any repatriation under paragraph A above,
13 1. notify Plaintiff and the Temporary Receiver of the name and
14 location of the financial institution or other entity that is the
15 recipient of such funds, documents, or assets; and
16 2. serve this Order on any such financial institution or other entity;
- 17 C. Provide Plaintiff and the Temporary Receiver with a full accounting
18 of all funds, documents, and assets outside of the territory of the
19 United States held either: (1) by them; (2) for their benefit; or (3)
20 under their direct or indirect control, jointly or singly; and
- 21 D. Hold and retain all repatriated funds, documents, and assets and
22 prevent any transfer, disposition, or dissipation whatsoever of any
23 such assets or funds.

24 **XI.**

25 **IMMEDIATE ACCESS TO DEFENDANTS' RECORDS**

26 **IT IS FURTHER ORDERED** that
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1 A. Defendants and their successors, assigns, officers, agents, servants,
2 employees, and attorneys, and those persons in active concert or
3 participation with any of them who receive actual notice of this Order
4 by personal service or otherwise, whether acting directly or through
5 any corporation, subsidiary, division, or other device, and the
6 Temporary Receiver, shall allow Plaintiff's representatives immediate
7 access to the business premises, mail drops, storage facilities, and all
8 other business locations owned, controlled, or used by Defendants,
9 including, but not limited to business premises at the following street
10 addresses: 2201 E. Thomas Road in Phoenix, Arizona; 6530 W.
11 Glendale Avenue in Glendale, Arizona; 4522 N. 7th Street in Phoenix,
12 Arizona; and 2801 N. 24th Street in Phoenix, Arizona. The purpose
13 of the access shall be to effect service and to inspect and copy
14 materials relevant to this action. Plaintiff shall have the right to
15 remove documents from Defendants' premises in order that they may
16 be inspected, inventoried, and copied. Plaintiff shall return any such
17 removed documents within three (3) business days, or such
18 time-period that is agreed upon by Plaintiff and Defendants.
19 Defendants, to the extent they are in possession of documents relevant
20 to this action, shall provide Plaintiff with the means necessary to
21 access these documents, including without limitation keys and
22 combinations to locks, computer access codes, and storage area access
23 information; and

24 B. The Temporary Receiver shall subsequently allow the Commission's
25 representatives, the representatives of the Defendants, and Defendant
26 Mayhan reasonable access to the business premises of the
27 Receivership Defendants. The purpose of this access shall be to
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1 inspect and copy any and all books, records, accounts, and other
2 property owned by or in the possession of the Receivership
3 Defendant. The Temporary Receiver shall have the discretion to
4 determine the time and manner of this access; and

5 C. If, at the time of service of this Order, any records or property relating
6 to Defendants' business or assets are located in the personal residence
7 of Defendant Mayhan or in any other non-business location in her
8 personal control, then she shall, within forty-eight (48) hours of
9 service of this Order, produce to Plaintiff, at a location designated by
10 Plaintiff, the following:

11 1. All contracts, accounting data, written or electronic
12 correspondence, advertisements, computer tapes, discs, or other
13 computerized or electronic records, books, written or printed
14 records, handwritten notes, telephone logs, telephone scripts,
15 telephone bills, receipt books, ledgers, membership records and
16 lists, refund records, receipts, ledgers, bank records (including
17 personal and business monthly statements, canceled checks,
18 records of wire transfers, and check registers), appointment
19 books, copies of federal, state, and local business or personal
20 income or property tax returns, 1099 forms, title records, and
21 other documents or records of any kind that relate to
22 Defendants' business and assets; and

23 2. All computers and data in whatever form, used by Defendants,
24 in whole or in part, relating to Defendants' business and assets.

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XII.

APPOINTMENT OF TEMPORARY RECEIVER

IT IS FURTHER ORDERED that Robb Evans and Robb Evans Associates is

appointed Temporary Receiver for Defendants Helping Hands of Hope, Inc., U.S. Blind Services, Inc., Employment Opportunities of America, Inc., and Third Strike Employment, Inc., as well as for any successors, assigns, affiliates, and subsidiaries that conduct any business related to the Defendants' telemarketing program and which the Temporary Receiver has reason to believe are owned or controlled in whole or in part by any of the Defendants (hereinafter referred to as the "Receivership Defendants"), with the full power of an equity receiver. The Temporary Receiver shall be the agent of this Court and solely the agent of this Court in acting as Receiver under this Order. The Temporary Receiver shall be accountable directly to this Court. The Temporary Receiver shall comply with all Local Rules of this Court governing receivers.

XIII.

RECEIVERSHIP DUTIES

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

A. Assume full control of the Receivership Defendants by removing, as the Receiver deems necessary or advisable, any manager, independent contractor, employee, or agent of the Receivership Defendants, including Defendant Mayhan, from control of, management of, or participation in, the affairs of the Receivership Defendants;

B. Take exclusive custody, control and possession of all assets and documents of, or in the possession, custody, or under the control of, the Receivership Defendants, wherever situated. The Temporary Receiver shall have full power to divert mail and to sue for, collect, receive, take in possession, hold,

1 and manage all assets and documents of the Receivership Defendants and other
2 persons or entities whose interests are now held by or under the direction,
3 possession, custody, or control of the Receivership Defendants;

4 C. Take all steps necessary to secure all premises owned, rented, leased,
5 or otherwise controlled by the Receivership Defendants, including but not limited
6 to all such premises located at 2201 E. Thomas Road in Phoenix, Arizona; 6530
7 W. Glendale Avenue in Glendale, Arizona; 4522 N. 7th Street in Phoenix, Arizona;
8 and 2801 N. 24th Street in Phoenix, Arizona. Such steps may include, but are not
9 limited to, the following, as the Temporary Receiver deems necessary or advisable:

10 (1) serving and filing this Order; (2) completing a written inventory of all
11 receivership assets; (3) obtaining pertinent information from all employees and
12 other agents of the Receivership Defendants, including, but not limited to, the
13 name, home address, social security number, job description, method of
14 compensation, and all accrued and unpaid commissions and compensation of each
15 such employee or agent; (4) photographing and video taping all portions of the
16 location; (5) securing the location by changing the locks and disconnecting any
17 computer modems or other means of access to the computer or other records
18 maintained at that location; or (6) requiring any persons present on the premises at
19 the time this Order is served to leave the premises, to provide the Temporary
20 Receiver with proof of identification, or to demonstrate to the satisfaction of the
21 Temporary Receiver that such persons are not removing from the premises
22 documents or assets of the Receivership Defendants;

23 D. Conserve, hold, and manage all receivership assets, and perform all
24 acts necessary or advisable to preserve the value of those assets, in order to prevent
25 any irreparable loss, damage, or injury to consumers or to creditors of the
26 Receivership Defendants, including, but not limited to, obtaining an accounting of
27 the assets and preventing transfer, withdrawal, or misapplication of assets;

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1 E. Enter into contracts and purchase insurance as advisable or necessary;

2 F. Prevent the inequitable distribution of assets and to determine, adjust,
3 and protect the interests of consumers and creditors who have transacted business
4 with the Receivership Defendants;

5 G. Manage and administer the business of the Receivership Defendants
6 until further order of this Court by performing all incidental acts that the
7 Temporary Receiver deems to be advisable or necessary, which includes retaining,
8 hiring, or dismissing any employees, independent contractors, or agents;

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

13 I. Make payments and disbursements from the receivership estate that
14 are necessary or advisable for carrying out the directions of, or exercising the
15 authority granted by, this Order. The Temporary Receiver shall apply to the Court
16 for prior approval of any payment of any debt or obligation incurred by the
17 Receivership Defendants prior to the date of entry of this Order, except payments
18 that the Temporary Receiver deems necessary or advisable to secure assets of the
19 Receivership Defendants, such as rental payments;

20 J. Determine and implement the manner in which the Receivership
21 Defendants will comply with, and prevent violations of, this Order and all other
22 applicable laws;

23 K. Institute, compromise, adjust, appear in, intervene in, or become party
24 to such actions or proceedings in state, federal or foreign courts that the Temporary
25 Receiver deems necessary and advisable to preserve or recover the assets of the
26 Receivership Defendants or that the Temporary Receiver deems necessary and
27 advisable to carry out the Temporary Receiver's mandate under this Order;

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1 L. Defend, compromise, adjust, or otherwise dispose of any or all actions
2 or proceedings instituted in the past or in the future against the Temporary
3 Receiver in his role as Temporary Receiver, or against the Receivership
4 Defendants that the Temporary Receiver deems necessary and advisable to
5 preserve the assets of the Receivership Defendants or that the Temporary Receiver
6 deems necessary and advisable to carry out the Temporary Receiver's mandate
7 under this Order;

8 M. Issue subpoenas to obtain documents and records pertaining to the
9 receivership, and conduct discovery in this action on behalf of the receivership
10 estate;

11 N. Open one or more bank accounts as designated depositories for funds
12 of the Receivership Defendants. The Temporary Receiver shall deposit all funds
13 of the Receivership Defendants in such a designated account and shall make all
14 payments and disbursements from the receivership estate from such an account;
15 and

16 O. Maintain accurate records of all receipts and expenditures that s/he
17 makes as Temporary Receiver.

18 **XIV.**

19 **COOPERATION WITH THE TEMPORARY RECEIVER**

20 **IT IS FURTHER ORDERED** that Defendants, and their agents, servants,
21 employees, and attorneys, and all persons or entities directly or indirectly under the
22 control of any of them, and all other persons or entities in active concert or
23 participation with any of them who receive actual notice of this Order by personal
24 service or otherwise, and each such person, shall fully cooperate with and assist the
25 Temporary Receiver. Such cooperation and assistance shall include, but not be
26 limited to, providing any information to the Temporary Receiver that the
27 Temporary Receiver deems necessary to exercising the authority and discharging
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1 the responsibilities of the Temporary Receiver under this Order; providing any
2 password required to access any computer or electronic files in any medium; or
3 advising all persons who owe money to the Receivership Defendants that all debts
4 should be paid directly to the Temporary Receiver. Defendants are hereby
5 temporarily restrained and enjoined from directly or indirectly:

6 A. Transacting any of the business of the Receivership Defendants, or
7 transacting business under the name Helping Hands of Hope, Inc., U.S. Blind
8 Services, Inc., Employment Opportunities of America, Inc., or Third Strike
9 Employment, Inc., or any substantially similar name;

10 B. Destroying, secreting, defacing, transferring, or otherwise altering or
11 disposing of any documents of the Receivership Defendants, including, but not
12 limited to, books, records, accounts, or any other papers of any kind or nature;

13 C. Transferring, receiving, altering, selling, encumbering, pledging,
14 assigning, liquidating, or otherwise disposing of any assets owned, controlled, or in
15 the possession or custody of, or in which an interest is held or claimed by, the
16 Receivership Defendants, or the Temporary Receiver;

17 D. Excusing debts owed to the Receivership Defendants;

18 E. Failing to notify the Temporary Receiver of any asset, including
19 accounts, of any Receivership Defendant held in any name other than the name of
20 any Receivership Defendant, or by any person or entity other than the Receivership
21 Defendants, or failing to provide any assistance or information requested by the
22 Temporary Receiver in connection with obtaining possession, custody, or control
23 of such assets; or

24 F. Doing any act or refraining from any act whatsoever to interfere with
25 the Temporary Receiver's taking custody, control, possession, or managing of the
26 assets or documents subject to this receivership; or to harass or interfere with the
27 Temporary Receiver in any way; or to interfere in any manner with the exclusive
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1 jurisdiction of this Court over the assets or documents of the Receivership
2 Defendants; or to refuse to cooperate with the Temporary Receiver or the
3 Temporary Receiver's duly authorized agents in the exercise of their duties or
4 authority under any Order of this Court.

5 **XV.**

6 **DELIVERY OF RECEIVERSHIP PROPERTY**

7 **IT IS FURTHER ORDERED** that:

8 A. Immediately upon service of this Order upon them, or within a period
9 permitted by the Temporary Receiver, Defendants and all other persons in
10 possession, custody, and control of assets or documents of the Receivership
11 Defendants shall transfer or deliver possession, custody, and control of the
12 following to the Temporary Receiver:

- 13 1. All assets of the Receivership Defendants;
- 14 2. All documents of the Receivership Defendants, including, but
15 not limited to, books and records of accounts, all financial and accounting records,
16 balance sheets, income statements, bank records (including monthly statements,
17 canceled checks, records of wire transfers, and check registers), client lists, title
18 documents and other papers;
- 19 3. All assets belonging to members of the public now held by the
20 Receivership Defendants; and
- 21 4. All keys and codes necessary to gain or to secure access to any
22 assets or documents of the Receivership Defendants, including, but not limited to,
23 access to their business premises, means of communication, accounts, computer
24 systems, or other property.

25 B. In the event any person or entity fails to deliver or transfer any asset
26 or otherwise fails to comply with any provision of this Section, the Temporary
27 Receiver may file, on an ex parte basis, an Affidavit of Non-Compliance regarding
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1 the failure. Upon filing of the affidavit, the Court may authorize, without
2 additional process or demand, Writs of Possession or Sequestration or other
3 equitable writs requested by the Temporary Receiver. The writs shall authorize
4 and direct the United States Marshal or any sheriff or deputy sheriff of any county
5 to seize the asset, document, or other thing and to deliver it to the Temporary
6 Receiver.

7 **XVI.**

8 **BANKRUPTCY PETITIONS**

9 **IT IS FURTHER ORDERED** that, in light of the asset freeze and
10 appointment of the Temporary Receiver, Defendants are hereby prohibited from
11 filing, or causing to be filed, on behalf of any of the Corporate or Receivership
12 Defendants, a petition for relief under the United States Bankruptcy Code, 11
13 U.S.C. § 101 et seq., without prior permission from this Court.

14 **XVII.**

15 **TRANSFER OF FUNDS TO THE TEMPORARY RECEIVER**

16 **IT IS FURTHER ORDERED** that, upon service of a copy of this Order, all
17 banks, broker-dealers, savings and loans, escrow agents, title companies,
18 commodity trading companies, or other financial institutions shall cooperate with
19 all reasonable requests of the Temporary Receiver relating to implementation of
20 this Order, including transferring funds at his or her direction and producing
21 records related to the assets of the Receivership Defendants.

22 **XVIII.**

23 **STAY OF ACTIONS**

24 **IT IS FURTHER ORDERED** that:

25 A. Except by leave of this Court, during pendency of the receivership
26 ordered herein, Defendants and all other persons and entities (except for
27 Plaintiff) are hereby stayed from taking any action to establish or enforce any
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1 claim, right, or interest for, against, on behalf of, in, or in the name of: a) any of
2 the Corporate Defendants, or b) any of their assets, or c) the Temporary Receiver
3 or the Temporary Receiver's duly authorized agents acting in their capacities as
4 such, including, but not limited to, the following actions:

5 1. Commencing, prosecuting, continuing, entering, or enforcing
6 any suit or proceeding, except that such actions may be filed to toll any
7 applicable statute of limitations;

8 2. Accelerating the due date of any obligation or claimed
9 obligation; filing or enforcing any lien; taking or attempting to take
10 possession, custody, or control of any asset; attempting to foreclose, forfeit,
11 alter, or terminate any interest in any asset, whether such acts are part of a
12 judicial proceeding, are acts of self-help, or otherwise;

13 3. Executing, issuing, serving, or causing the execution, issuance
14 or service of, any legal process, including, but not limited to, attachments,
15 garnishments, subpoenas, writs of replevin, writs of execution, or any other
16 form of process whether specified in this Order or not; or

17 4. Doing any act or thing whatsoever to interfere with the
18 Temporary Receiver taking custody, control, possession, or management of
19 the assets or documents subject to this receivership, or to harass or interfere
20 with the Temporary Receiver in any way, or to interfere in any manner with
21 the exclusive jurisdiction of this Court over the assets or documents of the
22 Receivership Defendants.

23 B. This paragraph does not stay:

24 1. The commencement or continuation of a criminal action or
25 proceeding;

1 in the possession or control of or which may be received by the Receivership
2 Defendants. The Temporary Receiver shall file with the Court and serve on the
3 parties periodic requests for the payment of such reasonable compensation, with
4 the first such request filed no more than sixty days after the date of this Order. The
5 Temporary Receiver shall not increase the hourly rates used as the bases for such
6 fee applications without prior approval of the Court.

7 **XX.**

8 **RECEIVER'S BOND**

9 **IT IS FURTHER ORDERED** that the Temporary Receiver shall file with
10 the Clerk of this Court a bond in the sum of \$10,000.00, with sureties to be
11 approved by the Court, conditioned that the Temporary Receiver will well and
12 truly perform the duties of the office and abide by and perform all acts the Court
13 directs.

14 **XXI.**

15 **DISTRIBUTION OF ORDER**

16 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a
17 copy of this Order to each of the Corporate Defendants' affiliates, franchises,
18 subsidiaries, divisions, successors, assigns, directors, officers, managing agents,
19 employees, representatives, and independent contractors and shall, within three (3)
20 business days from the date of service of this Order, serve on Plaintiff affidavits
21 identifying the names, titles, addresses, and telephone numbers of the persons and
22 entities whom they have served pursuant to this provision. The Temporary
23 Receiver has no obligation under this provision.

24 **XXII.**

25 **CREDIT REPORTS**

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

4 **XXIII.**

5 **LIMITED EXPEDITED DISCOVERY**

6 **IT IS FURTHER ORDERED** that the Commission is granted leave at any
7 time after service of this Order to:

8 A. Take the deposition of any person or entity, without limitation, for the
9 purpose of:

- 10 1. discovering the nature, location, status, and extent of assets of
- 11 any of the Defendants, including Receivership Defendants, or
- 12 of their affiliates or of their subsidiaries,
- 13 2. discovering the nature, location, status and extent of documents
- 14 reflecting the business transactions of any of the Defendants;
- 15 3. discovering the nature and extent of Defendants' business
- 16 activities, and

17 B. Demand the production of documents from any person or entity
18 relating to the nature, status, location and extent of any of the
19 Defendants' assets, and the location of any documents reflecting the
20 Defendants' business transactions or the nature and extent of
21 Defendants' business operations.

22 Thirty-six (36) hours notice shall be deemed sufficient for any such
23 deposition and forty-eight (48) hours notice shall be deemed sufficient for the
24 production of any such documents. The limitations and conditions set forth in Fed.
25 R. Civ. P. 30(a)(2) and 31(a)(2) shall not apply to depositions taken pursuant to
26 this Section. Any such depositions taken pursuant to this Section shall not be
27 counted toward the ten deposition limit set forth in Fed. R. Civ. P. 30(a)(2)(A) and
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1 31(a)(2)(A). Service of discovery taken pursuant to this Section shall be sufficient
2 if made by facsimile or by overnight delivery.

3 **XXIV.**

4 **CORRESPONDENCE**

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

7 John D. Jacobs
8 Barbara Y.K. Chun
9 Federal Trade Commission
10 10877 Wilshire Blvd., #700
11 Los Angeles, CA 90024
12 Fax: (310) 824-4380
13 E-mail: jjacobs@ftc.gov; bchun@ftc.gov

14 **XXV.**

15 **PRELIMINARY INJUNCTION HEARING**

16 **IT IS FURTHER ORDERED** that Defendants Helping Hands of Hope,
17 Inc., U.S. Blind Services, Inc., Employment Opportunities of America, Inc., Third
18 Strike Employment, Inc., and Robyn Mayhan shall appear before this Court,
19 located at 401 W Washington, P1 + x A Z, on the 22 day of May,
20 2008, at 9⁰⁰ A.M. o'clock a.m./p.m., to show cause, if any there be, why this Court
21 should not enter a preliminary injunction, pending final ruling on the Complaint,
22 against said Defendants enjoining them from violations of Section 5(a) of the FTC
23 Act, 15 U.S.C. § 45(a), the Telemarketing Sales Rule, 16 C.F.R. Part 310, and the
24 Unordered Merchandise Statute, 39 U.S.C. § 3009, imposing such additional relief
25 as may be appropriate, and appointing a permanent receiver over Defendants
26 Helping Hands of Hope, Inc., U.S. Blind Services, Inc., Employment Opportunities
27 of America, Inc., and Third Strike Employment, Inc.

28 **IT IS FURTHER ORDERED** that, in support of its application for a
preliminary injunction, Plaintiff may submit supplemental evidence discovered
subsequent to the filing of its application for a TRO, as well as a supplemental

1 memorandum. Plaintiff shall file and serve any supplemental evidence by no later
2 than 4:30 p.m. on ^{May 20, 2008.} ~~the sixth court day prior to the preliminary injunction hearing as~~
3 ~~scheduled above.~~ Such documents may be served on each Defendant by e-mailing,
4 faxing or delivering the document(s) to the attorney for the Defendant, or, if the
5 Defendant is not represented by counsel, to a fax number or email address
6 previously designated by the Defendant in writing to counsel for Plaintiff; if the
7 Defendant has not so designated a fax number or email address, service may be
8 effected by mailing the documents to an address designated in writing by the
9 Defendant to counsel for Plaintiff; if no address has been so designated, service
10 shall be complete upon filing of the documents with this Court.

11 **IT IS FURTHER ORDERED** that Defendants shall file and serve any
12 opposition to the issuance of a preliminary injunction and the appointment of a
13 permanent receiver over the Receivership Defendants, including any declarations,
14 exhibits, memoranda or other evidence on which they intend to rely, and objections
15 to any evidence submitted by Plaintiff, by no later than 4:30 p.m. ^{May 20, 2008.} ~~of the fourth~~
16 ~~court day prior to the hearing on the preliminary injunction.~~ Such documents may
17 be served by e-mail or fax upon Plaintiff's counsel.

18 **IT IS FURTHER ORDERED** that Plaintiff shall file and serve any reply to
19 Defendants' opposition by no later than ^{4:00 p.m. May 21, 2008.} ~~the second court day prior to the~~
20 ~~preliminary injunction hearing.~~ *The order setting preliminary injunction*
hearings will follow.

21 **IT IS FURTHER ORDERED** that there will be no direct examination of
22 witnesses at the preliminary injunction hearing in this matter. Direct testimony
23 ^{may} ~~shall~~ be presented in the form of declarations or affidavits, ^{by Defendants} or by
24 *in-person witness presentation. Plaintiff may*
present rebuttal testimony by in-person witnesses.

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XXVI.

EXPIRATION

IT IS FURTHER ORDERED that this Order shall expire as to each Defendant ten (10) court days after entry unless, within such time, for good cause shown, it is extended for a like period, or unless the Defendant consents that it may be extended for a longer period and the reasons therefor are entered of record.

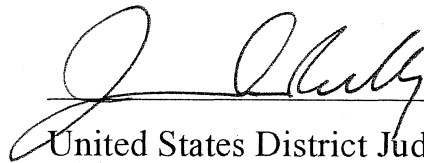
XXVII.

SERVICE OF THIS ORDER

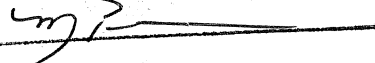
IT IS FURTHER ORDERED that copies of this Order may be served by any means, including facsimile transmission, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets of any Defendant, or that may be subject to any provision of this Order.

SO ORDERED:

Dated this 13 day of MAY, 2008, at 3:00 o'clock ~~am~~ p.m.


United States District Judge

I hereby attest and certify on 5.13.08
that the foregoing document is a full, true and correct
copy of the original on file in my office and in my cus-
tody.

CLERK, U.S. DISTRICT COURT
DISTRICT OF ARIZONA
by  Deputy