

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

MISC. NO. 0:19-mc-61867-XXXX

FEDERAL TRADE COMMISSION,

Petitioner,

v.

DANIEL LAMBERT,

JAMES VERILLO,

CRUISE OPERATOR, INC,

BPCL MANAGEMENT, LLC,

NATIONWIDE RESERVATIONS, INC.,

JEFF TELLAM,

RESERVATIONS & FULFILLMENT
SERVICES, INC.,

PAUL HEYDEN,

MELISSA HANSON, and

ROYAL SEAS CRUISES, INC.

Respondents.

**PETITION OF THE FEDERAL TRADE COMMISSION FOR AN ORDER
ENFORCING CIVIL INVESTIGATIVE DEMANDS**

INTRODUCTION

Petitioner, the Federal Trade Commission (“FTC” or “Commission”), by its designated attorneys and pursuant to Section 20 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 57b-1, petitions this Court for an Order requiring Respondents, Daniel Lambert, James Verillo, Cruise Operator, Inc., BPCL Management, LLC, Nationwide Reservations, Inc., Jeff Tellam, Reservations & Fulfillment Services, Inc., Paul Heyden, Melissa Hanson, and Royal Seas Cruises, Inc. (collectively, “Respondents”), to comply with civil investigative demands (“CIDs”) issued to them by the FTC.¹ The CIDs seek materials relevant to an ongoing Commission law enforcement investigation. Specifically, the Commission issued the CIDs to determine whether any of these individuals or entities have been involved in unfair, deceptive, or unlawful telemarketing efforts, including the use of automated “robocalls,” in connection with marketing “free” cruise ship vacations.

As discussed more fully in the accompanying memorandum, while the Respondents have partially complied with the CIDs they received, they continue to

¹ CIDs are a type of investigative administrative subpoena. *See, e.g., FTC v. Invention Submission Corp.*, 965 F.2d 1086, 1087 (D.C. Cir. 1992); *General Finance Co. v. FTC*, 700 F.2d 366, 367 (7th Cir. 1983); *FTC v. LabMD, Inc., et al.*, Case 1:12-cv-3005-WSD, 2012 WL 13104826 (N.D. Ga. Nov. 26, 2012) (slip op.). The Commission initiates administrative process enforcement proceedings by a petition and order to show cause (rather than by complaint and summons); these proceedings are summary in nature. *See, e.g.,* 15 U.S.C. § 57b-1(e); *FTC v. Carter*, 636 F.2d 781, 789 (D.C. Cir. 1980); *FTC v. MacArthur*, 532 F.2d 1135, 1141-42 (7th Cir. 1976). The FTC has used the same procedure in a prior case filed in this district. *See Federal Trade Commission v. National Processing Co., et al.*, Case No. 1:13-mc-23437 (S.D. Fla. filed Sept. 24, 2013).

withhold certain key documents and materials. The Respondents have not asserted any colorable legal ground for their noncompliance. Nor have they sought administrative relief from the Commission—they have simply refused to provide the information specified, and their failure to comply has burdened and impeded the FTC’s investigation. Therefore, the FTC must now seek judicial enforcement of the CIDs, including an order requiring the Respondents to comply and cure certain specific deficiencies within 10 days.²

In support of this petition, the Commission submits the Declaration of Jody Goodman, designated as Petition Exhibit (“PX”) 1. The Commission also submits the following additional exhibits:

- PX 2 Civil Investigative Demand to Daniel Lambert (November 21, 2018);
- PX 3 Civil Investigative Demand to James Verrillo (November 21, 2018);
- PX 4 Civil Investigative Demand to Cruise Operator, Inc. (November 21, 2018);
- PX 5 Civil Investigative Demand to BPCL Management, LLC (November 21, 2018);
- PX 6 Civil Investigative Demand to Nationwide Reservations, Inc. (November 21, 2018);
- PX 7 Civil Investigative Demand to Jeff Tellam (November 21, 2018);
- PX 8 Civil Investigative Demand to Reservations & Fulfillment Services, Inc. (November 21, 2018);

² A proposed Order Compelling Respondents to Comply with the Federal Trade Commission’s Civil Investigative Demands or To Show Cause Why They Failed To Do So is attached.

- PX 9 Civil Investigative Demand to Paul Heyden (November 21, 2018);
- PX 10 Civil Investigative Demand to Melissa Hanson (November 21, 2018);
- PX 11 Civil Investigative Demand to Royal Seas Cruises, Inc. (November 21, 2018);
- PX 12 Email from Jody Goodman to Jeffrey Backman (December 27, 2018);
- PX 13 Letter from Lois Greisman, Associate Director, Division of Marketing Practices, to Jeffrey Backman (February 28, 2019)
- PX 14 Email from Jody Goodman to Jeffrey Backman (April 24, 2019);
- PX 15 Letter from Burke Kappler to Jeffrey Backman (May 16, 2019);
- PX 16 Letter from Burke Kappler to Jeffrey Backman (June 4, 2019); and
- PX 17 Email from Jeffrey Backman to Burke Kappler (July 9, 2019).

PETITION ALLEGATIONS

In support of its Petition, the Commission alleges as follows:

1. The Commission is an administrative agency of the United States government, organized and existing pursuant to the FTC Act, 15 U.S.C. § 41 *et seq.* The Commission is authorized by Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), to prevent unfair or deceptive acts or practices in or affecting commerce. The Commission is also authorized by the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. §§ 6101-6108, and the rules promulgated under the authority of that Act, the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, to prevent deceptive or abusive telemarketing acts or practices.

2. Section 3 of the FTC Act, 15 U.S.C. § 43, empowers the Commission to prosecute any inquiry in any part of the United States. Section 6 of the Act, 15 U.S.C. § 46, empowers the Commission to gather and compile information concerning, and to investigate, from time to time, the organization, business, conduct, practices and management of any person, partnership or corporation engaged in or whose business affects commerce, with certain exceptions not relevant here. Section 20 of the FTC Act, 15 U.S.C. § 57b-1, empowers the Commission to require by CID the production of documents or other information relating to any Commission law enforcement investigation.

3. This Court has jurisdiction to enforce the Commission's duly issued CIDs, including the CIDs issued to Respondents, under Section 20(e) of the FTC Act, 15 U.S.C. § 57b-1(e), which provides in pertinent part:

Whenever any person fails to comply with any civil investigative demand duly served upon him under this section, or whenever . . . such person refuses to surrender such material, the Commission, through such officers or attorneys as it may designate, may file, in the district court of the United States for any judicial district in which such person resides, is found, or transacts business, and serve upon such person, a petition for an order of such court for the enforcement of this section.

4. All of the Respondents reside, are found, and transact business in Fort Lauderdale in Broward County and Boca Raton in Palm Beach County in this judicial district. PX 1, ¶ 5.

5. The Respondents comprise a related set of companies and individuals believed to be involved in illegal telemarketing of cruise ship vacations, including making, arranging for, or facilitating robocalls. *Id.* They include:

a. **The Cruise Ship Owners and Operators.** All of the telemarketing practices under investigation involve offers for vacations aboard a single cruise ship, the MV Grand Celebration.

i. **Cruise Operator, Inc.** is a Florida corporation located and doing business in Fort Lauderdale, Florida. Cruise Operator, Inc. owned the MV Grand Celebration between about January 2015 and December 2016.

ii. **Daniel Lambert** is an individual residing in Fort Lauderdale, Florida. **James Verrillo** is an individual residing in Boca Raton, Florida. Lambert and Verillo serve or served as an officer or director for Cruise Operator, Inc. Lambert and Verrillo also serve or served as officers or managers for other Respondents, including BPCL Management, LLC, and Nationwide Reservations, Inc.

b. **The Cruise Vacation Package Fulfillment Companies.** These entities are alleged to have sold and fulfilled cruise vacation packages on the MV Grand Celebration that were marketed by numerous companies—including Royal Seas Cruises, Inc.—using illegal telemarketing, including robocalls. In addition, FTC staff has learned that some of these entities may have been directly involved in placing robocalls or arranging for them to be placed through third-party call centers.

i. **BPCL Management, LLC** is a Florida corporation located in and doing business in Fort Lauderdale, Florida.

ii. **Nationwide Reservations, Inc.** is a Florida corporation located and doing business in Fort Lauderdale, Florida.

iii. **Reservations & Fulfillment Services, Inc.** is a Florida corporation located in Fort Lauderdale, Florida.

iv. **Jeff Tellam** is an individual residing in and doing business in Fort Lauderdale, Florida. **Tellam** serves as a Director for Reservations & Fulfillment Services, Inc., and also executed contracts on behalf of that company with other companies involved in telemarketing to sell tickets for cruises aboard the MV Grand Celebration.

c. **The Telemarketers.** These entities are alleged to have placed robocalls to consumers or to have arranged for them to be placed through third-party call centers.

i. **Royal Seas Cruises, Inc.** is a Florida corporation located in and doing business in Fort Lauderdale, Florida. Royal Seas Cruises, Inc. is the subject of multiple consumer complaints for unwanted telemarketing calls in connection with cruise vacation packages.

ii. **Paul Heyden** is an individual residing in and doing business in Fort Lauderdale, Florida. **Heyden** serves as the President of Royal Seas Cruises, Inc.

iii. **Melissa Hanson** is an individual residing in and doing business in Fort Lauderdale, Florida. **Hanson** serves as the Vice President of Royal Seas Cruises, Inc.

PX 1, ¶ 5.

6. The Commission is investigating these individuals and entities for their involvement in a telemarketing scheme that employed robocalls, or automated calls, to market “free” cruise vacation packages. As part of this investigation, on November 21, 2018, the Commission issued the ten CIDs at issue in this matter to the Respondents. The CIDs were issued pursuant to Commission Resolution No. 123145, which authorizes the use of compulsory process under Section 20 of the FTC Act, 15 U.S.C. §57b-1:

[t]o determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in . . . deceptive or abusive telemarketing acts or practices in violation of the Commission’s Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support . . . to telemarketers engaged in unlawful practices.

See, e.g., PX 2 at 18; PX 3 at 18. The CIDs were signed by Commissioner Noah Phillips, under authority delegated by the Commission in Section 2.7(a) of its Rules of Practice, 16 C.F.R § 2.7(a), and served by the Commission’s Secretary pursuant to the Commission’s Rules. PX 1, ¶¶ 9, 11; *see also, e.g.*, PX 2 at 3; PX 3 at 3.

7. The Respondents are all represented by the same counsel. After receiving the CIDs, that counsel and FTC staff met, conferred, and communicated regarding potential modifications to the CIDs. PX 1, ¶ 12.

8. On December 14, 2018, counsel for the Respondents sent FTC staff a lengthy email laying out a proposed series of modifications and limits to the CIDs he claimed resulted from a telephone conference occurring the day before. PX 1, ¶ 14; PX 12 at 5-7.

9. On December 27, 2018, FTC staff attorney Jody Goodman responded, rejecting and refusing to accept of Respondents' counsels proffered modifications. PX 1, ¶ 16; PX 12 at 1-4. In particular, she rejected counsel's proposal to exclude the Respondents from their searches for responsive documents; instead, the Respondents were required to search for and produce communications between and among themselves on the topics listed in the CID. PX 1, ¶ 16; PX 12 at 2 (Item 8.b.). Ms. Goodman informed Respondents' counsel that, due to the government shutdown, FTC staff would be unable to respond but that the Respondents should proceed with production in the interim. PX 1, ¶ 16; PX 12 at 1.

10. Due to a lack of funding, the Federal Trade Commission shut down normal operations effective at midnight December 28, 2018 and remained shut down until January 25, 2019. None of the Respondents made any productions to the FTC during this period. PX 1, ¶ 16.

11. After the FTC returned to normal operations, FTC staff and counsel for Respondents resumed discussions regarding modifications to the CIDs. PX 1, ¶¶ 17-21. Following those discussions, on February 28, 2019, Lois Greisman, Associate Director for the FTC's Division of Marketing Practices, issued a letter formally modifying the terms of the CIDs under FTC Rule of Practice 2.7(l), 16 C.F.R. §

2.7(l). PX 1, ¶ 22; PX 13. (Under these Rules, Associate Directors for the Bureau of Consumer Protection have delegated authority from the Commission to modify the terms of compliance with CIDs; this authority, however, does not extend to Bureau staff attorneys, a limit conveyed to counsel by Ms. Goodman. *See* 16 C.F.R. § 2.7(l); PX 12 at 8.) Most pertinent here, this letter redefined the term “Subject Persons” in the CIDs and narrowed it to include the ten CID recipients, thus requiring each of the Respondents to produce responsive communications with the other Respondents. PX 1, ¶ 22; PX 13 at 1 (defining “Subject Persons”). In so doing, the February 28 modification letter took the same position as Ms. Goodman in her email dated December 27, 2018.

12. Although Respondents began producing responses to the CIDs, it soon became apparent to FTC staff that the documents produced did not comply with the terms of the CIDs as modified by the February 28, 2019 letter. PX 1, ¶ 24. By email dated April 10, Ms. Goodman wrote:

Your responses and production to RFPs 1 and 2 are insufficient, and perhaps illustrative of our disagreement concerning the scope of the CID. We are seeking relevant communications and documents between and among the CID recipients, on the topics articulated in the CID.

PX 14 at 3 (emphasis in original). Ms. Goodman concluded by directing the Respondents to supplement their responses by April 17, 2019. *Id.* at 4.

13. Counsel for the Respondents did not substantially respond until April 23, 2019. In that response, counsel ignored the February 28, 2019, modification letter, instead claiming the Respondents were only obligated to comply consistent with his December 2018 email:

As the responses state and as we have discussed several times, our agreement to produce documents was based upon my December 12 e-mail. After the end of the shut-down, when you, me and Chris got on a follow up call, we went through that e-mail again and the substantial majority of the substance of it was in dispute. In fact, much of what you outline below as your areas of concern change the agreement we had; in other words, you are asking for new information and production outside the scope of our prior agreement.

PX 14 at 1-2.

14. As a result of counsel's failure to respond, FTC staff referred this matter to the FTC's Office of General Counsel (OGC). By letter dated May 16, 2019, the Office of General Counsel directed the Respondents to address and cure four specific deficiencies on or before May 30, 2019:

a. Request for Production 1 (communications relating to various aspects of telemarketing, complaints, and law enforcement inquiries about unwanted telemarketing sales calls): Respondents should produce any responsive communications with or among the other Respondents;

b. Request for Production 2 (other communications relating to telemarketing, the marketing of cruises or travel vacations, and government investigations concerning specified individuals or entities): Respondents should produce any responsive communications with or among the other Respondents;

c. Requests for Production 5 / 9 (communications relating to automated dialing and other telemarketing technologies)³: Respondents

³ This specification appears in identical form as Request for Production 5 in all

should produce responsive documents if identified by running searches of certain specified terms. These search terms were identical to a list provided by FTC staff on December 27, 2018;

d. Request for Production 6(c) / 9(c) / 15(c) (documents relating to complaints about Respondents' business practices, including cease and desist letters, threats of lawsuits, or actual lawsuits)⁴: Respondents should produce all documents relating to actual lawsuits "including but not limited to complaints, pleadings, litigation filings, or other litigation-related records."

PX 15.

15. Counsel for the Respondents did not provide a substantive response until after close of business on May 29, 2019, the eve of the deadline in the May 16, 2019, letter. In that response, counsel continued to deny the effect of the February 28, 2019 modification letter and instead asserted that the productions to date represented "full compliance with the modification agreement as reflected in the December 14, 2018 email." PX 16 at 7.

16. When reminded of the possibility of judicial action to enforce the CID, Respondents' counsel later asserted that his clients were conducting additional

of the CIDs, except the CID to Royal Seas Cruises, Inc. In that CID, the specification appears as Request for Production 9. *See, e.g.*, PX 2 at 9; PX 11 at 9.

⁴ This request appears in identical form as Request 6(c) in the CIDs to BPCL Management, LLC, Nationwide Reservations, Inc., Reservations & Fulfillment Services, Inc., and Jeff Tellam; as Request 9(c) in the CIDs to Cruise Operator, Inc., Melissa Hanson, Paul Heyden, Daniel Lambert, and James Verillo; and as Request 15(c) in the CID to Royal Seas Cruises, Inc. *See, e.g.*, PX 5 at 9 (Request 6(c)); PX 4 at 9 (Request 9(c)); PX 11 at 10 (Request 15(c)).

email searches, but he provided no assurances about the scope of any additional searches. Nor would he say when additional searches would be completed or when production might occur. PX 17. Counsel has made similar assurances in other correspondence without making productions. PX 16 at 5.

17. None of the Respondents has filed an administrative petition to limit or quash the CID it received. PX 1, ¶ 33. As such, the Respondents have failed to exhaust their administrative remedies.

18. The Respondents' failure to provide the information specified and directed has burdened, delayed, and impeded the Commission's investigation. *Id.*

PRAYER FOR RELIEF

WHEREFORE, the Commission invokes the aid of this Court and prays for:

- a. Immediate issuance of an order, substantially in the form attached, directing Respondents to comply with the CIDs as directed by the May 16, 2019 letter from the FTC's Office of General Counsel, or to show cause why they should not; and,
- b. In the event Respondents do not comply with the CIDs, a prompt determination of this matter and entry of an order:
 - (i) Compelling Respondents to produce the document and information specified in the letter dated May 16, 2019, from the FTC's Office of General Counsel within 10 days of such order;
 - (ii) Compelling Respondents to appear and provide testimony as directed by the CIDs at dates and times directed by FTC staff; and

- (ii) Granting such other and further relief as this Court deems just and proper.

Respectfully submitted,

ALDEN F. ABBOTT
General Counsel

JAMES REILLY DOLAN
Principal Deputy General Counsel

MICHELE ARINGTON
Assistant General Counsel for Trial
Court Litigation

s/ Burke W. Kappler
BURKE W. KAPPLER
Attorney
Special Bar No. A5502547

FEDERAL TRADE COMMISSION
600 Pennsylvania Ave., N.W.
Washington, DC 20580
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Fax: (202) 326-2477
Email: bkappler@ftc.gov

Dated: July 25, 2019.

JS 44 (Rev. 06/17) FLSD Revised 06/01/2017

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.) NOTICE: Attorneys MUST Indicate All Re-filed Cases Below.

I. (a) PLAINTIFFS Federal Trade Commission

DEFENDANTS Daniel Lambert, et al.

(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant Broward County (IN U.S. PLAINTIFF CASES ONLY)

(c) Attorneys (Firm Name, Address, and Telephone Number) Burke Kappler, Office of General Counsel, 600 Pennsylvania Ave., N.W., Washington, D.C. 20580, 202-326-2043 (tel.)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED. Attorneys (If Known) Jeffrey Backman, Greenspoon Marder, 200 East Broward Blvd., Fort Lauderdale, FL, 33301, 954-734-1853 (tel.)

(d) Check County Where Action Arose: MIAMI-DADE MONROE BROWARD PALM BEACH MARTIN ST. LUCIE INDIAN RIVER OKEECHOBEE HIGHLANDS

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- 1 U.S. Government Plaintiff Federal Question (U.S. Government Not a Party)
2 U.S. Government Defendant Diversity (Indicate Citizenship of Parties in Item III)

- Citizen of This State PTF DEF 1 1
Citizen of Another State 2 2
Citizen or Subject of a Foreign Country 3 3
Incorporated or Principal Place of Business In This State 4 4
Incorporated and Principal Place of Business In Another State 5 5
Foreign Nation 6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions

Grid of categories for nature of suit: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PERSONAL INJURY, PRISONER PETITIONS, LABOR, IMMIGRATION, FORFEITURE/PENALTY, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
2 Removed from State Court
3 Re-filed (See VI below)
4 Reinstated or Reopened
5 Transferred from another district (specify)
6 Multidistrict Litigation Transfer
7 Appeal to District Judge from Magistrate Judgment
8 Multidistrict Litigation - Direct File
9 Remanded from Appellate Court

VI. RELATED/ RE-FILED CASE(S)

(See instructions): a) Re-filed Case YES NO b) Related Cases YES NO JUDGE: DOCKET NUMBER:

VII. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing and Write a Brief Statement of Cause (Do not cite jurisdictional statutes unless diversity): 15 U.S.C. s. 57b-1(e) (judicial enforcement of administrative compulsory process)

LENGTH OF TRIAL via days estimated (for both sides to try entire case)

VIII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

ABOVE INFORMATION IS TRUE & CORRECT TO THE BEST OF MY KNOWLEDGE

DATE SIGNATURE OF ATTORNEY OF RECORD

7/25/2019

Handwritten signature of attorney of record.

FOR OFFICE USE ONLY RECEIPT #

AMOUNT IFP JUDGE MAG JUDGE

PETITION EXHIBIT (PX) 1

Declaration of Jody Goodman

(July 22, 2019)

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

MISC. NO. 0:19-mc-61867-XXXX

FEDERAL TRADE COMMISSION,

Petitioner,

v.

DANIEL LAMBERT,

JAMES VERILLO,

CRUISE OPERATOR, INC,

BPCL MANAGEMENT, LLC,

NATIONWIDE RESERVATIONS, INC.,

JEFF TELLAM,

RESERVATIONS & FULFILLMENT
SERVICES, INC.,

MELISSA HANSON,

PAUL HEYDEN, and

ROYAL SEAS CRUISES INC.

Respondents.

DECLARATION OF JODY GOODMAN

Pursuant to 28 U.S.C. § 1746, I declare as follows:

1. I am an attorney employed by the Federal Trade Commission (“FTC” or “Commission”), in Washington, DC, in the Division of Marketing Practices. I am assigned to the FTC’s investigation of companies engaging in telemarketing, including the use of prerecorded calls, or “robocalls,” to offer consumers “free cruise” vacations. (FTC File No. P1623005). The purpose of the investigation is to determine whether various individuals and/or entities have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.* Section 5 prohibits unfair or deceptive acts and practices and the TSR prohibits, among others, “abusive” telemarketing. Under the TSR, abusive telemarketing includes (1) initiating, causing the initiation, or assisting and facilitating the initiation of, telemarketing sales calls that deliver prerecorded messages, such as robocalls; (2) placing calls to numbers listed on the National Do Not Call Registry; and/or (3) displaying “spoofed,” or fake, caller ID numbers.

2. I am authorized to execute a declaration verifying the facts that are set forth in the Petition of the Federal Trade Commission for an Order Enforcing Civil Investigative Demands. I have read the petition and exhibits thereto (hereinafter referred to as PX), and verify that PX 2 through PX 17 are true and correct copies of the original documents. The facts set forth herein are based on my personal knowledge or information made known to me in the course of my official duties.

3. FTC staff opened this investigation as a successor to a prior investigation that also involved robocalls advertising cruise vacations. In that investigation, the FTC determined that an entity called Caribbean Cruise Line was responsible for billions of illegal robocalls advertising “free” cruise vacation packages to American consumers. The FTC brought an action alleging violations of Section 5 and the TSR, which ultimately resulted in a settlement. *See FTC v. Caribbean Cruise Line, Inc., et al.*, No. 0:15-cv-60423 (S.D. Fla. filed Mar. 3, 2015).

4. As in *Caribbean Cruise Line*, FTC staff commenced this instant investigation after receiving many consumer complaints about unwanted calls that offered two “free cruise” tickets for participating in a short survey and paying \$59 per ticket in “port fees.” These complaints stated that these calls, among others, (1) featured prerecorded messages, also known as “robocalls;” (2) provided spoofed caller ID information; (3) were made to telephone numbers on the Do Not Call Registry; and/or (4) occurred during restricted time periods, sometimes in the middle of the night (*i.e.*, between 12 a.m. and 5 a.m.).

5. FTC staff has obtained evidence showing that Daniel Lambert, James Verrillo, Cruise Operator, Inc. (“Cruise Operator”), BPCL Management, LLC (“BPCL”); Nationwide Reservations, Inc. (“Nationwide”); Jeff Tellam; Reservations & Fulfillment Services, Inc. (“RFSI”); Paul Heyden; Melissa Hanson; and Royal Seas Cruises, Inc. (“Royal Seas”) (collectively, the

“Respondents”) sold and/or fulfilled cruise vacation packages aboard the MV Grand Celebration cruise ship as part of coordinated operation as follows:

a. **The Cruise Ship Owners and Operators.** All of the telemarketing practices under investigation involve offers for vacations aboard a single cruise ship, the MV Grand Celebration.

i. **Cruise Operator, Inc.** is a Florida corporation located and doing business in Fort Lauderdale, Florida. Cruise Operator, Inc. owned the MV Grand Celebration between about January 2015 and December 2016.

ii. **Daniel Lambert** is an individual residing in and doing business in Fort Lauderdale, Florida. **James Verrillo** is an individual residing in and doing business in Boca Raton, Florida. Lambert and Verrillo serve or served as an officer or director for Cruise Operator, Inc. Lambert and Verrillo also serve or served as officers or managers for other Respondents, including BPCL Management, LLC, and Nationwide Reservations, Inc.

b. **The Cruise Vacation Package Fulfillment Companies.** These entities are alleged to have sold and fulfilled cruise vacation packages on the MV Grand Celebration that were marketed by numerous companies—including Royal Seas Cruises, Inc.—using illegal telemarketing, including robocalls. In addition, FTC staff has learned that

some of these entities may have been directly involved in placing robocalls or arranging for them to be placed through third-party call centers.

i. **BPCL Management, LLC** is a Florida corporation located in and doing business in Fort Lauderdale, Florida.

ii. **Nationwide Reservations, Inc.** is a Florida corporation located and doing business in Fort Lauderdale, Florida.

iii. **Reservations & Fulfillment Services, Inc.** is a Florida corporation located in Fort Lauderdale, Florida.

iv. **Jeff Tellam** is an individual residing in and doing business in Fort Lauderdale, Florida. **Tellam** serves as a Director for Reservations & Fulfillment Services, Inc., and also executed contracts on behalf of that company with other companies involved in telemarketing to sell tickets for cruises aboard the MV Grand Celebration.

c. **The Telemarketers.** These entities are alleged to have placed robocalls to consumers or to have arranged for them to be placed through third-party call centers.

i. **Royal Seas Cruises, Inc.** is a Florida corporation located in and doing business in Fort Lauderdale, Florida. Royal Seas Cruises, Inc. is the subject of multiple consumer complaints

for unwanted telemarketing calls in connection with cruise vacation packages.

ii. **Paul Heyden** is an individual residing in and doing business in Fort Lauderdale, Florida. **Heyden** serves as the President of Royal Seas Cruises, Inc.

iii. **Melissa Hanson** is an individual residing in and doing business in Fort Lauderdale, Florida. **Hanson** serves as the Vice President of Royal Seas Cruises, Inc.

6. FTC staff has obtained evidence showing that millions of robocalls have been made offering cruises on the MV Grand Celebration and related vacation packages.

7. Based on the information received to date, FTC staff has reason to believe this investigation involves an equal or greater number of robocalls than the *Caribbean Cruise Line* case, making this operation one of the largest the FTC has investigated.

8. In November 2018, FTC staff sought issuance of Civil Investigative Demands (“CIDs”) to the Respondents under the authority of omnibus FTC investigatory resolution number 012 3145, which authorizes the use of compulsory process:

[t]o determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as

amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support—such as mailing lists, scripts, merchant accounts, and other information, products, or services—to telemarketers engaged in unlawful practices.

PX 2 at 5.

9. The assigned Commissioner (here, Noah Phillips) approved the issuance of the CIDs to the Respondents on November 21, 2018. *See, e.g.*, PX 2 at 3. The CIDs are largely identical but have three variations. The CIDs issued to Lambert, Verrillo, Cruise Operator, Heyden, and Hanson propounded 12 document requests and 15 interrogatories. *See* PXs 2, 3, 4, 9, 10. The CIDs issued to BPCL, Nationwide, Tellam, and RFSI propounded 9 document requests and 15 interrogatories. *See* PXs 5, 6, 7, 8. The CID issued to Royal Seas propounded 19 document requests and 19 interrogatories. *See* PX 11. Each CID also included a return date of December 21, 2018 and required each CID Recipient to provide oral testimony on 10 specified topics relevant to the investigation on or about January 7, 2019 at 9:00 a.m. *See, e.g.*, PX 2 at 3, 12.

10. The CIDs seek information relating to, *inter alia*, the Respondents' relationships amongst themselves, with the owners of the MV Grand Celebration, and with other businesses and individuals involved in telemarketing to sell cruises on the Grand Celebration. The CIDs also seek information regarding each Respondent's compliance with the requirements of the TSR. This information is directly relevant to this investigation; it will assist

staff in determining whether the Respondents or others made calls that violate Section 5 or the TSR because they are deceptive, unfair, or fail to comply with the TSR's requirements. This information is also relevant because it will enable staff to determine whether the Respondents or other individuals and/or entities have assisted and facilitated these potentially unlawful telemarketing practices.

11. On November 26, the Secretary of the Commission sent the CIDs via FedEx to each Respondent's registered corporate or known physical address. We received confirmation from FedEx of delivery to each Recipient.

12. On December 4, 2018, Jeffrey Backman of Greenspoon Marder, LLP emailed FTC staff attorneys Christopher Brown and me stating that his law firm represented all of the Respondents, had received the CIDs on November 28, 2018, and wanted to arrange to meet-and-confer. After exchanging emails from December 6 through 9, the parties agreed to and had a preliminary telephone conference to discuss the CIDs on December 10, 2018. On that call, the parties discussed the parameters of the investigation in general terms, and the FTC stated its willingness to consider extending the deadlines set forth in the CID while also ensuring it received the information necessary for its investigation.

13. On December 13, Mr. Backman emailed Mr. Brown and me and requested to speak again regarding proposed CID modifications. PX 12 at 8-9. Mr. Backman also raised the issue of an "enlargement" (meaning, extension) of the deadlines to respond to the CIDs and to file administrative petitions to limit

or quash the CIDs pursuant to Commission Rule of Practice 2.10, 16 C.F.R. § 2.10. *Id.* I responded the same day stating that we had authority to extend the deadline for responses to the CIDs' document requests and interrogatories to January 7, 2019 and were open to discussing a reasonable schedule for investigational hearings. PX 12 at 8. I further stated that Mr. Backman had not previously requested an extension of time to file petitions to limit or quash the CIDs during the December 10, 2018 telephone call, but we were willing to discuss such an extension during a follow up call. *Id.* Mr. Backman contacted us by telephone later the same day to continue the meet-and-confer regarding these matters.

14. On December 14, Mr. Backman emailed Mr. Brown and me his summation of the December 10 and 13 telephone calls, which reflected his understanding of the proposed CID modifications. PX 12 at 5-7. This proposal also included document search terms that he purported (incorrectly) we had agreed to. PX 12 at 6. This email accepted the proffered extension date of January 7 and did not seek further relief regarding deadlines for an administrative petition to limit or quash the CIDs. PX 12 at 7. (Absent an extension, a petition to limit the CIDs would have been due on December 17, 2018, 20 days after service of the CIDs. *See* 16 C.F.R. § 2.10(a).)

15. On Wednesday, December 26, 2018, I sent a reply email to Mr. Backman requesting a telephone call to discuss his December 14 email and

notifying him that staff would likely be unavailable after 12:00 noon Friday, December 28, 2018 because of the federal government shutdown. I received an out-of-office reply email message from Mr. Backman stating that he was out of the office until January 2, 2019. PX 12 at 4-5.

16. On December 27, I sent another email to Mr. Backman, correcting his summation of the meet-and-confer and reiterating our expectations for Respondents' search obligations. PX 12 at 1-4. To highlight our position, I annotated Mr. Backman's proposal using red-colored text. *Id.* Most pertinent here, we required Respondents to search for and produce responsive communications between and among themselves. PX 12 at 2 (Item 8.b.) Mr. Backman's December 14 proposal had expressly carved these communications out from any production obligation. I also instructed Mr. Backman that Respondents should proceed with production even though the FTC would be closed due to the government shutdown. PX 12 at 1. The FTC shut down normal operations effective midnight on December 28, 2018 until January 25, 2019. Despite my instructions, Respondents made no productions during this period.

17. On January 1, 2019, and January 7, 2019, Mr. Backman emailed Mr. Brown and me. On January 1, he indicated that Respondent did not agree with the FTC's position but would undertake further discussions. On January 7, he stated that Respondents would not be producing documents that day as anticipated. Mr. Brown and I did not see these messages until we resumed work

in late January. In neither message did Mr. Backman mention filing an administrative petition to limit or quash the CIDs and no such petition was ever filed on behalf of any Respondent.

18. On January 29, 2019, I emailed another attorney at Mr. Backman's law firm concerning an issue with some information produced by Respondents. In that same message, I stated that FTC counsel wished to resolve the outstanding issues concerning the CIDs, and I asked if Mr. Backman was available for a call that day. Mr. Backman responded that day, stating that he was busy with meetings and a mediation the following week. He suggested postponing any calls until after Respondents finished their responses.

19. We sent several more emails to Mr. Backman on February 5, 11, and 15. These messages requested a telephone call to address the aforementioned issues; emphasized the need to reduce our conferences to a formal modification of the CIDs; disputed the December 14 email; and notified him that his clients' failure to timely respond to the CIDs constitutes default and grounds for referral of this matter to the Commission's Office of General Counsel (OGC) for judicial enforcement of the CIDs. On each occasion, Mr. Backman restated either his unavailability for a telephone call or his preference to complete his clients' CID responses before having such a telephone call. Despite my contrary communications, Mr. Backman took the position that staff had

agreed to CID modifications and search terms set forth in his December 14 email.

20. On February 21, 2019, Mr. Backman emailed Mr. Brown and me, producing cursory written responses to interrogatories on behalf of Cruise Operator, Inc. in accordance with the disputed CID modifications and search terms described in his December 14 email. On that same date, I sent a reply email reiterating that the Respondents' failure to respond fully to the CIDs constitutes default and grounds for referral of this matter to OGC and requesting a telephone call.

21. On February 22, Mr. Backman finally called us to discuss the issues left unresolved from the initial meet-and-confer meetings prior to the government shutdown. In the course of this conversation, we reached agreement on several issues but we also identified areas of continued dispute.

22. To resolve these differences, to bring these discussions to a close, and to establish the FTC's expectations for Respondents' compliance, on February 28, 2019, Associate Director Lois C. Greisman formally modified the CIDs. Ms. Greisman did so by letter to Mr. Backman, in which she described the modifications and also extended the deadline for producing documents and answers to interrogatories retroactively to January 7, 2019. PX 13. Among other things, this letter confirmed staff's position from the December 27 email by formally modifying the CIDs to provide that "Subject Persons" specifically

included the ten Respondents, thus requiring Respondents to search for and produce responsive communications between and among themselves. PX 13 at 1.

23. Throughout March 2019, Mr. Backman belatedly continued to produce written responses and documents on behalf of the Respondents in accordance with terms set forth in his December 14 email rather than the FTC's February 28 CID modification letter.

24. On April 10, 2019, I sent an email to Mr. Backman informing him of numerous deficiencies in the CID responses and requesting supplemental responses and documents by April 17. PX 14 at 2-4.

25. On April 23, Mr. Backman sent a reply email contending that his December 14 email controlled the scope of the Respondents' CID responses, but that he would discuss additional proposed search terms with his clients and provide further information soon. PX 14 at 1-2. To date, Mr. Backman has not provided this information.

26. On April 24, I sent an email to Mr. Backman reiterating that the February 28 modification letter governs the scope of the CIDs and inquiring as to the availability of the Respondents for investigational hearings. PX 14 at 1. Mr. Backman did not respond to the April 24 email from me until May 15, 2019.

27. On May 16, 2019, Burke Kappler of the FTC's Office of General Counsel wrote Mr. Backman notifying him of the Respondents' noncompliance

with multiple CID specifications and requesting that each Recipient resolve its noncompliance by curing four specific deficiencies on or before May 30, 2019:

- a. Request for Production 1: Respondents should produce all communications responsive to this specification between and among themselves;
- b. Request for Production 2: Respondents should produce all communications responsive to this specification between and among themselves;
- c. Requests for Production 5 / 9¹: Respondents should produce all documents responsive to this specification and to a list of search terms identical to the terms provided by staff in the December 27 email; and
- d. Requests for Production 6(c) / 9(c) / 15(c)²: Respondents should produce all documents relating to actual lawsuits, including “Cease and desist letters, threats of lawsuits, or actual lawsuits.”

PX 15.

¹ This specification appears in identical form as Request for Production 5 in all of the CIDs, except the CID to Royal Seas Cruises, Inc. In that CID, the specification appears as Request for Production 9. *See, e.g.*, PX 2 at 9; PX 11 at 9.

² This request appears in identical form as Request 6(c) in the CIDs to BPCL Management, LLC, Nationwide Reservations, Inc., Reservations & Fulfillment Services, Inc., and Jeff Tellam; as Request 9(c) in the CIDs to Cruise Operator, Inc., Melissa Hanson, Paul Heyden, Daniel Lambert, and James Verillo; and as Request 15(c) in the CID to Royal Seas Cruises, Inc. *See, e.g.*, PX 5 at 9 (Request 6(c)); PX 4 at 9 (Request 9(c)); PX 11 at 10 (Request 15(c)).

28. On May 29, Mr. Backman sent a reply email that failed to engage meaningfully with Mr. Kappler's May 16 letter or cure the Respondents' deficiencies. PX 16 at 7-11.

29. On June 4, 2019, Mr. Kappler wrote Mr. Backman another letter responding to his May 29 email and informing him that the FTC would be commencing judicial proceedings to enforce the CIDs issued to the Respondents. PX 16. This letter stated that the FTC would "reassess that decision" should Respondents cure the deficiencies identified in the May 16 letter. PX 16 at 6.

30. Despite the issuance of the CIDs, the subsequent communications, and the modified deadlines for producing documents and answers to interrogatories, the Respondents have not fully complied with the CIDs, nor have they provided the FTC with any reasonable explanation for their failure to do so.

31. To date, each Respondent has provided interrogatory responses with repeated disclaimers that the responses were limited by the terms of their counsel's December 14 email—a limitation never ratified by the FTC. With the exception of BPCL Management, the Respondents have collectively produced a number of documents under the same disclaimer and limitation. None of the Respondents have produced the information specified by the May 16 OGC letter, which is essential to the FTC's investigation of this matter.

32. On July 8, 2019, Mr. Kappler emailed counsel to inform him that the FTC intended to commence this proceeding. Counsel responded on July 9 and claimed that Respondents were running email searches and would produce information. Counsel did not indicate when these searches would be complete or when production would occur. PX 17. As discussed in Mr. Kappler's June 4 letter, we have received several such assurances from counsel in the past but have yet to receive the information promised. PX 16, at 5.

33. None of the Respondents has filed an administrative petition to limit or quash the CID it received. The Respondents' non-compliance with the CIDs has burdened, delayed, and impeded the Commission's investigation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 22, 2019



Jody Goodman
Staff Attorney
Division of Marketing Practices
Bureau of Consumer Protection
Federal Trade Commission

PETITION EXHIBIT (PX) 2

Civil Investigative Demand to Daniel
Lambert

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Daniel Lambert
100 W. Cypress Creek Rd., Suite 640
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

Dear Mr. Lambert:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

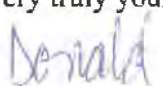
1. **Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.**
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their


official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission





United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>Daniel Lambert 100 W. Cypress Creek Rd. Suite 640 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Christopher E. Brown or other duly designated person</p> <hr/> <p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00AM</p>
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- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyrdall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://ftc.gov/ftc/rulesofpractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, **Christopher E. Brown (202-326-2825; cbrown3@ftc.gov)** or **Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

- i. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between You and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. James Verrillo
 - e. Edward Levitan
 - f. Charles Kinneer
 - g. Reservations & Fulfillment Services, Inc.
 - h. Jeff Tellam
 - i. BPCL Management, LLC
 - j. Nationwide Reservations, Inc.
 - k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC
 - v. Carlos E. Pena

- w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;
 - c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services.

Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;

- d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All unique scripts and drafts of scripts for prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 7. All unique sales scripts and drafts of sales scripts used as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 8. Audio files containing all unique prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 9. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.

10. All communications between You and any business that has processed, facilitated, or otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
11. Your written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
12. Your written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of Your income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf You engage in or assist with the initiation of Telemarketing calls.
3. State Your full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which You have done business.
4. Identify each company, wholly owned subsidiary, parent company, unincorporated division, joint venture, partnership, operation under an assumed name, and predecessor company, for which you have served as an officer, director, or manager, or had actual, implied, or *de facto* authority to control, and describe the relationship between each such entity.
5. For each entity identified in response to Interrogatory No. 4, identify all individuals who assisted in the formation of each entity and describe the assistance provided by each such individual.
6. For each entity identified in response to Interrogatory No. 4, identify each of the entity's principals, owners, members or stockholders with five percent or more ownership of the entity, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the entity's business practices.
7. Identify the individual or individuals responsible for Your compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;

- b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. Your principal point of contact with that Subject Person;
 - d. A description of all goods or services that You provided to that Subject Person and that Subject Person provided to You;
 - e. All individuals, businesses, or entities that have paid You for goods or services You provided to that Subject Person;
 - f. The means and source of payment used to pay You for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money You paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses You have used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
10. For each document produced in response to Document Requests Nos. 3, 6, and 7. Identify each person who drafted or edited that document and the person who approved the final version.
11. Describe in detail Your relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
13. Identify the name of all banks and financial institutions with which You have maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
14. Identify the name of all payment processors with which You have maintained any account during the Applicable Time Period.
15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes

of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, Your background, including without limitation his Your age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, and current and prior relationship to the Subject Persons.
2. The above Requests for the Production of Documents and Your responses thereto.
3. The above Interrogatories and Your responses thereto.
4. Your clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. Your Telemarketing and automated dialing practices.
6. Without regard to time period, Your compliance with the Telemarketing Sales Rule.
7. Without regard to time period, Your prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, Your formation, and the individuals involved in that process.
9. Without regard to time period, Your relationship and contacts with the Subject Persons.
10. Without regard to time period, Your relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. **“Advertisement”** or **“Advertising”** or **“Ad”** means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. “**Caller Identification Service**” means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. “**Communication**” means any written or verbal statement, including without limitation emails (including emails on which You were copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. “**You**” or “**Your**” means Daniel Lambert, and his wholly or partially owned businesses, joint ventures, and operations under assumed names, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. “**Lead Generation**” means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. “**Telemarketer**” shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. “**Telemarketing**” shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. “**Voice Broadcasting**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider**

petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process. 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. Withholding Requested Material / Privilege Claims: If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID.

Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. **Production in Color:** You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. **Electronically Stored Information:** See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. **Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”):** If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. **Interrogatory Responses:** For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. **Submission of Documents in Lieu of Interrogatory Answers:** You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
 Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Maurcen K. Ohlhausen
Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:

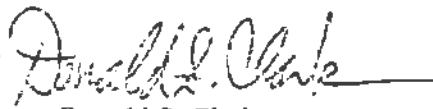
To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Daniel Lambert and attached hereto.
3. The documents produced and attached hereto by Daniel Lambert are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of Daniel Lambert; and
 - c) Were made by the regularly conducted activity as a regular practice of Daniel Lambert.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 3

Civil Investigative Demand to James
Verrillo

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

James Verrillo
100 W. Cypress Creek Rd., Suite 640
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

Dear Mr. Verrillo:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:


1. **Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their

official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>James Verrillo 100 W. Cypress Creek Rd. suite 640 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

<p>2. ACTION REQUIRED</p> <p><input checked="" type="checkbox"/> You are required to appear and testify.</p>	
<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33384</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Christopher E. Brown or other duly designated person</p> <hr/> <p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00 AM</p>

- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

<p>3. SUBJECT OF INVESTIGATION</p> <p>See Attached Schedule and Resolution</p>
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<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCSRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, **Christopher E. Brown (202-326-2825; cbrown3@ftc.gov)** or **Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

1. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between You and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. Daniel Lambert
 - e. Edward Levitan
 - f. Charles Kinnear
 - g. Reservations & Fulfillment Services, Inc.
 - h. Jeff Tellam
 - i. BPCL Management, LLC
 - j. Nationwide Reservations, Inc.
 - k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC
 - v. Carlos E. Pena

- w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;
 - c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services,

- Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
- d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All unique scripts and drafts of scripts for prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 7. All unique sales scripts and drafts of sales scripts used as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 8. Audio files containing all unique prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 9. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.

10. All communications between You and any business that has processed, facilitated, or otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
11. Your written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
12. Your written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of Your income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf You engage in or assist with the initiation of Telemarketing calls.
3. State Your full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which You have done business.
4. Identify each company, wholly owned subsidiary, parent company, unincorporated division, joint venture, partnership, operation under an assumed name, and predecessor company, for which you have served as an officer, director, or manager, or had actual, implied, or *de facto* authority to control, and describe the relationship between each such entity.
5. For each entity identified in response to Interrogatory No. 4, Identify all individuals who assisted in the formation of each entity and describe the assistance provided by each such individual.
6. For each entity identified in response to Interrogatory No. 4, Identify each of the entity's principals, owners, members or stockholders with five percent or more ownership of the entity, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the entity's business practices.
7. Identify the individual or individuals responsible for Your compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;

- b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. Your principal point of contact with that Subject Person;
 - d. A description of all goods or services that You provided to that Subject Person and that Subject Person provided to You;
 - e. All individuals, businesses, or entities that have paid You for goods or services You provided to that Subject Person;
 - f. The means and source of payment used to pay You for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money You paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses You have used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
10. For each document produced in response to Document Requests Nos. 3, 6, and 7, identify each person who drafted or edited that document and the person who approved the final version.
11. Describe in detail Your relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
13. Identify the name of all banks and financial institutions with which You have maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
14. Identify the name of all payment processors with which You have maintained any account during the Applicable Time Period.
15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes

of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, Your background, including without limitation his Your age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, and current and prior relationship to the Subject Persons.
2. The above Requests for the Production of Documents and Your responses thereto.
3. The above Interrogatories and Your responses thereto.
4. Your clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. Your Telemarketing and automated dialing practices.
6. Without regard to time period, Your compliance with the Telemarketing Sales Rule.
7. Without regard to time period, Your prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, Your formation, and the individuals involved in that process.
9. Without regard to time period, Your relationship and contacts with the Subject Persons.
10. Without regard to time period, Your relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. **“Advertisement” or “Advertising” or “Ad”** means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. “**Caller Identification Service**” means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. “**Communication**” means any written or verbal statement, including without limitation emails (including emails on which You were copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. “**You**” or “**Your**” means James Verrillo, and his wholly or partially owned businesses, joint ventures, and operations under assumed names, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. “**Lead Generation**” means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. “**Telemarketer**” shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. “**Telemarketing**” shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. “**Voice Broadcasting**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider**

petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process. 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. Withholding Requested Material / Privilege Claims: If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID.

Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
 Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
 Maureen K. Ohlhausen
 Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:


To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by James Verrillo and attached hereto.
3. The documents produced and attached hereto by James Verrillo are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of James Verrillo; and
 - c) Were made by the regularly conducted activity as a regular practice of James Verrillo.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 4

Civil Investigative Demand to Cruise
Operator, Inc.

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Cruise Operator, Inc.
Registered Agent: Greenspoon Marder, P.A.
100 W. Cypress Creek Rd., Suite 700
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

To Whom It May Concern:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

1. **Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other

civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission

United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND



<p>1. TO</p> <p>Cruise Operator, Inc. Registered Agent: Greenspoon Marder, P.A. 100 W. Cypress Creek Rd., Suite 700 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

<p>2. ACTION REQUIRED</p> <p><input checked="" type="checkbox"/> You are required to appear and testify.</p>	
<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Christopher E. Brown or other duly designated person</p> <hr/> <p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00 AM</p>

- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

<p>3. SUBJECT OF INVESTIGATION</p> <p>See Attached Schedule and Resolution</p>
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<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, **Christopher E. Brown (202-326-2825; cbrown3@ftc.gov)** or **Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

- I. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between the Company and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Daniel Lambert
 - d. James Verrillo
 - e. Edward Levitan
 - f. Charles Kinnear
 - g. Reservations & Fulfillment Services, Inc.
 - h. Jeff Tellam
 - i. BPCL Management, LLC
 - j. Nationwide Reservations, Inc.
 - k. Ultimate Vacation Group, LLC. dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC

- v. Carlos E. Pena
 - w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;

- c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
6. All unique scripts and drafts of scripts for prerecorded messages included in, delivered with or through, or played as part of any Telemarketing calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
7. All unique sales scripts and drafts of sales scripts used as part of any Telemarketing calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
8. Audio files containing all unique prerecorded messages included in, delivered with or through, or played as part of any Telemarketing calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
9. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or

- d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
10. All communications between the Company and any business that has processed, facilitated, or otherwise assisted the Company or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
11. The Company's written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
12. The Company's written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of the Company's income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf the Company engages in or assists with the initiation of Telemarketing calls.
3. State the Company's full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which the Company has done business.
4. Identify the Company's wholly owned subsidiaries, parent companies, unincorporated divisions, joint ventures, partnerships, operations under assumed names, and predecessor companies, and describe the relationship of each to the Company.
5. Identify all individuals who assisted with the formation of the Company and describe the assistance provided by each such person.
6. Identify all of the Company's principals, owners, members or stockholders with five percent or more ownership of the company, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the company's business practices.
7. Identify the individual or individuals responsible for the Company's compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:

- a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. The Company's principal point of contact with that Subject Person;
 - d. A description of all goods or services that the Company provided to that Subject Person and that Subject Person provided to the Company;
 - e. All individuals, businesses, or entities that have paid the Company for goods or services the Company provided to that Subject Person;
 - f. The means and source of payment used to pay the Company for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money the Company paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses the Company has used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
 10. For each document produced in response to Document Requests Nos. 3, 6, and 7, Identify each person who drafted or edited that document and the person who approved the final version.
 11. Describe in detail the Company's relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
 12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
 13. Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
 14. Identify the name of all payment processors with which the Company has maintained any account during the Applicable Time Period.

15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, the witnesses' background, including without limitation his or her age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, prior and current work for the Company, and current and prior relationship to the Subject Persons.
2. The above Requests for the Production of Documents and the Company's responses thereto.
3. The above Interrogatories and the Company's responses thereto.
4. The Company's clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. The Company's Telemarketing and automated dialing practices.
6. Without regard to time period, the Company's compliance with the Telemarketing Sales Rule.
7. Without regard to time period, the Company's prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, the Company's formation, and the individuals involved in that process.
9. Without regard to time period, the Company's relationship and contacts with the Subject Persons.
10. Without regard to time period, the Company's relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "Advertisement" or "Advertising" or "Ad" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to:

packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. “**Caller Identification Service**” means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. “**Communication**” means any written or verbal statement, including without limitation emails (including emails on which the Company was copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. “**Company**,” “**You**” or “**Your**” means Cruise Operator, Inc., its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. “**Lead Generation**” means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. “**Telemarketer**” shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. “**Telemarketing**” shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. “**Voice Broadcasting**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. Petitions to Limit or Quash: You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. Withholding Requested Material / Privilege Claims: If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements ("Production Requirements"), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information ("Sensitive PII") or Sensitive Health Information ("SHI"): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual's Social Security number; an individual's biometric data (such as fingerprints or retina scans, but not photographs); and an individual's name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver's license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
 Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Maureen K. Ohlhausen
Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:

To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Cruise Operator, Inc. (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 5

Civil Investigative Demand to BPCL
Management, LLC
(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

BPCL Management, LLC
Registered Agent: Greenspoon Marder, P.A.
100 W. Cypress Creek Rd., Suite 700
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

To Whom It May Concern:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

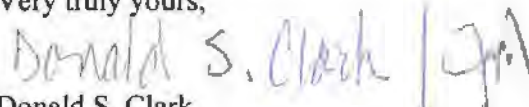
- 1. Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
- 2. You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
- 3. The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other

civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,

A handwritten signature in blue ink that reads "Donald S. Clark" followed by a vertical line and the initials "JPA".

Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>BPCL Management, LLC Registered Agent: Greenspoon Marder, P.A. 100 W. Cypress Creek Rd., Suite 700 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

<p>2. ACTION REQUIRED</p> <p><input checked="" type="checkbox"/> You are required to appear and testify.</p>	
<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Christopher E. Brown or other duly designated person</p> <hr/> <p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00 AM</p>

- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

<p>3. SUBJECT OF INVESTIGATION</p> <p>See Attached Schedule and Resolution</p>
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<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCSRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact **FTC counsel, Christopher E. Brown (202-326-2825; cbrown3@ftc.gov) or Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

- I. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. All communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between the Company and the following individuals and entities:

- a. Paradise Cruise Line Operator Ltd. Inc.
- b. Kevin M. Sheehan
- c. Cruise Operator, Inc.
- d. Daniel Lambert
- e. James Verrillo
- f. Edward Levitan
- g. Charles Kinnear
- h. Jeff Tellam
- i. Reservations & Fulfillment Services, Inc.
- j. Nationwide Reservations, Inc.
- k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
- l. VSC, LLC
- m. Florida VSC, LLC
- n. Jonathan Blake Curtis
- o. Anthony DiGiacomo
- p. Tropical Accommodations, LLC
- q. Christopher Cotroneo
- r. Grand Bahama Cruise Line, LLC
- s. Bethany Worstell
- t. Rita Medrano
- u. Blue Star Cruises, LLC
- v. Carlos E. Pena

- w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;
 - c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services.

Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;

- d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
 7. All communications between the Company and any business that has processed, facilitated, or otherwise assisted the Company or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
 8. The Company's written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*

9. The Company's written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of the Company's income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf the Company engages in or assists with the initiation of Telemarketing calls.
3. State the Company's full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which the Company has done business.
4. Identify the Company's wholly owned subsidiaries, parent companies, unincorporated divisions, joint ventures, partnerships, operations under assumed names, and predecessor companies, and describe the relationship of each to the Company.
5. Identify all individuals who assisted with the formation of the Company and describe the assistance provided by each such person.
6. Identify all of the Company's principals, owners, members or stockholders with five percent or more ownership of the company, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the company's business practices.
7. Identify the individual or individuals responsible for the Company's compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. The Company's principal point of contact with that Subject Person;
 - d. A description of all goods or services that the Company provided to that Subject Person and that Subject Person provided to the Company;

- e. All individuals, businesses, or entities that have paid the Company for goods or services the Company provided to that Subject Person;
 - f. The means and source of payment used to pay the Company for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money the Company paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses the Company has used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
10. For each document produced in response to Document Request No. 3, identify each person who drafted or edited that document and the person who approved the final version.
11. Describe in detail the Company's relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
13. Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
14. Identify the name of all payment processors with which the Company has maintained any account during the Applicable Time Period.
15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

- 1. Without regard to time period, the witnesses' background, including without limitation his or her age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, prior and current work for the Company, and current and prior relationship to the Subject Persons.

2. The above Requests for the Production of Documents and the Company's responses thereto.
3. The above Interrogatories and the Company's responses thereto.
4. The Company's clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. The Company's Telemarketing and automated dialing practices.
6. Without regard to time period, the Company's compliance with the Telemarketing Sales Rule.
7. Without regard to time period, the Company's prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, the Company's formation, and the individuals involved in that process.
9. Without regard to time period, the Company's relationship and contacts with the Subject Persons.
10. Without regard to time period, the Company's relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "**Advertisement**" or "**Advertising**" or "**Ad**" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. "**Caller Identification Service**" means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. "**Communication**" means any written or verbal statement, including without limitation emails (including emails on which the Company was copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. "**Company**," "You" or "Your" means BPCL Management, LLC, its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names,

and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. **“Document”** means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. **“Identify”** or **“the identity of”** requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. **“Lead Generation”** means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. **“Telemarketer”** shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. **“Telemarketing”** shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. **“Voice Broadcasting”** means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. **Withholding Requested Material / Privilege Claims:** If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date

of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues

relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
 Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Maureen K. Ohlhausen
Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:


To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by BPCL Management, LLC (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 6

Civil Investigative Demand to
Nationwide Reservations, Inc.

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Nationwide Reservations, Inc.
Registered Agent: Greenspoon Marder, P.A.
100 W. Cypress Creek Rd., Suite 700
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

To Whom It May Concern:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:


1. **Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other

civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>Nationwide Reservations, Inc. Registered Agent: Greenspoon Marder, P.A. 100 W. Cypress Creek Rd., Suite 700 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Christopher E. Brown or other duly designated person</p>
<p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00 AM</p>	

- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://ftc.gov/ftc/rulesofpractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, Christopher E. Brown (202-326-2825; cbrown3@ftc.gov) or Jody Goodman (202-326-3096; jgoodman1@ftc.gov), as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

1. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. All communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between the Company and the following individuals and entities:
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. Daniel Lambert
 - e. James Verrillo
 - f. Edward Levitan
 - g. Charles Kinnear
 - h. Jeff Tellam
 - i. BPCL Management, LLC
 - j. Reservations & Fulfillment Services, Inc.
 - k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC
 - v. Carlos E. Pena

- w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;
 - c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services.

Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;

- d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
 7. All communications between the Company and any business that has processed, facilitated, or otherwise assisted the Company or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
 8. The Company's written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*

9. The Company's written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of the Company's income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf the Company engages in or assists with the initiation of Telemarketing calls.
3. State the Company's full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which the Company has done business.
4. Identify the Company's wholly owned subsidiaries, parent companies, unincorporated divisions, joint ventures, partnerships, operations under assumed names, and predecessor companies, and describe the relationship of each to the Company.
5. Identify all individuals who assisted with the formation of the Company and describe the assistance provided by each such person.
6. Identify all of the Company's principals, owners, members or stockholders with five percent or more ownership of the company, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the company's business practices.
7. Identify the individual or individuals responsible for the Company's compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. The Company's principal point of contact with that Subject Person;
 - d. A description of all goods or services that the Company provided to that Subject Person and that Subject Person provided to the Company;

- e. All individuals, businesses, or entities that have paid the Company for goods or services the Company provided to that Subject Person;
 - f. The means and source of payment used to pay the Company for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money the Company paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses the Company has used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
10. For each document produced in response to Document Request No. 3, identify each person who drafted or edited that document and the person who approved the final version.
11. Describe in detail the Company's relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
13. Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
14. Identify the name of all payment processors with which the Company has maintained any account during the Applicable Time Period.
15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

- 1. Without regard to time period, the witnesses' background, including without limitation his or her age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, prior and current work for the Company, and current and prior relationship to the Subject Persons.

2. The above Requests for the Production of Documents and the Company's responses thereto.
3. The above Interrogatories and the Company's responses thereto.
4. The Company's clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. The Company's Telemarketing and automated dialing practices.
6. Without regard to time period, the Company's compliance with the Telemarketing Sales Rule.
7. Without regard to time period, the Company's prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, the Company's formation, and the individuals involved in that process.
9. Without regard to time period, the Company's relationship and contacts with the Subject Persons.
10. Without regard to time period, the Company's relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "**Advertisement**" or "**Advertising**" or "**Ad**" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. "**Caller Identification Service**" means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. "**Communication**" means any written or verbal statement, including without limitation emails (including emails on which the Company was copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. "**Company**," "**You**" or "**Your**" means Nationwide Reservations, Inc., its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names,

and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. **“Document”** means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. **“Identify”** or **“the identity of”** requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. **“Lead Generation”** means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. **“Telemarketer”** shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. **“Telemarketing”** shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. **“Voice Broadcasting”** means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. **Withholding Requested Material / Privilege Claims:** If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date

of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(1).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues

relating to the production of electronically stored information with FTC staff prior to production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
 Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
 Maurcen K. Ohlhausen
 Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:

To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Nationwide Services, Inc. (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 7

Civil Investigative Demand to Jeff Tellam

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Jeff Tellam
1770 NW 64th Street, #600
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

Dear Mr. Tellam:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

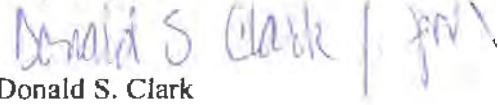
1. **Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their

official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,

A handwritten signature in blue ink that reads "Donald S. Clark" followed by a stylized flourish.

Donald S. Clark
Secretary of the Commission

United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

1. TO

Jeff Tellam
1770 NW 64th Street, #600
Ft. Lauderdale, FL 33309

1a. MATTER NUMBER

1623005

This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

LOCATION OF HEARING

U.S. Attorney's Office, Southern District of Florida
500 East Broward Blvd., 7th Floor
Fort Lauderdale, FL 33394

YOUR APPEARANCE WILL BE BEFORE

Christopher E. Brown or other duly designated person

DATE AND TIME OF HEARING OR DEPOSITION

JAN 07 2019 9:00 AM

You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.

You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.

You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN

Lois Greisman/Reeve Tyndall
Federal Trade Commission
600 Pennsylvania Avenue, NW CC-8528
Washington, DC 20580

5. COMMISSION COUNSEL

Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825
600 Pennsylvania Ave, NW - CC-8528
Washington, DC 20580

DATE ISSUED

11/21/18

COMMISSIONER'S SIGNATURE



INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, **Christopher E. Brown (202-326-2825; cbrown3@ftc.gov) or Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. See 15 U.S.C. § 50; see also 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

- I. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between You and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. Daniel Lambert
 - e. James Verrillo
 - f. Edward Levitan
 - g. Charles Kinnear
 - h. Reservations & Fulfillment Services, Inc.
 - i. BPCL Management, LLC
 - j. Nationwide Reservations, Inc.
 - k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC
 - v. Carlos E. Pena

- w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;
 - c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services.

- Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
- d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
 7. All communications between You and any business that has processed, facilitated, or otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
 8. Your written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
 9. Your written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of Your income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf You engage in or assist with the initiation of Telemarketing calls.
3. State Your full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which You have done business.
4. Identify each company, wholly owned subsidiary, parent company, unincorporated division, joint venture, partnership, operation under an assumed name, and predecessor company, for which you have served as an officer, director, or manager, or had actual, implied, or *de facto* authority to control, and describe the relationship between each such entity.
5. For each entity identified in response to Interrogatory No. 4, Identify all individuals who assisted in the formation of each entity and describe the assistance provided by each such individual.
6. For each entity identified in response to Interrogatory No. 4, Identify each of the entity's principals, owners, members or stockholders with five percent or more ownership of the entity, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the entity's business practices.
7. Identify the individual or individuals responsible for Your compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. Your principal point of contact with that Subject Person;
 - d. A description of all goods or services that You provided to that Subject Person and that Subject Person provided to You;
 - e. All individuals, businesses, or entities that have paid You for goods or services You provided to that Subject Person;

- f. The means and source of payment used to pay You for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money You paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses You have used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
 10. For each document produced in response to Document Request No. 3, identify each person who drafted or edited that document and the person who approved the final version.
 11. Describe in detail Your relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
 12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
 13. Identify the name of all banks and financial institutions with which You have maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
 14. Identify the name of all payment processors with which You have maintained any account during the Applicable Time Period.
 15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, Your background, including without limitation his Your age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, and current and prior relationship to the Subject Persons.
2. The above Requests for the Production of Documents and Your responses thereto.
3. The above Interrogatories and Your responses thereto.

4. Your clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. Your Telemarketing and automated dialing practices.
6. Without regard to time period, Your compliance with the Telemarketing Sales Rule.
7. Without regard to time period, Your prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, Your formation, and the individuals involved in that process.
9. Without regard to time period, Your relationship and contacts with the Subject Persons.
10. Without regard to time period, Your relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. “**Advertisement**” or “**Advertising**” or “**Ad**” means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. “**Caller Identification Service**” means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. “**Communication**” means any written or verbal statement, including without limitation emails (including emails on which You were copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. “**You**” or “**Your**” means Jeff Tellam, and his wholly or partially owned businesses, joint ventures, and operations under assumed names, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of

any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. “**Lead Generation**” means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. “**Telemarketer**” shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. “**Telemarketing**” shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. “**Voice Broadcasting**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. **Withholding Requested Material / Privilege Claims:** If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is

privileged. You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI,

please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual's Social Security number; an individual's biometric data (such as fingerprints or retina scans, but not photographs); and an individual's name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver's license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
 Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	␣	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Maureen K. Ohlhausen
Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:

To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Jeff Tellam and attached hereto.
3. The documents produced and attached hereto by Jeff Tellam are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of Jeff Tellam; and
 - c) Were made by the regularly conducted activity as a regular practice of Jeff Tellam.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 8

Civil Investigative Demand to
Reservations & Fulfillment Services, Inc.

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Reservations & Fulfillment Services, Inc.
Registered Agent: Greenspoon Marder, P.A.
200 E. Broward Boulevard, Suite 1800
Ft. Lauderdale, FL 33301

FTC Matter No. 1623005

To Whom It May Concern:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

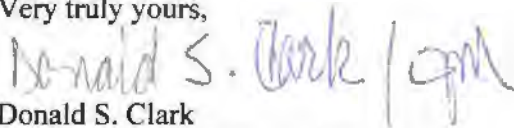
1. **Contact FTC counsel, Christopher E. Brown (cbrown3@ftc.gov or 202-326-2825) or Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other

civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission

United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

1. TO

Reservations & Fulfillment Services, Inc.
Registered Agent: Greenspoon Marder, P.A.
200 E. Broward Boulevard, Suite 1800
Ft. Lauderdale, FL 33301

1a. MATTER NUMBER

1623005

This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

LOCATION OF HEARING

U.S. Attorney's Office, Southern District of Florida
500 East Broward Blvd., 7th Floor
Fort Lauderdale, FL 33394

YOUR APPEARANCE WILL BE BEFORE

Christopher E. Brown or other duly designated person

DATE AND TIME OF HEARING OR DEPOSITION

JAN 07 2019 9:00 AM

You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.

You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.

You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN

Lois Greisman/Reeve Tyndall
Federal Trade Commission
600 Pennsylvania Avenue, NW CC-8528
Washington, DC 20580

5. COMMISSION COUNSEL

Christopher E. Brown; cbrown3@ftc.gov; (202) 326-2825
600 Pennsylvania Ave, NW - CC-8528
Washington, DC 20580

DATE ISSUED

11/21/18

COMMISSIONER'S SIGNATURE



INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCSRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, **Christopher E. Brown (202-326-2825; cbrown3@ftc.gov)** or **Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

- I. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. All communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between the Company and the following individuals and entities:
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. Daniel Lambert
 - e. James Verrillo
 - f. Edward Levitan
 - g. Charles Kinnear
 - h. Jeff Tellam
 - i. BPCL Management, LLC
 - j. Nationwide Reservations, Inc.
 - k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC
 - v. Carlos E. Pena

- w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Royal Seas Cruises, Inc.
 - z. Paul Heyden
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;
 - c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services.

- Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
- d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
 7. All communications between the Company and any business that has processed, facilitated, or otherwise assisted the Company or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
 8. The Company's written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*

9. The Company's written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of the Company's income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf the Company engages in or assists with the initiation of Telemarketing calls.
3. State the Company's full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which the Company has done business.
4. Identify the Company's wholly owned subsidiaries, parent companies, unincorporated divisions, joint ventures, partnerships, operations under assumed names, and predecessor companies, and describe the relationship of each to the Company.
5. Identify all individuals who assisted with the formation of the Company and describe the assistance provided by each such person.
6. Identify all of the Company's principals, owners, members or stockholders with five percent or more ownership of the company, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the company's business practices.
7. Identify the individual or individuals responsible for the Company's compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. The Company's principal point of contact with that Subject Person;
 - d. A description of all goods or services that the Company provided to that Subject Person and that Subject Person provided to the Company;

- e. All individuals, businesses, or entities that have paid the Company for goods or services the Company provided to that Subject Person;
 - f. The means and source of payment used to pay the Company for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money the Company paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses the Company has used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
 10. For each document produced in response to Document Request No. 3, identify each person who drafted or edited that document and the person who approved the final version.
 11. Describe in detail the Company's relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
 12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
 13. Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
 14. Identify the name of all payment processors with which the Company has maintained any account during the Applicable Time Period.
 15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, the witnesses' background, including without limitation his or her age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, prior and current work for the Company, and current and prior relationship to the Subject Persons.

2. The above Requests for the Production of Documents and the Company's responses thereto.
3. The above Interrogatories and the Company's responses thereto.
4. The Company's clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. The Company's Telemarketing and automated dialing practices.
6. Without regard to time period, the Company's compliance with the Telemarketing Sales Rule.
7. Without regard to time period, the Company's prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, the Company's formation, and the individuals involved in that process.
9. Without regard to time period, the Company's relationship and contacts with the Subject Persons.
10. Without regard to time period, the Company's relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "**Advertisement**" or "**Advertising**" or "**Ad**" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. "**Caller Identification Service**" means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. "**Communication**" means any written or verbal statement, including without limitation emails (including emails on which the Company was copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. "**Company**," "You" or "Your" means Reservations & Fulfillment Services, Inc., its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under

assumed names, and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. **“Document”** means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. **“Identify”** or **“the identity of”** requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. **“Lead Generation”** means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. **“Telemarketer”** shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. **“Telemarketing”** shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. **“Voice Broadcasting”** means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) - (2). **The FTC will not consider petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. **Withholding Requested Material / Privilege Claims:** If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date

of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues

relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Maureen K. Ohlhausen
Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:


To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Reservations & Fulfillment Services, Inc. (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 9

Civil Investigative Demand to Paul
Heyden

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Paul Heyden
1901 W. Cypress Creek Rd., Suite 300
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

Dear Mr. Heyden:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

1. **Contact FTC counsel, Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) or Christopher Brown (cbrown3@ftc.gov or 202-326-2825) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their

official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>Paul Heyden 1901 West Cypress Creek Rd. Suite 300 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Jody Goodman or other duly designated person</p>
<p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00AM</p>	

- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

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3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Jody Goodman; jgoodman1@ftc.gov; (202) 326-3096 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCSRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact **FTC counsel, Christopher E. Brown (202-326-2825; cbrown3@ftc.gov) or Jody Goodman (202-326-3096; jgoodman1@ftc.gov)**, as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. See 15 U.S.C. § 50; see also 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57h-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

1. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between You and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. James Verrillo
 - e. Daniel Lambert
 - f. Edward Levitan
 - g. Charles Kinnear
 - h. Reservations & Fulfillment Services, Inc.
 - i. Jeff Tellam
 - j. BPCL Management, LLC
 - k. Nationwide Reservations, Inc.
 - l. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - m. VSC, LLC
 - n. Florida VSC, LLC
 - o. Jonathan Blake Curtis
 - p. Anthony DiGiacomo
 - q. Tropical Accommodations, LLC
 - r. Christopher Coironeo
 - s. Grand Bahama Cruise Line, LLC
 - t. Bethany Worstell
 - u. Rita Medrano
 - v. Blue Star Cruises, LLC

- w. Carlos E. Pena
 - x. Atlantic Accommodations and Cruises, LLC
 - y. Felix Garcia
 - z. Royal Seas Cruises, Inc.
 - aa. Melissa Hanson
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom. Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;

- c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
 5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
 6. All unique scripts and drafts of scripts for prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 7. All unique sales scripts and drafts of sales scripts used as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 8. Audio files containing all unique prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
 9. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or

- d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
10. All communications between You and any business that has processed, facilitated, or otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
11. Your written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
12. Your written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of Your income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf You engage in or assist with the initiation of Telemarketing calls.
3. State Your full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which You have done business.
4. Identify each company, wholly owned subsidiary, parent company, unincorporated division, joint venture, partnership, operation under an assumed name, and predecessor company, for which you have served as an officer, director, or manager, or had actual, implied, or *de facto* authority to control, and describe the relationship between each such entity.
5. For each entity identified in response to Interrogatory No. 4, Identify all individuals who assisted in the formation of each entity and describe the assistance provided by each such individual.
6. For each entity identified in response to Interrogatory No. 4, Identify each of the entity's principals, owners, members or stockholders with five percent or more ownership of the entity, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the entity's business practices.
7. Identify the individual or individuals responsible for Your compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*

8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. Your principal point of contact with that Subject Person;
 - d. A description of all goods or services that You provided to that Subject Person and that Subject Person provided to You;
 - e. All individuals, businesses, or entities that have paid You for goods or services You provided to that Subject Person;
 - f. The means and source of payment used to pay You for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money You paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses You have used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
10. For each document produced in response to Document Requests Nos. 3, 6, and 7. Identify each person who drafted or edited that document and the person who approved the final version.
11. Describe in detail Your relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
13. Identify the name of all banks and financial institutions with which You have maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
14. Identify the name of all payment processors with which You have maintained any account during the Applicable Time Period.

15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, Your background, including without limitation his Your age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, and current and prior relationship to the Subject Persons.
2. The above Requests for the Production of Documents and Your responses thereto.
3. The above Interrogatories and Your responses thereto.
4. Your clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. Your Telemarketing and automated dialing practices.
6. Without regard to time period, Your compliance with the Telemarketing Sales Rule.
7. Without regard to time period, Your prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, Your formation, and the individuals involved in that process.
9. Without regard to time period, Your relationship and contacts with the Subject Persons.
10. Without regard to time period, Your relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "Advertisement" or "Advertising" or "Ad" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. “**Caller Identification Service**” means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. “**Communication**” means any written or verbal statement, including without limitation emails (including emails on which You were copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. “**You**” or “**Your**” means Paul Heyden, and his wholly or partially owned businesses, joint ventures, and operations under assumed names, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. “**Lead Generation**” means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. “**Telemarketer**” shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. “**Telemarketing**” shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. “**Voice Broadcasting**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider**

petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process. 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. Withholding Requested Material / Privilege Claims: If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID.

Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. **Production in Color:** You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. **Electronically Stored Information:** See the attached FTC Bureau of Consumer Protection Production Requirements ("Production Requirements"), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. **Sensitive Personally Identifiable Information ("Sensitive PII") or Sensitive Health Information ("SHI"):** If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual's Social Security number; an individual's biometric data (such as fingerprints or retina scans, but not photographs); and an individual's name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver's license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. **Interrogatory Responses:** For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. **Submission of Documents in Lieu of Interrogatory Answers:** You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document. with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
 Maureen K. Ohlhausen
 Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:

To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Paul Heyden and attached hereto.
3. The documents produced and attached hereto by Paul Heyden are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of Paul Heyden; and
 - c) Were made by the regularly conducted activity as a regular practice of Paul Heyden.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 10

Civil Investigative Demand to Melissa
Hanson

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Melissa Hanson
1901 W. Cypress Creek Rd., Suite 300
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

Dear Ms. Hanson:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:


1. **Contact FTC counsel, Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) or Christopher Brown (cbrown3@ftc.gov or 202-326-2825) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.**
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other civil or criminal federal, state, local, or foreign law enforcement agencies for their

official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,


Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>Melissa Hanson 1901 West Cypress Creek Rd. Suite 300 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Jody Goodman or other duly designated person</p> <hr/> <p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00AM</p>
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- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Jody Goodman; jgoodman1@ftc.gov; (202) 326-3096 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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INSTRUCTIONS AND NOTICES

The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.

PETITION TO LIMIT OR QUASH

The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.

YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS

The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.

The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.

TRAVEL EXPENSES

Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.

A copy of the Commission's Rules of Practice is available online at <http://bit.ly/FTCSRulesofPractice>. Paper copies are available upon request.

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, Christopher E. Brown (202-326-2825; cbrown3@ftc.gov) or Jody Goodman (202-326-3096; jgoodman1@ftc.gov), as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after You receive this CID. At the meeting, You must discuss with FTC counsel any questions You have regarding this CID or any possible CID modifications that could reduce Your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about Your information or records management systems, Your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, You must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if You believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information You provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide Your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving You prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at Your principal place of business. Alternatively, You may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If You are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how You intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with Your response. Completing this certification may reduce the need to subpoena You to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.

A. Requests for Production of Documents

- I All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between You and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Cruise Operator, Inc.
 - d. James Verrillo
 - e. Daniel Lambert
 - f. Edward Levitan
 - g. Charles Kinnear
 - h. Reservations & Fulfillment Services, Inc.
 - i. Jeff Tellam
 - j. BPCL Management, LLC
 - k. Nationwide Reservations, Inc.
 - l. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - m. VSC, LLC
 - n. Florida VSC, LLC
 - o. Jonathan Blake Curtis
 - p. Anthony DiGiacomo
 - q. Tropical Accommodations, LLC
 - r. Christopher Cotroneo
 - s. Grand Bahama Cruise Line, LLC
 - t. Bethany Worstell
 - u. Rita Medrano
 - v. Blue Star Cruises, LLC

- w. Carlos E. Pena
 - x. Atlantic Accommodations and Cruises, LLC
 - y. Felix Garcia
 - z. Royal Seas Cruises, Inc.
 - aa. Paul Heyden
 - bb. ProFronter LLC
 - cc. ProCall LLC
 - dd. Lester Stockett aka Aldrin Magispoc
 - ee. Anthony Percivalle
 - ff. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - gg. Desmond Stinnie
 - hh. Ytel Communications Inc.
 - ii. Sun Telecom, Ltd.
 - jj. Survey Association
 - kk. Net Leads International Ltd. a/k/a Pure Marketing
 - ll. Avatar Technologies
 - mm. Juan Ramos a/k/a Scott Livingston
 - nn. The Port of Palm Beach and any of its employees, officers, or agents
 - oo. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - h. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;

- c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Telephone connection records for all Telemarketing Calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
6. All unique scripts and drafts of scripts for prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
7. All unique sales scripts and drafts of sales scripts used as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
8. Audio files containing all unique prerecorded messages included in, delivered with or through, or played as part of any Telemarketing Calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
9. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or

- d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
10. All communications between You and any business that has processed, facilitated, or otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
11. Your written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
12. Your written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of Your income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf You engage in or assist with the initiation of Telemarketing calls.
3. State Your full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which You have done business.
4. Identify each company, wholly owned subsidiary, parent company, unincorporated division, joint venture, partnership, operation under an assumed name, and predecessor company, for which you have served as an officer, director, or manager, or had actual, implied, or *de facto* authority to control, and describe the relationship between each such entity.
5. For each entity identified in response to Interrogatory No. 4, Identify all individuals who assisted in the formation of each entity and describe the assistance provided by each such individual.
6. For each entity identified in response to Interrogatory No. 4, Identify each of the entity's principals, owners, members or stockholders with five percent or more ownership of the entity, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the entity's business practices.
7. Identify the individual or individuals responsible for Your compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*

8. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with You on behalf of that Subject Person;
 - c. Your principal point of contact with that Subject Person;
 - d. A description of all goods or services that You provided to that Subject Person and that Subject Person provided to You;
 - e. All individuals, businesses, or entities that have paid You for goods or services You provided to that Subject Person;
 - f. The means and source of payment used to pay You for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money You paid to and/or received from that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
9. Identify all third-party vendors or businesses You have used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
10. For each document produced in response to Document Requests Nos. 2, 3, 5, and 6, identify each person who drafted or edited that document and the person who approved the final version.
11. Describe in detail Your relationship and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
12. Identify all lawsuits against You and government investigations of You, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
13. Identify the name of all banks and financial institutions with which You have maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
14. Identify the name of all payment processors with which You have maintained any account during the Applicable Time Period.

15. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with You.

C. Topics for Testimony at Investigational Hearing

1. Without regard to time period, Your background, including without limitation his Your age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, and current and prior relationship to the Subject Persons.
2. The above Requests for the Production of Documents and Your responses thereto.
3. The above Interrogatories and Your responses thereto.
4. Your clients, customers, and vendors involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
5. Your Telemarketing and automated dialing practices.
6. Without regard to time period, Your compliance with the Telemarketing Sales Rule.
7. Without regard to time period, Your prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, Your formation, and the individuals involved in that process.
9. Without regard to time period, Your relationship and contacts with the Subject Persons.
10. Without regard to time period, Your relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "**Advertisement**" or "**Advertising**" or "**Ad**" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. **“Caller Identification Service”** means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. **“Communication”** means any written or verbal statement, including without limitation emails (including emails on which You were copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. **“You” or “Your”** means Melissa Hanson, and her wholly or partially owned businesses, joint ventures, and operations under assumed names, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. **“Document”** means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. **“Identify” or “the identity of”** requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of Your contact persons at the business or organization.

D-7. **“Lead Generation”** means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. **“Telemarketer”** shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-9. **“Telemarketing”** shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-10. **“Voice Broadcasting”** means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider**

petitions to quash or limit if You have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process. 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If You file a petition to limit or quash, You must still timely respond to all requests that You do not seek to modify or set aside in Your petition.** 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. Withholding Requested Material / Privilege Claims: If You withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, You must assert the claim no later than the return date of this CID, and You must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, You must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in Your possession or under Your actual or constructive custody or control, including documents and information in the possession, custody, or control of Your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, You must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, You may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in Your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, You must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in Your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, You may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and You preserve and retain the originals in their same state as of the time You received this CID.

Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and You must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps You can take to minimize the amount of Sensitive PII or SHI You produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as You clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks You to identify documents, You may, at Your option, produce the documents responsive to the interrogatory so long as You clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
 Maureen K. Ohlhausen
 Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:


To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.


Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Melissa Hanson and attached hereto.
3. The documents produced and attached hereto by Melissa Hanson are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of Melissa Hanson; and
 - c) Were made by the regularly conducted activity as a regular practice of Melissa Hanson.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature _____

PETITION EXHIBIT (PX) 11

Civil Investigative Demand to Royal Seas
Cruises, Inc.

(November 21, 2018)



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

NOV 23 2018

Via Federal Express

Royal Seas Cruises, Inc.
Registered Agent: Greenspoon Marder, P.A.
100 W. Cypress Creek Rd., Suite 700
Ft. Lauderdale, FL 33309

FTC Matter No. 1623005

To Whom It May Concern:

The Federal Trade Commission ("FTC") has issued the attached Civil Investigative Demand ("CID") asking for information as part of a non-public investigation. Our purpose is to determine whether the recipient of this CID, the Subject Persons, as defined in the attached Specifications, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and/or the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*, including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. Please read the attached documents carefully. Here are a few important points we would like to highlight:

1. **Contact FTC counsel, Jody Goodman (jgoodman1@ftc.gov or 202-326-3096) or Christopher Brown (cbrown3@ftc.gov or 202-326-2825) as soon as possible to schedule an initial meeting to be held within 14 days.** You can meet in person or by phone to discuss any questions you have, including whether there are changes to how you comply with the CID that would reduce your cost or burden while still giving the FTC the information it needs. Please read the attached documents for more information about that meeting.
2. **You must immediately stop any routine procedures for electronic or paper document destruction, and you must preserve all paper or electronic documents** that are in any way relevant to this investigation, even if you believe the documents are protected from discovery by privilege or some other reason.
3. **The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces.** We will not disclose the information under the Freedom of Information Act, 5 U.S.C. § 552. We may disclose the information in response to a valid request from Congress, or other

civil or criminal federal, state, local, or foreign law enforcement agencies for their official law enforcement purposes. The FTC or other agencies may use and disclose your response in any federal, state, or foreign civil or criminal proceeding, or if required to do so by law. However, we will not publicly disclose your information without giving you prior notice.

4. **Please read the attached documents closely.** They contain important information about how you should provide your response.

Please contact FTC counsel as soon as possible to set up an initial meeting. We appreciate your cooperation.

Very truly yours,

A handwritten signature in blue ink that reads "Donald S. Clark" followed by a stylized monogram "DS" or "DC".

Donald S. Clark
Secretary of the Commission



United States of America
Federal Trade Commission

CIVIL INVESTIGATIVE DEMAND

<p>1. TO</p> <p>Royal Seas Cruises, Inc. Registered Agent: Greenspoon Marder, PA 100 W. Cypress Creek Rd., Suite 700 Ft. Lauderdale, FL 33309</p>	<p>1a. MATTER NUMBER</p> <p>1623005</p>
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This demand is issued pursuant to Section 20 of the Federal Trade Commission Act, 15 U.S.C. § 57b-1, in the course of an investigation to determine whether there is, has been, or may be a violation of any laws administered by the Federal Trade Commission by conduct, activities or proposed action as described in Item 3.

2. ACTION REQUIRED

You are required to appear and testify.

<p>LOCATION OF HEARING</p> <p>U.S. Attorney's Office, Southern District of Florida 500 East Broward Blvd., 7th Floor Fort Lauderdale, FL 33394</p>	<p>YOUR APPEARANCE WILL BE BEFORE</p> <p>Jody Goodman or other duly designated person</p> <hr/> <p>DATE AND TIME OF HEARING OR DEPOSITION</p> <p>JAN 07 2019 9:00 AM</p>
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- You are required to produce all documents described in the attached schedule that are in your possession, custody, or control, and to make them available at your address indicated above for inspection and copying or reproduction at the date and time specified below.
- You are required to answer the interrogatories or provide the written report described on the attached schedule. Answer each interrogatory or report separately and fully in writing. Submit your answers or report to the Records Custodian named in Item 4 on or before the date specified below.
- You are required to produce the tangible things described on the attached schedule. Produce such things to the Records Custodian named in Item 4 on or before the date specified below.

DATE AND TIME THE DOCUMENTS, ANSWERS TO INTERROGATORIES, REPORTS, AND/OR TANGIBLE THINGS MUST BE AVAILABLE

DEC 21 2018

3. SUBJECT OF INVESTIGATION

See Attached Schedule and Resolution

<p>4. RECORDS CUSTODIAN/DEPUTY RECORDS CUSTODIAN</p> <p>Lois Greisman/Reeve Tyndall Federal Trade Commission 600 Pennsylvania Avenue, NW CC-8528 Washington, DC 20580</p>	<p>5. COMMISSION COUNSEL</p> <p>Jody Goodman; jgoodman1@ftc.gov; (202) 326-3096 600 Pennsylvania Ave, NW - CC-8528 Washington, DC 20580</p>
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<p>DATE ISSUED</p> <p>11/21/18</p>	<p>COMMISSIONER'S SIGNATURE</p> 
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<p>INSTRUCTIONS AND NOTICES</p> <p>The delivery of this demand to you by any method prescribed by the Commission's Rules of Practice is legal service and may subject you to a penalty imposed by law for failure to comply. The production of documents or the submission of answers and report in response to this demand must be made under a sworn certificate, in the form printed on the second page of this demand, by the person to whom this demand is directed or, if not a natural person, by a person or persons having knowledge of the facts and circumstances of such production or responsible for answering each interrogatory or report question. This demand does not require approval by OMB under the Paperwork Reduction Act of 1980.</p>	<p>YOUR RIGHTS TO REGULATORY ENFORCEMENT FAIRNESS</p> <p>The FTC has a longstanding commitment to a fair regulatory enforcement environment. If you are a small business (under Small Business Administration standards), you have a right to contact the Small Business Administration's National Ombudsman at 1-888-REGFAIR (1-888-734-3247) or www.sba.gov/ombudsman regarding the fairness of the compliance and enforcement activities of the agency. You should understand, however, that the National Ombudsman cannot change, stop, or delay a federal agency enforcement action.</p> <p>The FTC strictly forbids retaliatory acts by its employees, and you will not be penalized for expressing a concern about these activities.</p>
<p>PETITION TO LIMIT OR QUASH</p> <p>The Commission's Rules of Practice require that any petition to limit or quash this demand be filed within 20 days after service, or, if the return date is less than 20 days after service, prior to the return date. The original and twelve copies of the petition must be filed with the Secretary of the Federal Trade Commission, and one copy should be sent to the Commission Counsel named in Item 5.</p>	<p>TRAVEL EXPENSES</p> <p>Use the enclosed travel voucher to claim compensation to which you are entitled as a witness for the Commission. The completed travel voucher and this demand should be presented to Commission Counsel for payment. If you are permanently or temporarily living somewhere other than the address on this demand and it would require excessive travel for you to appear, you must get prior approval from Commission Counsel.</p> <p>A copy of the Commission's Rules of Practice is available online at http://ftc.gov/rulesofpractice. Paper copies are available upon request.</p>

Form of Certificate of Compliance*

I/We do certify that all of the documents, information and tangible things required by the attached Civil Investigative Demand which are in the possession, custody, control, or knowledge of the person to whom the demand is directed have been submitted to a custodian named herein.

If a document or tangible thing responsive to this Civil Investigative Demand has not been submitted, the objections to its submission and the reasons for the objection have been stated.

If an interrogatory or a portion of the request has not been fully answered or a portion of the report has not been completed, the objections to its submission and the reasons for the objections have been stated.

Signature _____

Title _____

Sworn to before me this day

Notary Public

*In the event that more than one person is responsible for complying with this demand, the certificate shall identify the documents for which each certifying individual was responsible. In place of a sworn statement, the above certificate of compliance may be supported by an unsworn declaration as provided for by 28 U.S.C. § 1746.

**FEDERAL TRADE COMMISSION (“FTC”)
CIVIL INVESTIGATIVE DEMAND (“CID”) SCHEDULE
FTC File No. 1623005**

Meet and Confer: You must contact FTC counsel, Jody Goodman (202-326-3096; jgoodman1@ftc.gov) or Christopher E. Brown (202-326-2825; cbrown3@ftc.gov), as soon as possible to schedule a meeting (telephonic or in person) to be held within fourteen (14) days after you receive this CID. At the meeting, you must discuss with FTC counsel any questions you have regarding this CID or any possible CID modifications that could reduce your cost, burden, or response time yet still provide the FTC with the information it needs to pursue its investigation. The meeting also will address how to assert any claims of protected status (e.g., privilege, work-product, etc.) and the production of electronically stored information. You must make available at the meeting personnel knowledgeable about your information or records management systems, your systems for electronically stored information, custodians likely to have information responsive to this CID, and any other issues relevant to compliance with this CID.

Document Retention: You must retain all documentary materials used in preparing responses to this CID. The FTC may require the submission of additional documents later during this investigation. **Accordingly, you must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation, even if you believe those documents are protected from discovery. *See* 15 U.S.C. § 50; *see also* 18 U.S.C. §§ 1505, 1519.

Sharing of Information: The FTC will use information you provide in response to the CID for the purpose of investigating violations of the laws the FTC enforces. We will not disclose such information under the Freedom of Information Act, 5 U.S.C. § 552. We also will not disclose such information, except as allowed under the FTC Act (15 U.S.C. § 57b-2), the Commission’s Rules of Practice (16 C.F.R. §§ 4.10 & 4.11), or if required by a legal obligation. Under the FTC Act, we may provide your information in response to a request from Congress or a proper request from another law enforcement agency. However, we will not publicly disclose such information without giving you prior notice.

Manner of Production: You may produce documentary material or tangible things by making them available for inspection and copying at your principal place of business. Alternatively, you may send all responsive documents and tangible things to **Reeve Tyndall, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Mail Stop CC-8528, Washington, DC 20580**. If you are sending the materials, use a courier service such as Federal Express or UPS because heightened security measures delay postal delivery to the FTC. You must inform FTC counsel by email or telephone of how you intend to produce materials responsive to this CID at least five days before the return date.

Certification of Compliance: You or any person with knowledge of the facts and circumstances relating to the responses to this CID must certify that such responses are complete by completing the “Form of Certificate of Compliance” set forth on the back of the CID form or by signing a declaration under penalty of perjury pursuant to 28 U.S.C. § 1746.

Certification of Records of Regularly Conducted Activity: Attached is a Certification of Records of Regularly Conducted Activity. Please execute and return this Certification with your response. Completing this certification may reduce the need to subpoena you to testify at future proceedings to establish the admissibility of documents produced in response to this CID.

Definitions and Instructions: Please review carefully the Definitions and Instructions that appear after the Specifications and provide important information regarding compliance with this CID.

SUBJECT OF INVESTIGATION

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest. See also attached resolution.

SPECIFICATIONS

Applicable Time Period: Unless otherwise directed, the Applicable Time Period for the requests set forth below is from **January 1, 2015 until the date of full and complete compliance with this CID.**

In the requests below, the “**Subject Persons**” are any individuals, businesses, or entities involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation

A. Requests for Production of Documents

1. All Communications between You and any of the Subject Persons related to:
 - a. Automated dialing, Caller Identification Service, Caller ID Name (“CNAM”), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation; or
 - c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

2. Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between the Company and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":
 - a. Paradise Cruise Line Operator Ltd. Inc.
 - b. Kevin M. Sheehan
 - c. Daniel Lambert
 - d. James Verrillo
 - e. Edward Levitan
 - f. Charles Kinnear
 - g. Reservations & Fulfillment Services, Inc.
 - h. Jeff Tellam
 - i. BPCL Management, LLC
 - j. Nationwide Reservations, Inc.
 - k. Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - l. VSC, LLC
 - m. Florida VSC, LLC
 - n. Jonathan Blake Curtis
 - o. Anthony DiGiacomo
 - p. Tropical Accommodations, LLC
 - q. Christopher Cotroneo
 - r. Grand Bahama Cruise Line, LLC
 - s. Bethany Worstell
 - t. Rita Medrano
 - u. Blue Star Cruises, LLC

- v. Carlos E. Pena
 - w. Atlantic Accommodations and Cruises, LLC
 - x. Felix Garcia
 - y. Paul Heyden
 - z. Melissa Hanson
 - aa. ProFronter LLC
 - bb. ProCall LLC
 - cc. Lester Stockett aka Aldrin Magispoc
 - dd. Anthony Percivalle
 - ee. Emergent Strategies Inc. – Opulent Cloud f/ka/ bpsNode
 - ff. Desmond Stinnie
 - gg. Ytel Communications Inc.
 - hh. Sun Telecom, Ltd.
 - ii. Survey Association
 - jj. Net Leads International Ltd. a/k/a Purc Marketing
 - kk. Avatar Technologies
 - ll. Juan Ramos a/k/a Scott Livingston
 - mm. The Port of Palm Beach and any of its employees, officers, or agents
 - nn. The Law Firm of Greenspoon Marder, LLP, or any individual using an email domain provided by that law firm
3. All of Your contracts, terms of service, written agreements with, and all invoices to or from:
- a. Any of the Subject Persons;
 - b. Any business or individual that has provided You or any of the Subject Persons with call centers or sales closer services;

- c. Any business or individual that has provided You or any of the Subject Persons with automated dialing, VoIP origination or termination services, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
 - d. Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and
 - e. Any business or third-party that has processed or facilitated credit card payments, or has otherwise assisted You or any of the Subject Persons in accepting credit card payments from consumers paying for cruise vacations, travel vacation packages, or related expenses.
4. Campaign schedule logs for all Outbound Telephone Calls dialed for, by, or on behalf of the Subject Persons.
5. Telephone connection records for all Telemarketing calls (inbound or outbound) made or received for the purpose of selling, marketing, advertising, and/or promoting cruise vacations or travel vacation packages, including efforts to identify individuals potentially interested in purchasing a cruise vacation.
6. For each Outbound Telephone Call that is listed in records produced in response to Document Requests Nos. 4 or 5 and that was placed to a number listed on the National Do Not Call Registry more than 30 days prior to the date of the call, produce all records showing: (a) express written consent to place that call; and/or (b) a prior existing business relationship with the person receiving that call.
7. For each Outbound Telephone Call that is listed in records produced in response to Document Requests Nos. 4 or 5, and that delivered a prerecorded message, produce all records showing express written consent to place that call.
8. All of Your lists of telephone numbers belonging to persons who have told You they no longer wish to receive calls or asked You not to call them again, including the date each telephone number was added to the list.
9. All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.
10. All unique scripts and drafts of scripts for prerecorded messages included in, delivered with or through, or played as part of any Telemarketing calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
11. All unique sales scripts and drafts of sales scripts used as part of any Telemarketing calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.

12. All unique sales scripts and drafts of sales scripts used by You in Telemarketing (including both inbound and outbound calls) related to the Subject Persons.
13. Audio files containing all unique prerecorded messages included in, delivered with or through, or played as part of any Telemarketing calls (inbound or outbound) dialed for, by, or on behalf of the Subject Persons.
14. All other internal business records related to Telemarketing calls (inbound or outbound) that were transferred to the Company from any other business or individual that the Company received for the purpose of soliciting sales for, by, or on behalf of the Subject Persons.
15. All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:
 - a. Complaints from consumers;
 - b. Complaints from the Better Business Bureau;
 - c. Cease and desist letters, threats of lawsuits, or actual lawsuits; or
 - d. Inquiries, subpoenas, or other investigative demands from state or federal law enforcement agencies.
16. All communications between the Company and any business that has processed, facilitated, or otherwise assisted the Company or any of the Subject Persons in accepting credit card payments from consumers paying for cruise tickets or travel vacation packages, to the extent such communications are related to complaints, inquiries, or audits or investigations of high numbers of consumer refunds or charge back requests.
17. All records related to telephone numbers, caller ID numbers, or direct inbound dial numbers licensed, owned, or controlled by you, including the dates the Company licensed, owned, or controlled such numbers.
18. The Company's written policies and procedures for compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
19. The Company's written policies and procedures for issuing refunds to consumers or individuals who have requested a refund.

B. Requests for Answers to Interrogatories

1. Identify all sources of the Company's income from January 1, 2015 to present.
2. Identify all customers and businesses on whose behalf the Company engages in or assists with the initiation of Telemarketing calls.
3. State the Company's full legal name, principal address, other mailing addresses, principal telephone number, and all other names under which the Company has done business.
4. Identify the Company's wholly owned subsidiaries, parent companies, unincorporated divisions, joint ventures, partnerships, operations under assumed names, and predecessor companies, and describe the relationship of each to the company.
5. Identify all individuals who assisted with the formation of the Company and describe the assistance provided by each such person.
6. Identify all of the Company's principals, owners, members or stockholders with five percent or more ownership of the company, officers, directors, managers, and any other individual with actual, implied, or *de facto*, authority to control the company's business practices.
7. Identify the individual or individuals responsible for the Company's compliance with the Telemarketing Sales Rule, 16 C.F.R. § 310 *et seq.*
8. List the subscriber access number(s), if any, used by the Company or on behalf of the Company to access the National Do Not Call Registry.
9. Identify the individual(s) who downloaded the National Do Not Call Registry on the Company's behalf.
10. For each Subject Person, provide:
 - a. That Subject Person's name, address, telephone number, and website;
 - b. The names, telephone numbers, and email addresses of all individuals, businesses, or entities that have communicated with you on behalf of that Subject Person;
 - c. The Company's principal point of contact with that Subject Person;
 - d. A description of all services the Company provided to that Subject Person;
 - e. All individuals, businesses, or entities that have paid the Company for goods or services the Company provided to that Subject Person;

- f. The means and source of payment used to pay the Company for services rendered to that Subject Company (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);
 - g. The amount of money the Company received from or on behalf of that Subject Person in each calendar year since 2015;
 - h. That Subject Person's employee(s) or agent(s) responsible for compliance with the Telemarketing Sales Rule.
11. For all Outbound Telephone Calls placed for, by, or on behalf of any Subject Person, identify:
- a. All vendors or third-parties that provided any technical assistance, software, servers, caller ID numbers, or other support in using the automated dialing technology;
 - b. The type of automated dialing platform used;
 - c. Each URL at which the Company logs in to update, adjust settings, load caller ID lists, load lists of numbers to call, loads prerecorded messages, or start automated dialing calls;
 - d. The IP address of each server that hosts the automated dialing platform;
 - e. Each business or individual that owns the server that hosts the automated dialing platform; and
 - f. Each business or individual that provides VoIP lines to place the Outbound Telephone Calls.
12. For each Outbound Telephone Call included in records produced in response to Document Requests Nos. 4 and 5, Identify:
- a. Each business or individual that provided the list of telephone numbers to be called;
 - b. Each person who loaded that list of telephone numbers into the automated dialing system or software;
 - c. Each person who adjusted the dialing speed settings in any predictive dialing campaign;
 - d. Each person who uploaded any prerecorded messages that were delivered with the calls;

- e. Each person who created any prerecorded messages that were delivered with the calls;
 - f. Each person who performed any scrubbing to ensure that numbers on the National Do Not Call Registry were not called;
 - g. Each person who uploaded or inserted caller ID numbers to be displayed in the Outbound Telephone Calls; and
 - h. All individuals who assisted with, managed, or supervised the activities described above in Interrogatory 12(a)-(g).
13. Identify all third-party vendors or businesses the Company has used or contracted with for automated dialing, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting.
14. For each document produced in response to Document Requests Nos. 10, 11, 12, 18, and 19, Identify each person who drafted or edited that document and the person who approved the final version.
15. Describe in detail the Company's relationship, contractual or otherwise, and contacts with the Port of Palm Beach and/or the M.V. Grand Celebration and/or its owners.
16. Identify all lawsuits against you and government investigations of you, related to: (a) Telemarketing; (b) automated dialing; or (c) the Subject Persons.
17. Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts during the Applicable Time Period, and provide all related bank account and credit card numbers.
18. Identify the name of all payment processors with which the Company has maintained any account during the Applicable Time Period.
19. Identify all individuals, other than outside legal counsel, involved in preparing responses to these interrogatories, involved in compiling information for purposes of responding to these interrogatories or the above requests for production of documents, and state those individuals' position or affiliation with you.

C. Topics for Testimony at Investigational Hearing

- 1. Without regard to time period, the witness' background, including without limitation his or her age, education, training, residence, employment history, prior and current work in Telemarketing, prior and current work in the cruise or travel industry, prior and current work for the Company, and current and prior relationship to the Subject Persons.

2. The above Requests for the Production of Documents and the Company's responses thereto.
3. The above Interrogatories and the Company's responses thereto.
4. The Company's clients, Persons, and vendors involved in the sale, marketing, advertising, and promotion of cruise vacations or travel vacation packages.
5. The Company's Telemarketing and automated dialing practices.
6. Without regard to time period, the Company's compliance with the Telemarketing Sales Rule.
7. Without regard to time period, the Company's prior responses to state or federal law enforcement investigations or inquiries.
8. Without regard to time period, the Company's formation, and the individuals involved in that process.
9. Without regard to time period, the Company's relationship and contacts with the Subject Persons.
10. Without regard to time period, the Company's relationship and contacts with the Port of Palm Beach and/or the MV Grand Celebration Cruise Ship, and/or the MV Grand Classica Cruise Ship.

DEFINITIONS

The following definitions apply to this CID:

D-1. "**Advertisement**" or "**Advertising**" or "**Ad**" means any written or verbal statement, illustration, or depiction that promotes the sale of a good or service or is designed to increase consumer interest in a brand, good, or service. Advertising media includes, but is not limited to: packaging and labeling; promotional materials; print; television; radio; and Internet, social media, and other digital content.

D-2. "**Caller Identification Service**" means a service that allows a telephone subscriber to have the telephone number, and, where available, name of the calling party transmitted.

D-3. "**Communication**" means any written or verbal statement, including without limitation emails (including emails on which the Company was copied or blind copied), text messages, skype instant messages, online chat messages, and messages delivered through any smart phone application.

D-4. "**Company,**" "You" or "Your" means Royal Seas Cruises, Inc., its wholly or partially owned subsidiaries, unincorporated divisions, joint ventures, operations under assumed names, and affiliates, and all directors, officers, members, employees, agents, consultants, and other persons working for or on behalf of the foregoing.

D-5. “**Document**” means the complete original, all drafts, and any non-identical copy, whether different from the original because of notations on the copy, different metadata, or otherwise, of any item covered by 15 U.S.C. § 57b-1(a)(5), 16 C.F.R. § 2.7(a)(2), or Federal Rule of Civil Procedure 34(a)(1)(A).

D-6. “**Identify**” or “**the identity of**” requires identification of (a) natural persons by name, title, present business affiliation, present business address, telephone number, and email address or, if a present business affiliation or present business address is not known, the last known business and home addresses; and (b) businesses or other organizations by name, address, and the identities of your contact persons at the business or organization.

D-7. “**Lead Generation**” means providing, in exchange for consideration, consumer information, such as telephone numbers, to a third-party for use in the marketing or sale of goods or services.

D-8. “**National Do Not Call Registry**” shall mean the registry of telephone numbers maintained by the Commission as set forth in 16 C.F.R. § 310.4(b)(1)(iii)(B).

D-9. “**Outbound Telephone Call**” means a telephone call initiated by a Telemarketer to induce the purchase of goods or services or to solicit a charitable contribution, including a telephone call initiated to deliver a recorded message describing sales events, encourage visits to retail stores, or promote online sales.

D-10. “**Telemarketer**” shall mean any person who, in connection with telemarketing, initiates or receives telephone calls to or from consumers.

D-11. “**Telemarketing**” shall mean a plan, program, or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call.

D-12. “**Voice Broadcasting**” means initiating telephone calls to send, or providing software or support to others to allow the others to send, prerecorded messages to answering machines, voice mail systems, or persons, but does not include: (1) delivering messages designed to induce voting or the donation or gift of money or other thing of value to promote the success of a political party, committee or campaign; or (2) delivering emergency or alert messages from a government authority.

INSTRUCTIONS

I-1. **Petitions to Limit or Quash:** You must file any petition to limit or quash this CID with the Secretary of the FTC no later than twenty (20) days after service of the CID, or, if the return date is less than twenty (20) days after service, prior to the return date. Such petition must set forth all assertions of protected status or other factual and legal objections to the CID and comply with the requirements set forth in 16 C.F.R. § 2.10(a)(1) – (2). **The FTC will not consider petitions to quash or limit if you have not previously met and conferred with FTC staff and, absent extraordinary circumstances, will consider only issues raised during the meet and confer process.** 16 C.F.R. § 2.7(k); *see also* § 2.11(b). **If you file a petition to limit or**

quash, you must still timely respond to all requests that you do not seek to modify or set aside in your petition. 15 U.S.C. § 57b-1(f); 16 C.F.R. § 2.10(b).

I-2. Withholding Requested Material / Privilege Claims: If you withhold from production any material responsive to this CID based on a claim of privilege, work product protection, statutory exemption, or any similar claim, you must assert the claim no later than the return date of this CID, and you must submit a detailed log, in a searchable electronic format, of the items withheld that identifies the basis for withholding the material and meets all the requirements set forth in 16 C.F.R. § 2.11(a) – (c). The information in the log must be of sufficient detail to enable FTC staff to assess the validity of the claim for each document, including attachments, without disclosing the protected information. If only some portion of any responsive material is privileged, you must submit all non-privileged portions of the material. Otherwise, produce all responsive information and material without redaction. 16 C.F.R. § 2.11(c). The failure to provide information sufficient to support a claim of protected status may result in denial of the claim. 16 C.F.R. § 2.11(a)(1).

I-3. Modification of Specifications: The Bureau Director, a Deputy Bureau Director, Associate Director, Regional Director, or Assistant Regional Director must agree in writing to any modifications of this CID. 16 C.F.R. § 2.7(l).

I-4. Scope of Search: This CID covers documents and information in your possession or under your actual or constructive custody or control, including documents and information in the possession, custody, or control of your attorneys, accountants, directors, officers, employees, service providers, and other agents and consultants, whether or not such documents or information were received from or disseminated to any person or entity.

I-5. Identification of Responsive Documents: For specifications requesting production of documents, you must identify in writing the documents that are responsive to the specification. Documents that may be responsive to more than one specification of this CID need not be produced more than once. If any documents responsive to this CID have been previously supplied to the FTC, you may identify the documents previously provided and the date of submission.

I-6. Maintain Document Order: You must produce documents in the order in which they appear in your files or as electronically stored. If documents are removed from their original folders, binders, covers, containers, or electronic source, you must specify the folder, binder, cover, container, or electronic media or file paths from which such documents came.

I-7. Numbering of Documents: You must number all documents in your submission with a unique identifier such as a Bates number or a document ID.

I-8. Production of Copies: Unless otherwise stated, you may submit copies in lieu of original documents if they are true, correct, and complete copies of the originals and you preserve and retain the originals in their same state as of the time you received this CID. Submission of copies constitutes a waiver of any claim as to the authenticity of the copies should the FTC introduce such copies as evidence in any legal proceeding.

I-9. Production in Color: You must produce copies of advertisements in color, and you must produce copies of other materials in color if necessary to interpret them or render them intelligible.

I-10. Electronically Stored Information: See the attached FTC Bureau of Consumer Protection Production Requirements (“Production Requirements”), which detail all requirements for the production of electronically stored information to the FTC. You must discuss issues relating to the production of electronically stored information with FTC staff **prior to** production.

I-11. Sensitive Personally Identifiable Information (“Sensitive PII”) or Sensitive Health Information (“SHI”): If any materials responsive to this CID contain Sensitive PII or SHI, please contact FTC counsel before producing those materials to discuss whether there are steps you can take to minimize the amount of Sensitive PII or SHI you produce, and how to securely transmit such information to the FTC.

Sensitive PII includes an individual’s Social Security number; an individual’s biometric data (such as fingerprints or retina scans, but not photographs); and an individual’s name, address, or phone number in combination with one or more of the following: date of birth, Social Security number, driver’s license or state identification number (or foreign country equivalent), passport number, financial account number, credit card number, or debit card number. SHI includes medical records and other individually identifiable health information relating to the past, present, or future physical or mental health or conditions of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

I-12. Interrogatory Responses: For specifications requesting answers to written interrogatories, answer each interrogatory and each interrogatory subpart separately and fully, in writing, and under oath.

I-13. Submission of Documents in Lieu of Interrogatory Answers: You may answer any written interrogatory by submitting previously existing documents that contain the information requested in the interrogatory so long as you clearly indicate in each written interrogatory response which documents contain the responsive information. For any interrogatory that asks you to identify documents, you may, at your option, produce the documents responsive to the interrogatory so long as you clearly indicate the specific interrogatory to which such documents are responsive.

Federal Trade Commission Bureau of Consumer Protection
Production Requirements
Revised February 2018

In producing information in to the FTC, you must comply with the following production requirements, unless the FTC agrees otherwise. If you have any questions about these requirements, please contact FTC Counsel before production.

Production Format

1. **General Format:** Provide load-ready electronic productions with: (a) an Opticon image load file (.OPT) containing a line for every image file; and (b) a delimited data load file (.DAT) containing a line for every document, with bates references, metadata fields, and native file links, where applicable.
2. **Electronically Stored Information (“ESI”):** Documents stored in electronic format in the ordinary course of business must be produced in the following format:
 - a. For ESI other than the categories described below, submit in native electronic format with extracted text or Optical Character Recognition (OCR), all metadata, and corresponding image renderings converted to Group IV, 300 DPI, single-page Tagged Image File Format (TIFF) or color JPEG images (if color is necessary to interpret the contents or render them intelligible).
 - b. For Microsoft Excel, Access, or PowerPoint files, submit in native format with extracted text and metadata. Data compilations in Excel spreadsheets or in delimited text formats must contain all underlying data, formulas, and algorithms without redaction.
 - c. For other spreadsheet, database, presentation, or multimedia formats; instant messages; or proprietary applications, discuss production format during the meet and confer.
3. **Hard Copy Documents:** Documents stored in hard copy in the ordinary course of business must be scanned and submitted as 300 DPI individual single page TIFFs (or color JPGs when necessary to interpret documents or render them intelligible), with corresponding document-level OCR text and logical document determination in an accompanying load file.
4. **Extracted Text/OCR:** Submit text as document-level text files, named for the beginning bates number, and organized into a folder separate from images. We cannot accept Unicode text files.
5. **Document Identification:** Provide a unique DocId or bates number for each hard copy or electronic document, consisting of a prefix and a consistent number of numerals using leading zeros. Do not use a space to separate the prefix from numbers.
6. **Attachments:** Preserve the parent/child relationship by producing attachments as separate documents, numbering them consecutively to the parent email, and including a reference to all attachments.
7. **Metadata Production:** For each document submitted electronically, include standard metadata fields in a standard ASCII delimited data load file. The first line of the data load file shall include the field names. Submit date and time data in separate fields. Use these delimiters in delimited data load files:

Description	Symbol	ASCII Character
Field Separator	<	20
Quote Character	”	254

Multi Entry delimiter	®	174
<Return> Value in data	~	126

8. **De-duplication:** Do not use de-duplication or email threading software without FTC counsel approval.
9. **Password-Protected Files:** Remove passwords prior to production. If password removal is not possible, provide the original and production filenames and the password under separate cover.
10. **Sensitive PII or SHI:** Use data encryption to protect any Sensitive PII or SHI (as defined in the CID Schedule). Provide encryption passwords in advance of delivery, under separate cover.

Producing and Submitting Media to the FTC

1. Prior to production, scan all media and data for viruses and confirm the media and data are virus-free.
2. For productions smaller than 50 GB, the FTC can accept electronic file transfer via FTC-hosted secure file transfer protocol (Accellion or SecureZip). Contact FTC counsel to request this option. The FTC cannot accept files via Dropbox, Google Drive, OneDrive, or other third-party file transfer sites.
3. Use the least amount of media necessary for productions. Acceptable media formats are CDs, DVDs, flash drives, and hard drives. Format all media for use with Windows 7.
4. Use a courier service (e.g., Federal Express, UPS) because heightened security measures delay postal delivery. Mark the exterior of all packages containing electronic media with the following:

MAGNETIC MEDIA – DO NOT X-RAY
MAY BE OPENED FOR INSPECTION

5. Provide a production transmittal letter with each production that includes:
 - a. Production volume name (e.g., Volume 1), date of production, and numeric DocID number range of all documents included in the production;
 - b. List of custodians and the DocID number range for each custodian;
 - c. Total number of records and all underlying images, emails, and associated attachments, native files, and databases in the production
 - d. List of load file fields in the order in which they are organized in the data file.

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Maureen K. Ohlhausen
Terrell McSweeney

RESOLUTION DIRECTING USE OF COMPULSORY PROCESS IN A NONPUBLIC
INVESTIGATION OF TELEMARKETERS, SELLERS, SUPPLIERS, OR OTHERS

File No. 012 3145

Nature and Scope of Investigation:

To determine whether unnamed telemarketers, sellers, or others assisting them have engaged or are engaging in: (1) unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45 (as amended); and/or (2) deceptive or abusive telemarketing acts or practices in violation of the Commission's Telemarketing Sales Rule, 16 C.F.R. pt 310 (as amended), including but not limited to the provision of substantial assistance or support — such as mailing lists, scripts, merchant accounts, and other information, products, or services — to telemarketers engaged in unlawful practices. The investigation is also to determine whether Commission action to obtain monetary relief would be in the public interest.

The Federal Trade Commission hereby resolves and directs that any and all compulsory processes available to it be used in connection with this investigation for a period not to exceed five years from the date of issuance of this resolution. The expiration of this five-year period shall not limit or terminate the investigation or the legal effect of any compulsory process issued during the five-year period. The Federal Trade Commission specifically authorizes the filing or continuation of actions to enforce any such compulsory process after the expiration of the five-year period.

Authority to Conduct Investigation:

Sections 6, 9, 10, and 20 of the Federal Trade Commission Act, 15 U.S.C. §§ 46, 49, 50, 57b-1 (as amended); and FTC Procedures and Rules of Practice, 16 C.F.R. §§ 1.1 *et seq.* and supplements thereto.

By direction of the Commission.



Donald S. Clark
Secretary

Issued: April 1, 2016

CERTIFICATION OF RECORDS OF REGULARLY CONDUCTED ACTIVITY
Pursuant to 28 U.S.C. § 1746

1. I, _____, have personal knowledge of the facts set forth below and am competent to testify as follows:
2. I have authority to certify the authenticity of the records produced by Royal Seas Cruises, Inc. (the "Company") and attached hereto.
3. The documents produced and attached hereto by the Company are originals or true copies of records of regularly conducted activity that:
 - a) Were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of those matters;
 - b) Were kept in the course of the regularly conducted activity of the Company; and
 - c) Were made by the regularly conducted activity as a regular practice of the Company.

I certify under penalty of perjury that the foregoing is true and correct.

Date: _____

Signature

PETITION EXHIBIT (PX) 12

Email from Jody Goodman to Jeffrey
Backman

(December 27, 2018)

From: Goodman, Jody
Sent: Thursday, December 27, 2018 6:01 PM
To: 'Jeffrey Backman' <Jeffrey.Backman@gmlaw.com>
Cc: Brown, Christopher <cbrown3@ftc.gov>; Gregg Strock <Gregg.Strock@gmlaw.com>; Richard Epstein <Richard.Epstein@gmlaw.com>; Barlow, Ian (ibarlow@ftc.gov) <ibarlow@ftc.gov>
Subject: RE: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]

Hi Jeff,

As of tomorrow (12/28) at 11:59 pm, the FTC will be closed due to the government shutdown. We are not permitted to work while the agency is not operating. We nonetheless expect that you will produce timely responses to the CIDs we have served on your clients. Because nobody will be available to send you a link to upload electronic files, please send the data on a CD or flash drive, via FedEx. Should you have urgent questions, a manager will be available to respond. I will send you a contact list via separate email, probably tomorrow.

Since we were not able to confer on your email concerning your responses, I have annotated the substance of your email below, with our comments in red:

1. Jim Verrillo
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below. **Please identify the companies for which accounts are accessible. Also, searches should be run on personal accounts and text messages, to the extent that personal accounts contain business communications.**
2. Dan Lambert
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below. **Please identify the companies for which accounts are accessible. Also, searches should be run on personal accounts and text messages, to the extent that personal accounts contain business communications.**
3. Melissa Hanson
 - a. Will be a custodian for the ESI searches referenced below for RSC.
4. Paul Heyden
 - a. Will be a custodian for the ESI searches referenced below for RSC.
5. Jeff Tellam
 - a. Will be a custodian for the ESI searches referenced below for RFSI. **Dan Lambert and James Verillo should also be custodians for RFSI.**
6. Cruise Operator, Inc. ("CO")

- a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder).
7. BPCL Management, LLC (“BPCL”)
 - a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder). **We request contracts and agreements with Greenspoon Marder that are not privileged.**
8. Royal Seas Cruises, Inc. (“RSC”)
 - a. A summary of all marketing for the relevant time period.
 - b. We will search for documents/emails to and from domain names that we are aware of, if any, associated with all entities listed on Request No. 2 with the exception of BPCLM, RSC, RFSI, NW, CO, James Verrillo, Daniel Lambert, Edward Levitan, Charlie Kinnear, Melissa Hanson, Paul Heyden, Jeff Telum, Paradise Cruise Line Operator, Ltd., Inc., Kevin Sheehan, The Port of Palm Beach, and Greenspoon Marder. **We do not agree to these exceptions. Searches should be run on these individuals and entities.** There are several names and entities on the list with which we are not familiar and do not have domain names – we will let you know those in connection with our response.
 - c. We will then run ESI searches using the following search terms only, to and from domain names that we are aware of, if any, associated with the excepted names and entities identified in 8.b. above (with the exception of Greenspoon Marder – as discussed, no information with Greenspoon Marder will be provided). **All the entities and individuals listed in 2(a)-(oo) should be used as search terms, without business entity terms such as “LLC” and “Inc.” In most cases. Searching for an individual’s last name will probably yield the best results. In addition, we propose the following terms:**

1. Automated call*
2. Automated dial*
3. Avatar
4. “Avatar Technologies”
5. BBB
6. “Better Business Bureau”
7. bpsNode
8. “call center*”
9. “caller ID”
10. “Charge back”
11. Chargeback
12. “cold call*”
13. DNC
14. “do not call list”
15. “inbound call”
16. “inbound transfer”
17. “outbound call*”
18. Lead w/2 (generate or generator or generating)
19. Prerecorded
20. ProCall
21. ProFronter
22. Robocall*

- 23. Script*
- 24. Soundboard
- 25. Subpoena*
- 26. "Sun Telecom"
- 27. "voice broadcasting"
- 28. VOIP
- 29. Ytel

- i. Robo Dial
 - ii. Robo Dialer
 - iii. Robo Dialing
 - iv. Spoof
 - v. Spoof Caller ID
 - vi. Spoof Caller Identification
 - vii. Spoofed
 - viii. Spoofed Caller ID
 - ix. Spoofed Caller Identification
 - x. Spoofing
 - xi. Spoofing Caller ID
 - xii. Spoofing Caller Identification
 - xiii. Pre-Recorded
 - xiv. Pre-Recorded Voice
 - xv. Pre-Recorded Message
 - xvi. Prerecorded
 - xvii. Prerecorded Voice
 - xviii. Prerecorded Message
- 9. Nationwide Reservations, Inc. ("NW")
 - a. Same as RSC
- 10. Reservations & Fulfillment Services, Inc. ("RFSI")
 - a. Same as RSC
- 11. "Subject Persons" is limited to the names and entities set forth in Request for production No. 2.
- 12. All Requests are limited to Telemarketing Calls utilizing prerecorded messages and/or spoofed caller ID.
- 13. All Requests are limited to the M/V Grand Celebration.
- 14. No documents or information exchanged with or included counsel need to be provided or logged. **We did not agree to this. Non-privileged documents (such as communications that involve a third party) should be produced. Individual attorney-client documents do not need to be individually logged.**
- 15. The same limitations set forth above with respect to the Requests for Production apply to corresponding Interrogatories.
- 16. Requests seeking financial, banking and payment processing information do not need to be responded to at this time. However, information regarding financial transactions with Blake
Curtis, Tony D. and any of their known related entities listed in the CID will be provided.
- 17. For Interrogatory 2, we will not disclose the names of the entities, but we will provide specific descriptions of any Telemarketing calls initiated by third parties, if any, engaged by the

company. **We disagree; you should disclose the names of relevant entities, but not individuals.**

18. Respondents will respond based on the information within their possession. Some of the Respondents are no longer in business and may not have access to computers or servers, but we will provide that information at the time of our written responses.

19. We will also identify appropriate custodians, if any, other than the 5 individuals specifically referenced above.

20. To the extent, after you review the various forms of marketing and other information, you believe you need additional information, we can address it at that time.

Thank you for your cooperation. If you're available to talk tomorrow, I will be available. If not, we will be in touch as soon as we are back in operation.

Regards,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman <Jeffrey.Backman@enclaw.com>
Sent: Wednesday, December 26, 2018 10:45 AM
To: Goodman, Jody <jgoodman1@ftc.gov>
Cc: Brown, Christopher <cbrown@ftc.gov>; Gregg Stroock <Gregg.Stroock@enclaw.com>; Richard Epstein <Richard.Epstein@enclaw.com>
Subject: Re: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]

I'm out of the office, returning January 2

Jeffrey A. Backman

On Dec 26, 2018, at 10:14 AM, Goodman, Jody <jgoodman1@ftc.gov> wrote:

Hi Jeff,
If you are working today or tomorrow, could we please set a time to discuss this? The FTC is open this week, using its own funds, but we are likely to be shut down as of

Friday at noon (and I'm off on Friday anyway).

Best,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman Jeffrey.Backman@ftc.gov
Sent: Friday, December 14, 2018 2:28 PM
To: Goodman, Jody jgoodman1@ftc.gov; Brown, Christopher cbrown@ftc.gov
Cc: Gregg Strock gstrock@ftc.gov; Richard Epstein Richard.Epstein@ftc.gov
Subject: RE: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]
Importance: High

Jody and Chris, it was good talking to you again yesterday. I've summarized below what we discussed and agreed to. I've also included the proposed search terms as referenced on the call. It's my understanding that the below is agreeable to you and limits to scope of the CIDs to our clients accordingly. If you want to propose any additional search terms, let me know ASAP, but we'll get started with the below. To the extent you all want to ask for more at a later date, you are free to do so and, in turn, our right to object and/or file a petition will begin to run from the time you seek additional documents or information.

1. Jim Verrillo
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below.
2. Dan Lambert
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below.
3. Melissa Hanson
 - a. Will be a custodian for the ESI searches referenced below for RSC.
4. Paul Heyden
 - a. Will be a custodian for the ESI searches referenced below for

- RSC.
5. Jeff Tellam
 - a. Will be a custodian for the ESI searches referenced below for RFSI.
 6. Cruise Operator, Inc. (“CO”)
 - a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder).
 7. BPCL Management, LLC (“BPCL”)
 - a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder).
 8. Royal Seas Cruises, Inc. (“RSC”)
 - a. A summary of all marketing for the relevant time period.
 - b. We will search for documents/emails to and from domain names that we are aware of, if any, associated with all entities listed on Request No. 2 with the exception of BPCLM, RSC, RFSI, NW, CO, James Verrillo, Daniel Lambert, Edward Levitan, Charlie Kinnear, Melissa Hanson, Paul Heyden, Jeff Telum, Paradise Cruise Line Operator, Ltd., Inc., Kevin Sheehan, The Port of Palm Beach, and Greenspoon Marder. There are several names and entities on the list with which we are not familiar and do not have domain names – we will let you know those in connection with our response.
 - c. We will then run ESI searches using the following search terms only, to and from domain names that we are aware of, if any, associated with the excepted names and entities identified in 8.b. above (with the exception of Greenspoon Marder – as discussed, no information with Greenspoon Marder will be provided).
 - i. Robo Dial
 - ii. Robo Dialer
 - iii. Robo Dialing
 - iv. Spoof
 - v. Spoof Caller ID
 - vi. Spoof Caller Identification
 - vii. Spoofed
 - viii. Spoofed Caller ID
 - ix. Spoofed Caller Identification
 - x. Spoofing
 - xi. Spoofing Caller ID
 - xii. Spoofing Caller Identification
 - xiii. Pre-Recorded
 - xiv. Pre-Recorded Voice
 - xv. Pre-Recorded Message
 - xvi. Prerecorded
 - xvii. Prerecorded Voice
 - xviii. Prerecorded Message
 9. Nationwide Reservations, Inc. (“NW”)
 - a. Same as RSC
 10. Reservations & Fulfillment Services, Inc. (“RFSI”)
 - a. Same as RSC
 11. “Subject Persons” is limited to the names and entities set forth in

Request for production No. 2.

12. All Requests are limited to Telemarketing Calls utilizing prerecorded messages and/or spoofed caller ID.

13. All Requests are limited to the M/V Grand Celebration.

14. No documents or information exchanged with or included counsel need to be provided or logged.

15. The same limitations set forth above with respect to the Requests for Production apply to corresponding Interrogatories.

16. Requests seeking financial, banking and payment processing information do not need to be responded to at this time. However, information regarding financial transactions with Blake

Curtis, Tony D. and any of their known related entities listed in the CID will be provided.

17. For Interrogatory 2, we will not disclose the names of the entities, but we will provide specific descriptions of any Telemarketing calls initiated by third parties, if any, engaged by the company.

18. Respondents will respond based on the information within their possession. Some of the Respondents are no longer in business and may not have access to computers or servers, but we will provide that information at the time of our written responses.

19. We will also identify appropriate custodians, if any, other than the 5 individuals specifically referenced above.

20. To the extent, after you review the various forms of marketing and other information, you believe you need additional information, we can address it at that time.

Thanks for working with us on this. We hope to respond, at a minimum, with the start of a rolling production and answers to the Interrogatories, by the extended date of January 7, 2019. If the searches are taking longer, we will let you know and keep you informed of our progress.

Sincerely,

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@esblaw.com

<http://www.esblaw.com>

<image001.jpg>

From: Goodman, Jody [mailto:jody.goodman@esblaw.com]

Sent: Thursday, December 13, 2018 11:46 AM

To: Jeffrey Backman; Brown, Christopher
Cc: Gregg Strock
Subject: RE: FTC CID Matter No. 1623005 [IWOV-ACTIVE.FID12481621]

Thanks, Jeff. You did not request an extension of the petition deadline on our call, but we can discuss this with you today if you'd like. We have discussed your request for an extension of the response deadline with our managers, and we have authority to grant you until January 7th for that. We are also happy to discuss a reasonable schedule for investigational hearings.

We are available today at 2 or 4 for a call. Is one of those times good for you?

Best,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman jbackman@ftc.gov
Sent: Thursday, December 13, 2018 11:00 AM
To: Brown, Christopher cbrown3@ftc.gov; Goodman, Jody jgoodman1@ftc.gov
Cc: Gregg Strock Gregg.Strock@ftc.gov
Subject: FTC CID Matter No. 1623005 [IWOV-ACTIVE.FID12481621]

Chris/Jody, it was good having that initial conversation on Monday. I've since spoken with my clients about the various parameters we generally discussed and would like to have a follow up call so we can be sure we are all on the same page as we move forward. Are you available this afternoon or tomorrow afternoon?

Also, you were going to get back to me on the enlargement of time of all the deadlines – Petition, Production and Hearing. I think it makes sense in light of our first discuss, and the one that we'll have today or tomorrow, that we all not be bogged down in Petitions to Limit/Quash – but instead focus on what it seems are really the issues/people/entities you're looking into. We have no objection to you revisiting matters that, for now, you agree don't need to be a part of my clients' responses.

Thanks,

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@enlaw.com

<http://www.enlaw.com>

<image001.jpg>

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Unless specifically indicated otherwise, any discussion of tax issues contained in this e-mail, including any attachments, is not, and is not intended to be, "written advice" as defined in Section 10.37 of Treasury Department Circular 230.

A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

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PETITION EXHIBIT (PX) 13

Letter from Lois Greisman, Associate
Director, Division of Marketing Practices,
to Jeffrey Backman

(February 28, 2019)



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Bureau of Consumer Protection
Division of Marketing Practices

February 28, 2019

VIA PDF E-MAIL ATTACHMENT
(Jeffrey.Backman@gmlaw.com)

Cruise Operator, Inc., Reservations & Fulfillment Services, Inc.,
BPCL Management, LLC, Nationwide Reservations, Inc.,
Daniel Lambert, James Verillo, Jeff Tellam, Royal Seas, Inc.,
Paul Heyden, and Melissa Hanson
c/o Jeffrey A. Backman, Esq.
Greenspoon Marder LLP
200 East Broward Boulevard, Suite 1800
Fort Lauderdale, FL 33301

Re: Civil Investigative Demands issued November 21, 2018 to Cruise Operator, Inc., Reservations & Fulfillment Services, Inc., BPCL Management, LLC, Nationwide Reservations, Inc., Daniel Lambert, James Verillo, Jeff Tellam, Royal Seas, Inc., Paul Heyden, and Melissa Hanson in FTC Matter No. 1623005 regarding a Nonpublic Investigation of Telemarketers, Sellers, Suppliers, or Others

Mr. Backman:

This letter modifies the above-referenced Civil Investigative Demands ("CIDs") as follows:

- The return deadline for answers to interrogatories and the requests for production of documents is extended to Monday, January 7, 2019
- Additional modifications are:

SPECIFICATIONS

"Subject Persons": "Subject Persons" is defined as the individuals and entities set forth in Request for Production No. 2(a) through (oo) involved in the sale, marketing, advertising, promotion, and/or fulfillment of cruise vacations or travel vacation packages aboard the M/V Grand Celebration, including efforts to identify individuals potentially interested in purchasing such a cruise vacation.

A. Requests for Production of Documents

1. **All Communications between You and any of the Subject Persons related to:**
 - b. **Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation;**

This interrogatory is modified to read:

Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation *related to Telemarketing*;

2. **Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations, or (iii) any government law enforcement investigation between the Company and the following individuals and entities, regardless of whether they meet the definition of "Subject Persons":**

This interrogatory is modified to read:

Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations *in connection with Telemarketing*, or (iii) any government law enforcement investigation *related to Telemarketing* between the Company and *the individuals and entities set forth in Request for Production No. 2(a) through (oo)*.

3. **All of Your contracts, terms of service, written agreements with, and all invoices to or from:**
 - d. **Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons; and**

This interrogatory is modified to read:

All of Your contracts, terms of service, written agreements with, and all invoices to or from:

Any company or individual that has registered, hosted, or designed a website for You or any of the Subject Persons *in connection with Telemarketing*; and

B. Requests for Answers to Interrogatories

8. For each Subject Person, provide:

- f. **The means and source of payment used to pay the Company for services rendered to that Subject Person (such as the name of the payor, the name of the financial institution, and bank account and routing number information or credit card number);**

You shall respond for the Subject Persons listed in Request for Production No. 2(k) through (x) on or before the return deadline. Commission staff reserves the right to request, if necessary, that You respond for all remaining Subject Persons on or before the date of the investigational hearing.

- g. **The amount of money the Company paid to and/or received from that Subject Person in each calendar year since 2015**

You shall respond for the Subject Persons listed in Request for Production No. 2(k) through (x) on or before the return deadline. Commission staff reserves the right to request, if necessary, that You respond for all remaining Subject Persons on or before the date of the investigational hearing.

13. **Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts during the Applicable time Period, and provide all related bank account and credit card numbers**

This interrogatory is modified to read:

Identify the name of all banks and financial institutions with which the Company has maintained any depository or credit accounts *through which it has transacted business with any of the Subject Persons listed in Request for Production No. 2(k) through (x)* during the Applicable Time Period, and provide all related bank account and credit card numbers.

14. **Identify the name of all payment processors with which the Company has maintained any account during the Applicable Time Period.**

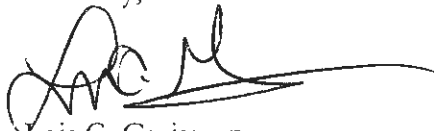
This interrogatory is modified to read:

Identify the name of all payment processors with which the Company has maintained any account *through which it has transacted business with any of the Subject Persons listed in Request for Production No. 2(k) through (x)* during the Applicable Time Period.

This constitutes the full extent of any modifications to the CID to which we have agreed pursuant to 16 C.F.R. §§ 2.7 (l) and 2.10(a)(5), and supersedes any previous modifications.

If you have any questions concerning the CID or this letter, please contact Christopher E. Brown (cbrown3@ftc.gov or (202) 326-2825) or Jody Goodman (jgoodman1@ftc.gov or (202) 326-3096). Thank you for your ongoing cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lois C. Greisman', with a long horizontal flourish extending to the right.

Lois C. Greisman
Associate Director

cc: Christopher E. Brown
Jody Goodman

PETITION EXHIBIT (PX) 14

Email from Jody Goodman to Jeffrey
Backman

(April 24, 2019)

From: Goodman, Jody
Sent: Wednesday, April 24, 2019 5:20 PM
To: 'Jeffrey Backman' <Jeffrey.Backman@gmlaw.com>; Brown, Christopher <cbrown3@ftc.gov>
Cc: Gregg Strock <Gregg.Strock@gmlaw.com>; '38541_0026 _Royal Seas Cruises_ Inc__ FTC CID to Royal Seas Cruises_ Inc__ 21_1 E_Mail' <{F12481621}.Active@gmlaw.imatech.work>
Subject: RE: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Jeff,

We are not expanding the scope of the CID. The conversations we had after the end of the shutdown resulted in the February 28 modification letter (attached). That letter controls the scope of the CID; your December 14 email does not.

You acknowledged receipt of the CIDs on November 28, 2018 – nearly five months ago. We understand the difficulties you describe concerning your clients, but the amount of time that has passed is extraordinary, and your current production is insufficient. We see no legal basis for your objection to producing the documents in accordance with the modification letter. The time for objecting to the CID is long past.

On multiple occasions, when you pushed back on our requests for documents, you stated that if we were not satisfied with the scope of your production, we should just let you know. At a minimum, you need to fully respond to the issues set forth in the April 10 email below before we can schedule investigational hearings. If you respond shortly, we are available for hearings on May 28-30 and June 4-5.

Regards,
Jody

From: Jeffrey Backman <Jeffrey.Backman@gmlaw.com>
Sent: Tuesday, April 23, 2019 3:32 PM
To: Goodman, Jody <jgoodman1@ftc.gov>; Brown, Christopher <cbrown3@ftc.gov>
Cc: Gregg Strock <Gregg.Strock@gmlaw.com>; '38541_0026 _Royal Seas Cruises_ Inc__ FTC CID to Royal Seas Cruises_ Inc__ 21_1 E_Mail' <{F12481621}.Active@gmlaw.imatech.work>
Subject: FW: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Jody, we are not ignoring you or our agreement to produce documents. As the responses state and as we have discussed several times, our agreement to produce documents was based upon my

December 12 e-mail. After the end of the shut-down, when you, me and Chris got on a follow up call, we went through that e-mail again and the substantial majority of the substance of it was in dispute. In fact, much of what you outline below as your areas of concern change the agreement we had; in other words, you are asking for new information and production outside the scope of our prior agreement. To suggest that our clients have not complied with their obligations based upon matters outside the scope of the prior agreement is improper.

As I also previously told you, our clients are trying to figure out which, if any, of your additional proposed search terms can be reasonably searched. I hope to have that information soon.

The hold-up has been, in part, because your CIDs are addressed to several entities that have not been in operation for years and individuals that have not been involved in the operations for years. And recently, Royal Seas has ceased its marketing business and is winding down affairs. This has also resulted in layoffs. So getting the right people to focus on this matters and gather additional information is taking more time than expected.

If you'd like to schedule investigational hearings, please let me know proposed dates.

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

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Direct Dial - (954)734-1853

Email: jeffrey.backman@gmlaw.com

<http://www.gmlaw.com>

GreenspoonMarder

From: Goodman, Jody [<mailto:jgoodman1@ftc.gov>]

Sent: Wednesday, April 10, 2019 11:21 AM

To: Jeffrey Backman; Gregg Strock

Cc: Brown, Christopher; '38541_0026 _Royal Seas Cruises_ Inc_ _ FTC CID to Royal Seas Cruises_ Inc_ 21_1 E-Mail'

Subject: RE: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Jeff,

We are concerned that you have not produced the entire universe of documents we would expect to see in response to the CIDs. Our position continues to be that all CID responses are limited by the FTC's Modification Letter dated February 28, 2019, not your email of December 14, 2018. To the extent that your CID responses are limited by the latter and not the former, please supplement your answers to interrogatories and document production immediately.

Although we cannot purport to know the entirety of what you have not produced, at a minimum we see the following problems:

In response to numerous requests for production your clients have answered that “[CID target] will provide responsive information, if any, within its possession, custody or control...” Please supplement each of these responses to plainly indicate whether your client did in fact provide responsive information. If no such information responsive to a particular request is in your client’s possession, custody or control, then please state so accordingly.

As to all CID recipients:

Your responses and production to RFPs 1 and 2 are insufficient, and perhaps illustrative of our disagreement concerning the scope of the CID. We are seeking relevant communications and documents between and among the CID recipients, on the topics articulated in the CID. In other words, for example, production of communications between RFSI and Blake Curtis or Anthony DiGiacomo are merely a part of what we seek. We also expect you to produce internal communications (between Dan Lambert and Jeff Tellam, for example) about the marketing conducted by various contractors and call centers.

As to all CID recipients except for Royal Seas:

We disagree with your interpretation of Request for Production 5, which reads:

All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.

You have stated you are not producing documents responsive to this request because your clients do not conduct “any type of marketing described in the CID.” If we accept that statement as true, your clients may still have communicated with *other parties* about such marketing. Your clients’ responses do not address whether any such communications exist.

Your production is not complete as to Request for Production 9.c.:

All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:

- a. Complaints from consumers;
- b. Complaints from the Better Business Bureau;
- c. Cease and desist letters, threats of lawsuits, or actual lawsuits....

You provided complaints from several lawsuits, without providing any other documents related to those lawsuits. *All* documents related to those cases (excluding privileged materials), would include pleadings, motions, and other docketed items from each case, as well as communications among

your clients, and between your clients and third parties, concerning the litigation. This would include settlement agreements.

As to Royal Seas:

Royal Seas' CID responses are also inadequate. Please produce all relevant communications between Royal Seas and the other CID recipients. Also, in numerous instances, the responses to document requests (e.g., No. 3) and answers to interrogatories (e.g., Nos. 2, 11, 12) fail to identify by name the relevant businesses and/or individuals that performed services or actions. For example, you must identify by name each lead generator, and not merely refer to "various consent based opt in lead generators." As requested above for all other CID recipients, please supplement Royal Seas' written responses to state plainly whether Royal Seas did in fact provide responsive information. For example, Royal Seas' document production does not appear to include email correspondence and/or agreements with lead generators or autodialer vendors, call records, or scripts. We expect that such documents would be in Royal Seas' possession, custody or control.

As we said above, the above examples are just examples; we cannot know precisely what you have not produced. We advise you to carefully read the CIDs to ensure that you have fully responded. And, if there are no documents responsive to a particular request, please notify us in writing to that effect.

We have been extremely accommodating of your schedule, but we need to conclude the CID process and schedule investigational hearings, preferably for mid- to late May. **Please produce supplemental responses and documents by April 17.** If supplemental responses and document production are not forthcoming, we may need to proceed with referral of this matter to the Commission's Office of General Counsel for judicial enforcement. We are available this week if you would like to discuss.

Best,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman <Jeffrey.Backman@gmlaw.com>
Sent: Tuesday, April 09, 2019 9:10 AM
To: Goodman, Jody <jgoodman1@ftc.gov>; Gregg Strock <Gregg.Strock@gmlaw.com>
Cc: Brown, Christopher <cbrown3@ftc.gov>; '38541_0026_Royal Seas Cruises_Inc__ FTC CID to Royal Seas Cruises_Inc__ 21_1 E_Mail' <{F12481621}.Active@gmlaw.imatege.work>
Subject: RE: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Good morning. I need to speak with my clients in greater detail, but I believe some searches on the disputed search terms are still being run.

Is there something in particular you're looking for? Do you have any questions or concerns regarding what has been provided thus far?

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

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Direct Dial - (954)734-1853

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<http://www.gmlaw.com>

GreenspoonMarder

From: Goodman, Jody [<mailto:jgoodman1@ftc.gov>]
Sent: Tuesday, April 02, 2019 5:20 PM
To: Gregg Strock; Jeffrey Backman
Cc: Brown, Christopher
Subject: RE: FTC/CID Matter - document production

Jeff/ Greg,

Is your production complete, or should we expect additional documents? Please let us know as soon as possible.

Thanks,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW

Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Gregg Strock <Gregg.Strock@gmlaw.com>
Sent: Wednesday, March 06, 2019 3:20 PM
To: Tyndall, Reeve <rtyndall@ftc.gov>; Jessica Serrano-Cartagena <Jessica.Serrano-Cartagena@gmlaw.com>; Goodman, Jody <jgoodman1@ftc.gov>
Subject: RE: FTC/CID Matter - document production / 38541.0026 [need addl FTC link]

We have some more documents. Please send another link.

Gregg I. Strock, Esq.
Associate
Greenspoon Marder LLP
200 East Broward Blvd., Suite 1800
Ft. Lauderdale, Florida 33301
Tel: (954) 491-1120
Email: gregg.strock@gmlaw.com
<http://www.gmlaw.com>

GreenspoonMarder

From: Tyndall, Reeve [<mailto:rtyndall@ftc.gov>]
Sent: Tuesday, March 05, 2019 4:42 PM
To: Jessica Serrano-Cartagena; Goodman, Jody
Cc: Gregg Strock
Subject: RE: FTC/CID Matter - document production / 38541.0026 [need addl FTC link]

Sent another upload link to both of you. Let me know if you have any issues.

From: Jessica Serrano-Cartagena [<mailto:Jessica.Serrano-Cartagena@gmlaw.com>]
Sent: Tuesday, March 05, 2019 4:37 PM
To: Tyndall, Reeve; Goodman, Jody
Cc: Gregg Strock
Subject: FTC/CID Matter - document production / 38541.0026 [need addl FTC link]

Good afternoon,

The first batch of document production was sent earlier today. We were unaware the link is valid only as a one-time use.

At your earliest convenience, can you please send us an additional FTC link so that I may upload the

additional zip folders to your attention.

Thank you,
Jessica Serrano-Cartagena

GreenspoonMarder

Jessica Serrano-Cartagena
Litigation Paralegal
Greenspoon Marder LLP
200 East Broward Boulevard, Suite #1800
Fort Lauderdale, FL 33301
Office: (954) 491-1120, Ext. 2646
Jessica.Serrano-Cartagena@gmlaw.com | www.gmlaw.com

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Unless specifically indicated otherwise, any discussion of tax issues contained in this e-mail, including any attachments, is not, and is not intended to be, "written advice" as defined in Section 10.37 of Treasury Department Circular 230.

A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

The information contained in this transmission may be attorney/client privileged and confidential. It is intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by reply e-mail.

Unless specifically indicated otherwise, any discussion of tax issues contained in this e-mail, including any attachments, is not, and is not intended to be, "written advice" as defined in Section 10.37 of Treasury Department Circular 230.

A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

PETITION EXHIBIT (PX) 15

Letter from Burke Kappler to Jeffrey
Backman

(May 16, 2019)



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Burke W. Kappler
Attorney
Office of General Counsel

Direct Dial: 202-326-2043
Fax : 202-326-2477
E-mail: bkappler@ftc.gov

May 16, 2019

BY EMAIL

Jeffrey A. Backman
200 East Broward Boulevard
Suite 1800
Fort Lauderdale, FL 33301
Email: Jeffrey.Backman@gmlaw.com

Re: Civil Investigative Demands issued November 21, 2018 to:

- (1) Cruise Operator, Inc.;
- (2) Reservations & Fulfillment Services, Inc.;
- (3) BPCL Management, LLC;
- (4) Nationwide Reservations, Inc.;
- (5) Royal Seas Cruises, Inc.;
- (6) Daniel Lambert;
- (7) James Verrillo;
- (8) Jeff Tellam;
- (9) Paul Heyden; and
- (10) Melissa Hanson.

Dear Mr. Backman:

I am an attorney with the Federal Trade Commission's Office of General Counsel. I am writing to inform you that staff in the FTC's Bureau of Consumer Protection, Division of Marketing Practices, have referred the above-listed civil investigative demands (CIDs) to our office because each of these recipients have failed to comply with the CIDs, as modified by the letter from Lois Greisman dated February 28, 2019. If this noncompliance continues, this office may seek to enforce the CIDs by filing a process enforcement action in federal district court.

These CIDs were issued nearly six months ago. None of these recipients filed a petition to limit or quash the CID. Yet it appears that the recipients have failed to comply with multiple CID specifications. We would be within our rights to enforce all of the CID specifications. Nonetheless, in the interests of efficient fact-finding and moving this investigation forward, we would be willing to forego requiring a full and complete response to each CID in its entirety, provided that each CID recipient cures its deficiencies by answering the following four targeted specifications as

directed below in a timely manner.

1. Request for Production 1 (all CIDs).

As modified by Ms. Greisman's February 28, 2019, letter, this specification asks for the following information:

All Communications between You and any of the Subject Persons related to:

- a. Automated dialing, Caller Identification Service, Caller ID Name ("CNAM"), data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting;
- b. Consumer complaints, inquiries from any Better Business Bureau, cease and desist letters, actual, or threatened litigation related to Telemarketing; or
- c. Inquiries, subpoenas, or other investigative demands by state or federal law enforcement agencies about unwanted sales calls or Telemarketing.

Although the recipients have produced some documents responsive to this specification, this production appears incomplete. To cure these deficiencies, each recipient should produce responsive communications between it and the other CID recipients, each of whom has been identified as a "Subject Person."¹ Specifically, recipients must produce responsive communications between and among the following entities:

- (1) Cruise Operator, Inc.;
- (2) Reservations & Fulfillment Services, Inc.;
- (3) BPCL Management, LLC;
- (4) Nationwide Reservations, Inc.;
- (5) Royal Seas Cruises, Inc.;
- (6) Daniel Lambert;
- (7) James Verrillo;
- (8) Jeff Tellam;
- (9) Paul Heyden; and
- (10) Melissa Hanson.

¹ As defined in Ms. Greisman's February 28, 2019 modification letter, "Subject Persons" means "the individuals and entities set forth in Request for Production No. 2(a) through (oo) involved in the sale, marketing, advertising, promotion, and/ or fulfillment of cruise vacations or travel vacation packages aboard the M/V Grand Celebration, including efforts to identify individuals potentially interested in purchasing such a cruise vacation." Each of the CID recipients is identified in this Request for Production No. 2(a) through (oo).

2. Request for Production 2 (all CIDs).

As modified by Ms. Greisman's February 28, 2019, letter, this specification asks for the following information:

Other than communications produced in response to No. 1, all other communications related to (i) Telemarketing, (ii) the sale, marketing, advertising, promotion, or fulfillment of cruises or travel vacations in connection with Telemarketing, or (iii) any government law enforcement investigation related to Telemarketing between the Company and the individuals and entities set forth in Request for Production No. 2(a) through (oo).

Although the recipients have produced some documents responsive to this specification this production, too, appears incomplete. To cure these deficiencies, each recipient should produce responsive communications between it and the other CID recipients, each of whom has been set forth in Request for Production No. 2(a) through (oo). Specifically, recipients must produce responsive communications between and among the following entities:

- (1) Cruise Operator, Inc.;
- (2) Reservations & Fulfillment Services, Inc.;
- (3) BPCL Management, LLC;
- (4) Nationwide Reservations, Inc.;
- (5) Royal Seas Cruises, Inc.;
- (6) Daniel Lambert;
- (7) James Verrillo;
- (8) Jeff Tellam;
- (9) Paul Heyden; and
- (10) Melissa Hanson.

3. Request for Production 5 (all CIDs except CID to Royal Seas Cruises, Inc.); and

Request for Production 9 (CID to Royal Seas Cruises, Inc.).

This specification asks for the following information:

All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.

Each recipient should produce those communications that are responsive to this

specification and to the search terms included in the attached Appendix 1.

4. **Request for Production 6(c) (CIDs to BPCL Management, LLC; Nationwide Reservations, Inc.; Reservation & Fulfillment Services, Inc.; and Jeff Tellam);**

Request for Production 9(c) (CIDs to Cruise Operator, Inc.; Melissa Hanson; Paul Heyden; Daniel Lambert; and James Verillo); and

Request for Production 15(c) (CID to Royal Seas Cruises, Inc.).

This specification asks for the following information:

All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including: . . .

c. Cease and desist letters, threats of lawsuits, or actual lawsuits.

Although the recipients have produced some documents responsive to this specification, this production, too, appears incomplete. To cure these deficiencies, each recipient must produce all documents related to actual lawsuits in its possession, custody, or control, including but not limited to complaints, pleadings, litigation filings, or other litigation-related records.

* * *

To cure these deficiencies, each recipient should produce the information described above on or before Thursday, May 30, 2019, along with a certificate of compliance from each recipient. Any failure to do so may result in the Office of General Counsel commencing judicial enforcement of that CID.

The recipients must produce this information to the custodians identified in the CIDs according to the directions and instructions provided. Further, in light of the number of CID recipients at issue, we further request that any production clearly indicate the submitter for each document to avoid confusion and to enable the Commission to abide by its statutory obligations. *See, e.g.*, 15 U.S.C. § 57b-2. This letter does not modify any of these CIDs, which have not been modified since February 28, 2019.

Please feel free to contact me if you have questions or wish to discuss.

Sincerely,

s/ Burke W. Kappler

Attorney, Federal Trade Commission

cc:

Michele Arington, Assistant General Counsel for Trial Court Litigation
(by email to marington@ftc.gov)

Jody Goodman
Attorney, Division of Marketing Practices
(by email to jgoodman1@ftc.gov)

Christopher Brown
Attorney, Division of Marketing Practices
(by email to cbrown3@ftc.gov)

Appendix 1: Search Terms

1. Automated call*
2. Automated dial*
3. Avatar
4. "Avatar Technologies"
5. BBB
6. "Better Business Bureau"
7. bpsNode
8. "call center*"
9. "caller ID"
10. "Charge back"
11. Chargeback
12. "cold call*"
13. DNC
14. "do not call list"
15. "inbound call"
16. "inbound transfer"
17. "outbound call*"
18. Lead w/2 (generate or generator or generating)
19. Prerecorded
20. ProCall
21. ProFronter
22. Robocall*
23. Script*
24. Soundboard
25. Subpoena*
26. "Sun Telecom"
27. "voice broadcasting"
28. VOIP
29. Ytel
30. Robo Dial
31. Robo Dialer
32. Robo Dialing
33. Spoof
34. Spoof Caller ID
35. Spoof Caller Identification
36. Spoofed
37. Spoofed Caller ID
38. Spoofed Caller Identification
39. Spoofing
40. Spoofing Caller ID
41. Spoofing Caller Identification
42. Pre-Recorded
43. Pre-Recorded Voice
44. Pre-Recorded Message
45. Prerecorded
46. Prerecorded Voice
47. Prerecorded Message

PETITION EXHIBIT (PX) 16

Letter from Burke Kappler to Jeffrey
Backman

(June 4, 2019)



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Burke W. Kappler
Attorney
Office of General Counsel

Direct Dial: 202-326-2043
Fax : 202-326-2477
E-mail: bkappler@ftc.gov

June 4, 2019

BY EMAIL

Jeffrey A. Backman
200 East Broward Boulevard
Suite 1800
Fort Lauderdale, FL 33301
Email: Jeffrey.Backman@gmlaw.com

Re: Civil Investigative Demands issued November 21, 2018 to:

- (1) Cruise Operator, Inc.;
- (2) Reservations & Fulfillment Services, Inc.;
- (3) BPCL Management, LLC;
- (4) Nationwide Reservations, Inc.;
- (5) Royal Seas Cruises, Inc.;
- (6) Daniel Lambert;
- (7) James Verrillo;
- (8) Jeff Tellam;
- (9) Paul Heyden; and
- (10) Melissa Hanson.

Dear Mr. Backman:

I am writing to respond to your email dated May 29, 2019 regarding the above-listed Civil Investigative Demands. *See* Att. 1. In my last letter, I informed you that these recipients' productions in response to these CIDs were deficient. I identified four specific deficiencies the FTC required your clients to cure on or before May 30 in order to avoid a judicial enforcement action. As of this writing, your clients have not done so. Because your clients have failed to comply with the CIDs, or otherwise to engage meaningfully with me or FTC staff regarding these deficiencies, the FTC has no choice but to commence enforcement proceedings at our earliest opportunity.

In addition, I write to respond to and correct several statements in your email regarding the course of the discussions with FTC staff and the state of the CID recipients' compliance.

I. Discussions with FTC Staff

As you know, the Commission issued the CIDs to your clients on November 21, 2018. Your May 29 email purports to describe the course of the discussions with FTC staff following receipt of the CIDs.

A. The December 14, 2018 email

Your email states:

As a result, [FTC staff] agreed to modifications [to the CIDs] to avoid the motion practice.¹ Those agreements are accurately reflected in my December 14, 2018 e-mail correspondence. About 5 weeks after that e-mail, FTC counsel advised they took issue with certain parts of that email.

Att. 1, at 1.

As shown by the attached correspondence, this is not an accurate description of the course of events. *See* Att. 2. It is true that following a December 13 phone call with staff, you wrote an email on December 14, 2018 laying out your position. Contrary to the statement above, however, FTC staff responded promptly, informing you by email dated December 27, 2018 that they did not accept multiple aspects of your position. *See* Att. 2. FTC staff sent this latter message on the eve of the government shutdown in late 2018 and early 2019, during which they were legally prohibited from working. *See* Att. 2, at 1. FTC staff then resumed contact with you in early February once normal government operations resumed. Thus, it is inaccurate to imply that FTC staff either assented to the positions in your December 14, 2018 email or unreasonably failed to respond to you for a substantial period of time.

B. The February 28, 2019 Modification Letter

Your email continues:

We spoke and, ultimately, with very few clarifications, the terms of my December 14, 2018 e-mail were confirmed. Many weeks later, on February 28, 2019, we received Ms. Greisman's letter. I immediately let FTC counsel know that it was not an accurate reflection of the parties' agreements to modify the CID.

Att. 1, at 1.

¹ To be clear, the appropriate filing to object to a CID is a petition to the Commission to limit or quash the CID, not a motion. *See* 16 C.F.R. § 2.10. None of the CID recipients have filed such a petition.

This description is also inaccurate. For one, you have failed to mention a telephone call on February 22, 2019 in which FTC staff made their positions clear and which resulted to the issuance of the February 28, 2019, letter. For another, FTC staff have no record of any “immediate” notification—written or oral—that the CID recipients objected to the February 28, 2019 letter. To the contrary, the next communication the FTC received was from Jessica Serrano-Cartagena at your firm with a production of documents. *See* Att. 3, at 6. Since the February 28, 2019 letter made clear that that letter “constitutes the full extent of any modifications to the CID to which we have agreed pursuant to 16 C.F.R. §§ 2.7 (l) and 2.10(a)(5), and supersedes any previous modifications[,]” we would have expected that any concerns would have been raised promptly and directly in response to that letter. If you have evidence of your “immediate” action, please provide it as soon as possible.

More generally, your May 29 email implies that, if your clients had concerns or objections unresolved by the February 28, 2019, modification letter, they were free to disregard it. This implication is entirely incorrect. The signatory of the February 28, 2019, letter—Lois Greisman, Associate Director of the Division of Marketing Practices in the FTC’s Bureau of Consumer Protection—holds delegated authority from the Commission to modify the terms of compliance with a CID. *See* 16 C.F.R. § 2.7(l). Thus, the February 28 letter effectively represents *the Commission’s* own determination of what information is necessary for its investigation. Such letters do not require the CID recipients’ consent to be enforceable. If your clients retained objections, the appropriate course was to raise those objections to staff, to FTC management, or to the Commission. It is never proper, however, to simply withhold responsive material on the grounds that your clients never “agreed” to the terms of the modification.

C. The Subject of the Investigation

Your email also states:

We were previously told that the real scope of the CIDs – wholly unclear on their face – was into those individuals and companies associated with Jonathan Blake Curtis.

Att. 1, at 3.

I have reviewed this statement with FTC staff and they dispute making any such representation. But even if they did, I note that each of the CIDs contains a statement of the subject of the investigation *twice*, once in the cover letter and once in the CID instructions. These statements are substantially identical and provide that staff is investigating:

Whether the recipient of this CID, the Subject Persons, as defined below, and/or other affiliated individuals and entities, have engaged in practices that violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45 and the Telemarketing Sales Rule, 16 C.F.R. § 310 et

seq., including initiating, causing the initiation, or assisting and facilitating the initiation of telemarketing sales calls that deliver prerecorded messages and/or use spoofed caller ID numbers, and whether Commission action to obtain monetary and injunctive relief would be in the public interest.

This statement and the supporting Commission resolution—neither of which mentions Jonathan Blake Curtis—provide the sole authorities for the scope of the investigation, and control even over the subsequent representations of staff. *See Federal Trade Commission v. Invention Submission Corp.*, 965 F.2d 1086, 1091-92 (D.C. Cir. 1992) (citing *Federal Trade Commission v. Carter*, 636 F.2d 781, 789 (D.C. Cir. 1980)).

II. The CID Recipients' Compliance

Your May 29 email makes several representations regarding the state of the CID recipients' compliance. These statements, however, do not respond to and do not resolve the deficiencies identified in my May 16, 2019 letter. To the contrary, they raise new issues about the recipients' course of conduct.

A. Nonoperating Businesses

Your May 29 email states that Cruise Operator, Inc., BPCL Management, LLC, and Nationwide Reservations, Inc. do not have access to responsive emails because they “have not been doing business for quite some time.” Att. 1, at 1.

This is the first time you have provided this reason for these entities' failure to produce documents, and it is still unclear to us what you mean by “no longer doing business.” Indeed, in your December 14, 2018 email, you made representations about document productions from these entities, including the representation that Nationwide Reservations would search for and produce emails. Given that each of the CIDs issued to these companies contained explicit directions that the companies “**must suspend any routine procedures for document destruction and take other measures to prevent the destruction of documents** that are in any way relevant to this investigation” (emphasis in original), your May 29 email now raises questions about the potential loss of relevant information. Please respond immediately and state when each of these businesses ceased operating and what measures have been employed to preserve relevant information.

B. Email Searches by CID Recipients

Your May 29 email states that the CID recipients ran searches and produced emails from 26 entities, each of which is identified specifically. Att. 1, at 1-2.

This statement misses the point. The first deficiency identified in my May 16 letter was that the CID recipients had failed to search for and produce

communications with each other. The 10 CID recipients are not among the 26 entities you listed, an omission that only confirms the deficiency.

C. Searches of “Related Entities”

Your May 29 email identifies a second list of entities as “related” (a term I recognize you do not concede) and states these entities have been “searched.” This list of “related entities” includes the remaining seven CID recipients: James Verillo; Daniel Lambert; Reservations & Fulfillment Services, Inc.; Jeff Tellam; Royal Seas Cruises, Inc.; Paul Heyden; and Melissa Hanson. Att. 1, at 2.

Your statement that these entities have been “searched” is vague and unclear. It is not clear whether you are representing that each of these entities has searched its own email, or that other entities have searched their emails for references to the ones you have listed. In other words, have these entities *searched*, or have they been *searched for*? In any event, your statement does not establish that the CID recipients have produced communications between or among them, as required by my May 16 letter. Nor does it clearly describe to which CID specifications any productions of information relate.

D. Email Search Terms

Your May 29 email makes several points regarding email search terms. You state that certain of the required search terms identified in my May 16 letter have “already been included” in searches described elsewhere in your email. But it appears that one of the search terms you reference (“Robocall*”) is not, in fact, addressed elsewhere in your email. *Compare* Att. 1, at 3 *with* Att. 1, at 1-3. More fundamentally, your oblique reference to other categories of searches doesn’t answer the question clearly or directly: Have the CID recipients run searches for the information required by specifications 5 and 9 using the particular search terms specified in my letter? Please answer that question directly.

You also state that the CID recipients will run additional searches using the remaining terms identified in my May 16 letter. But you have qualified this promise by adding that they will exclude certain of these terms “because of the general nature . . . of the burden that would be imposed in having to search for and review returned documents.” Att. 1, at 3. Your unilateral decision to exclude certain search terms based on a nonspecific and unsubstantiated claim of “burden” is not acceptable.

Finally, you stated that you are “working with the CID recipients to get a better estimate of when the searches will be completed.” Att. 1, at 4. You have made similar promises twice before, on April 9, 2019 and April 23, 2019. *See* Att. 3, at 1, 4. We have yet to receive either an estimate or the emails themselves.

The CIDs here were issued over seven months ago, on November 21, 2018. The FTC’s position has been clear since February 28, 2019. You have been on notice

that FTC staff had concerns about your clients' production since April 10, 2019. At this point, we decline to wait any longer based on a third promise of a supposedly forthcoming estimate.

* * *

Your May 29 email concludes by offering to set up a call. Although we are normally willing to discuss CID compliance by phone, in light of the positions you have taken, we do not see that a call is likely to be productive in resolving the deficiencies identified or obtaining the information specified in a timely manner.

As mentioned above, the FTC is preparing to commence judicial enforcement proceedings to enforce the CID at its earliest opportunity. Of course, should the CID recipients correct the deficiencies laid out in my May 16 letter prior to filing, with accompanying certificates of compliance, the FTC would reassess that decision.

Sincerely,

s/ Burke W. Kappler

Attorney, Federal Trade Commission

cc:

Michele Arington, Assistant General Counsel for Trial Court Litigation
(by email to marington@ftc.gov)

Jody Goodman
Attorney, Division of Marketing Practices
(by email to jgoodman1@ftc.gov)

Christopher Brown
Attorney, Division of Marketing Practices
(by email to cbrown3@ftc.gov)

Attachments:

1. Email from Jeffrey Backman to Burke Kappler re: RE: 10 Civil Investigative Demands Issued to Royal Seas Cruises, Inc., et al. (38541.0026) [IWOV-Active.FID12481621] (May 29, 2019);
2. Email from Jody Goodman to Jeffrey Backman re: RE: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621] (Dec. 27, 2018);
3. Email from Jeffrey Backman to Jody Goodman re: FW: FTC/CID Matter - document production [IWOV-Active.FID12481621] (April. 23, 2019).

From: [Jeffrey Backman](#)
To: [Kappler, Burke](#)
Cc: [Arlington, Michele](#); [Goodman, Jody](#); [Brown, Christopher](#); [Gregg Strock](#); [38541_0026_Royal Seas Cruises_Inc_FTC CID to Royal Seas Cruises_Inc_21_1_E_Mail](#)
Subject: RE: 10 Civil Investigative Demands Issued to Royal Seas Cruises, Inc., et al. (38541.0026) [IWOV-Active.FID12481621]
Date: Wednesday, May 29, 2019 7:51:21 PM

Burke, for the reasons I've explained repeatedly to Jody and Chris, and as I briefly mentioned the other day, I disagree with many of the statements in your May 16, 2019 correspondence. Candidly, what occurred here was not right. I raised issues with the scope of the CIDs from day one; both Jody and Chris were fully aware of my clients' willingness and intentions to seek to quash and/or modify the CIDs. As a result, Jody and Chris agreed to modifications to avoid the motion practice. Those agreements are accurately reflected in my December 14, 2018 e-mail correspondence. About 5 weeks after that e-mail, FTC counsel advised that they took issue with certain parts of that e-mail. We spoke and, ultimately, with very few clarifications, the terms of my December 14 e-mail were confirmed. Many weeks later, on February 28, 2019, we received Ms. Greisman's letter. I immediately let FTC counsel know that it was not an accurate reflection of the parties' agreements to modify the CIDs. To now suggest that my clients somehow agreed to something they didn't, or that my clients waived their rights to move to quash or modify the CID is absurd. Knowing what the actual agreement was between the parties demonstrates that the positions in your May 16, 2019 are not accurate. Your position also seems to be based on a misunderstanding of what we've produced so far – in full compliance with the modification agreement as reflected in the December 14, 2018 e-mail.

- First, as has been explained to FTC counsel, the following entities do not have access to e-mails. These entities have not been doing business for quite some time.
 - Cruise Operator, Inc.
 - BPCL Management, LLC
 - Nationwide Reservations, Inc.

- Second, the CID recipients, as applicable, ran e-mail searches for the date range at issue to and from the following entities with ZERO limitations and produced everything that was returned from any and all known email domains associated with those individuals/entities identified below.
 - Ultimate Vacation Group, LLC, dba Royal Bahama Cruise Line
 - VSC, LLC
 - Florida VSC, LLC
 - Jonathan Blake Curtis
 - Anthony DiGiacomo
 - Tropical Accommodations, LLC
 - Christopher Cotroneo
 - Grand Bahama Cruise Line, LLC

Bethany Worstell

- Rita Medrano
 - Blue Star Cruises, LLC
 - Carlos E. Pena
 - Atlantic Accommodations and Cruises, LLC
 - Felix Garcia
 - ProFronter LLC
 - ProCall LLC
 - Lester Stockett aka Aldrin Magispoc
 - Anthony Percivalle
 - Emergent Strategies Inc. – Opulent Cloud fka bpsNode
 - Desmond Stinnie
 - Ytel Communications Inc.
 - Sun Telecom, Ltd.
 - Survey Association
 - Net Leads International Ltd. aka Pure Marketing
 - Avatar Technologies
 - Juan Ramos aka Scott Livingston
- “Related Entities” (this is in quotes because we do not agree that these individuals/entities are “related) searched
 - Companies/Persons Searched:
 - Paradise Cuise Line Operator ltd. Inc. (the CID recipients do not have access to this entity so they did not search this entities’ e-mail, but this entity was combined with the search terms identified as “Limited Terms” below)
 - Kevin M. Sheehan (the CID recipients do not have access to this individual so they did not search this entities’ e-mail, but this individual was combined with the search terms identified as “Limited Terms” below)
 - James Verrillo
 - Daniel Lambert
 - Edward Levitan (the CID recipients do not have access to this individual so they did not search this entities’ e-mail, but this individual was combined with the search terms identified as “Limited Terms” below)
 - Charles Kinnear (the CID recipients do not have access to this individual so they did not search this entities’ e-mail, but this individual was combined with the search terms identified as “Limited Terms” below)
 - Reservations & Fulfillment Services, Inc.
 - Jeff Tellam (RFSI emails)
 - Royal Seas Cruises, Inc.
 - Paul Heyden (RSC emails)
 - Melissa Hanson (RSC emails)

- The Port of Palm Beach and any of its employees, officers or agents (the CID recipients do not have access to this entity so they did not search this entities' e-mail, but this entity was combined with the search terms identified as "Limited Terms" below)
- Limited Terms (anything that had a hit with any of the following terms was produced)
 - Robo Dial
 - Robo Dialer
 - Robo Dialing
 - Spoof
 - Spoof Caller ID
 - Spoof Caller Identification
 - Spoofed
 - Spoofed Caller ID
 - Spoofed Caller Identification
 - Spoofing
 - Spoofing Caller ID
 - Spoofing Caller Identification
 - Pre-Recorded
 - Pre-Recorded Voice
 - Pre-Recorded Message
 - Prerecorded
 - Prerecorded Voice
 - Prerecorded Message
 - Automated
- No searches Ran:
 - The Law Firm of Greenspoon Marder, LLP

Based upon the above, we believe that the CID recipients have complied with the terms of the CIDs as modified by the parties' agreements.

Despite the above, and without waiving our position as it relates to the parties' prior agreement to modify the CIDs, my clients take your threats seriously and are absolutely willing to continue to work with the FTC. But of course this cooperation is not without limitations. As I've explained to FTC counsel, the CID recipients have done nothing wrong and are willing to provide information and sit for investigational hearings relating to those matters that may actually fall within the scope of the FTCs jurisdiction. We were previously told that the real scope of the CIDs – wholly unclear on their face – was into those individuals and companies associated with Jonathan Blake Curtis; this is why we did not put restrictions on the searches

of e-mails associated with those individuals/entities' domains.

Your letter included an Appendix with additional search terms you'd like run.

- As you can see from the above, the following terms from the Appendix attached to your May 16 correspondence have already been included in the searches run by the CID recipients:
 - Automated call*
 - Automated dial*
 - Avatar
 - "Avatar Technologies"
 - bpsNode
 - Prerecorded
 - ProCall
 - ProFronter
 - Robocall*
 - "Sun Telecom"
 - Ytel

- For those CID recipients for whom e-mails can still be accessed, the CID recipients are in the process of running additional searches on the following requested terms from your Appendix (if a term is not included below it is because of the general nature of the term of the burden that would be imposed in having to search for and review returned documents):
 - BBB
 - "Better Business Bureau"
 - "call center*"
 - "caller ID"
 - "Charge back"
 - Chargeback
 - "cold call*"
 - DNC
 - "do not call list"
 - "inbound call"
 - "inbound transfer"
 - "outbound call*"
 - Lead w/2 (generate or generator or generating)
 - Script*
 - Soundboard
 - Subpoena*

- “voice broadcasting”
- VOIP

Hopefully this addresses your concerns. I am working with the CID recipients to get a better estimate as to when the searches will be completed. At that time, as you may expect, a manual review by counsel will be required. It is unknown at this time the volume of documents that will be returned. As I have previously explained, the majority the business entity CID recipients have been out of business for some time and Royal Seas Cruises has stopped marketing and reduced its staff significantly. This is placing a burden on them and they are doing the best they can.

Should you wish to discuss any of the matters above in greater detail, let me know and we can set up a call.

Sincerely,

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@gmlaw.com

<http://www.gmlaw.com>

GreenspoonMarder

From: Kappler, Burke [mailto:bkappler@ftc.gov]

Sent: Friday, May 24, 2019 12:33 PM

To: Jeffrey Backman

Cc: Arington, Michele; Goodman, Jody; Brown, Christopher

Subject: RE: 10 Civil Investigative Demands Issued to Royal Seas Cruises, Inc., et al.

Dear Mr. Backman:

I am writing to follow up on my email and letter dated May 16, 2019. I haven't received any response from you to date. As a reminder, the Commission expects that the CID recipients will be making a production on May 30. If you have any questions about this, feel free to contact me.

Sincerely,

Burke Kappler

Burke W. Kappler

Attorney, Office of General Counsel | Federal Trade Commission | 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580 | Mail Stop H-582
T: 202-326-2043 | F: 202-326-2477 | C: 703-819-3079

From: Kappler, Burke

Sent: Thursday, May 16, 2019 2:25 PM

To: 'Jeffrey.Backman@gmlaw.com' <Jeffrey.Backman@gmlaw.com>

Cc: Arington, Michele <MARINGTON@ftc.gov>; Goodman, Jody <jgoodman1@ftc.gov>; Brown, Christopher <cbrown3@ftc.gov>

Subject: 10 Civil Investigative Demands Issued to Royal Seas Cruises, Inc., et al.

Dear Mr. Backman:

My name is Burke Kappler and I am an attorney with the Federal Trade Commission's Office of General Counsel. Please see the attached letter regarding several civil investigative demands issued to Royal Seas Cruises, Inc., and others and please feel free to contact me with any questions. Thank you.

Sincerely,

Burke W. Kappler

Attorney, Office of General Counsel | Federal Trade Commission | 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580 | Mail Stop H-582
T: 202-326-2043 | F: 202-326-2477 | C: 703-819-3079

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Unless specifically indicated otherwise, any discussion of tax issues contained in this e-mail, including any attachments, is not, and is not intended to be, "written advice" as defined in Section 10.37 of Treasury Department Circular 230.

A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

From: _____
To: _____
Cc: _____
Subject: FW: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]
Date: Thursday, April 18, 2019 4:20:46 PM

From: Goodman, Jody
Sent: Thursday, December 27, 2018 6:01 PM
To: 'Jeffrey Backman' <Jeffrey.Backman@gmlaw.com>
Cc: Brown, Christopher <cbrown3@ftc.gov>; Gregg Strock <Gregg.Strock@gmlaw.com>; Richard Epstein <Richard.Epstein@gmlaw.com>; Barlow, Ian (ibarlow@ftc.gov) <ibarlow@ftc.gov>
Subject: RE: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]

Hi Jeff,

As of tomorrow (12/28) at 11:59 pm, the FTC will be closed due to the government shutdown. We are not permitted to work while the agency is not operating. We nonetheless expect that you will produce timely responses to the CIDs we have served on your clients. Because nobody will be available to send you a link to upload electronic files, please send the data on a CD or flash drive, via FedEx. Should you have urgent questions, a manager will be available to respond. I will send you a contact list via separate email, probably tomorrow.

Since we were not able to confer on your email concerning your responses, I have annotated the substance of your email below, with our comments in red:

1. Jim Verrillo
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below. **Please identify the companies for which accounts are accessible. Also, searches should be run on personal accounts and text messages, to the extent that personal accounts contain business communications.**
2. Dan Lambert
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below. **Please identify the companies for which accounts are accessible. Also, searches should be run on personal accounts and text messages, to the extent that personal accounts contain business communications.**
3. Melissa Hanson
 - a. Will be a custodian for the ESI searches referenced below for RSC.
4. Paul Heyden
 - a. Will be a custodian for the ESI searches referenced below for RSC.
5. Jeff Tellam
 - a. Will be a custodian for the ESI searches referenced below for RFSI. **Dan Lambert and James Verillo should also be custodians for RFSI.**
6. Cruise Operator, Inc. ("CO")

- a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder).
7. BPCL Management, LLC (“BPCL”)
 - a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder). **We request contracts and agreements with Greenspoon Marder that are not privileged.**
8. Royal Seas Cruises, Inc. (“RSC”)
 - a. A summary of all marketing for the relevant time period.
 - b. We will search for documents/emails to and from domain names that we are aware of, if any, associated with all entities listed on Request No. 2 with the exception of BPCLM, RSC, RFSI, NW, CO, James Verrillo, Daniel Lambert, Edward Levitan, Charlie Kinnear, Melissa Hanson, Paul Heyden, Jeff Telum, Paradise Cruise Line Operator, Ltd., Inc., Kevin Sheehan, The Port of Palm Beach, and Greenspoon Marder. **We do not agree to these exceptions. Searches should be run on these individuals and entities.** There are several names and entities on the list with which we are not familiar and do not have domain names – we will let you know those in connection with our response.
 - c. We will then run ESI searches using the following search terms only, to and from domain names that we are aware of, if any, associated with the excepted names and entities identified in 8.b. above (with the exception of Greenspoon Marder – as discussed, no information with Greenspoon Marder will be provided). **All the entities and individuals listed in 2(a)-(oo) should be used as search terms, without business entity terms such as “LLC” and “Inc.” In most cases. Searching for an individual’s last name will probably yield the best results. In addition, we propose the following terms:**

1. Automated call*
2. Automated dial*
3. Avatar
4. “Avatar Technologies”
5. BBB
6. “Better Business Bureau”
7. bpsNode
8. “call center*”
9. “caller ID”
10. “Charge back”
11. Chargeback
12. “cold call*”
13. DNC
14. “do not call list”
15. “inbound call”
16. “inbound transfer”
17. “outbound call*”
18. Lead w/2 (generate or generator or generating)
19. Prerecorded
20. ProCall
21. ProFronter
22. Robocall*

- 23. Script*
- 24. Soundboard
- 25. Subpoena*
- 26. "Sun Telecom"
- 27. "voice broadcasting"
- 28. VOIP
- 29. Ytel

- i. Robo Dial
 - ii. Robo Dialer
 - iii. Robo Dialing
 - iv. Spoof
 - v. Spoof Caller ID
 - vi. Spoof Caller Identification
 - vii. Spoofed
- viii. Spoofed Caller ID
 - ix. Spoofed Caller Identification
 - x. Spoofing
 - xi. Spoofing Caller ID
 - xii. Spoofing Caller Identification
- xiii. Pre-Recorded
 - xiv. Pre-Recorded Voice
 - xv. Pre-Recorded Message
 - xvi. Prerecorded
 - xvii. Prerecorded Voice
 - xviii. Prerecorded Message

9. Nationwide Reservations, Inc. ("NW")

- a. Same as RSC

10. Reservations & Fulfillment Services, Inc. ("RFSI")

- a. Same as RSC

11. "Subject Persons" is limited to the names and entities set forth in Request for production No. 2.

12. All Requests are limited to Telemarketing Calls utilizing prerecorded messages and/or spoofed caller ID.

13. All Requests are limited to the M/V Grand Celebration.

14. No documents or information exchanged with or included counsel need to be provided or logged. **We did not agree to this. Non-privileged documents (such as communications that involve a third party) should be produced. Individual attorney-client documents do not need to be individually logged.**

15. The same limitations set forth above with respect to the Requests for Production apply to corresponding Interrogatories.

16. Requests seeking financial, banking and payment processing information do not need to be responded to at this time. However, information regarding financial transactions with Blake

Curtis, Tony D. and any of their known related entities listed in the CID will be provided.

17. For Interrogatory 2, we will not disclose the names of the entities, but we will provide specific descriptions of any Telemarketing calls initiated by third parties, if any, engaged by the

company. **We disagree; you should disclose the names of relevant entities, but not individuals.**

18. Respondents will respond based on the information within their possession. Some of the Respondents are no longer in business and may not have access to computers or servers, but we will provide that information at the time of our written responses.

19. We will also identify appropriate custodians, if any, other than the 5 individuals specifically referenced above.

20. To the extent, after you review the various forms of marketing and other information, you believe you need additional information, we can address it at that time.

Thank you for your cooperation. If you're available to talk tomorrow, I will be available. If not, we will be in touch as soon as we are back in operation.

Regards,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman <Jeffrey.Backman@enclaw.com>
Sent: Wednesday, December 26, 2018 10:45 AM
To: Goodman, Jody <jgoodman1@ftc.gov>
Cc: Brown, Christopher <cbrown@ftc.gov>; Gregg Stroock <Gregg.Stroock@enclaw.com>; Richard Epstein <Richard.Epstein@enclaw.com>
Subject: Re: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]

I'm out of the office, returning January 2

Jeffrey A. Backman

On Dec 26, 2018, at 10:14 AM, Goodman, Jody <jgoodman1@ftc.gov> wrote:

Hi Jeff,
If you are working today or tomorrow, could we please set a time to discuss this? The FTC is open this week, using its own funds, but we are likely to be shut down as of

Friday at noon (and I'm off on Friday anyway).

Best,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman Jeffrey.Backman@ftc.gov
Sent: Friday, December 14, 2018 2:28 PM
To: Goodman, Jody jgoodman1@ftc.gov; Brown, Christopher cbrown@ftc.gov
Cc: Gregg Strock gstrock@ftc.gov; Richard Epstein Richard.Epstein@ftc.gov
Subject: RE: FTC CID Matter No. 1623005 (38541.0026) [IWOV-ACTIVE.FID12481621]
Importance: High

Jody and Chris, it was good talking to you again yesterday. I've summarized below what we discussed and agreed to. I've also included the proposed search terms as referenced on the call. It's my understanding that the below is agreeable to you and limits to scope of the CIDs to our clients accordingly. If you want to propose any additional search terms, let me know ASAP, but we'll get started with the below. To the extent you all want to ask for more at a later date, you are free to do so and, in turn, our right to object and/or file a petition will begin to run from the time you seek additional documents or information.

1. Jim Verrillo
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below.
2. Dan Lambert
 - a. Searches will be run on accessible business e-mail accounts utilizing the limitations set forth in 8.c. below.
3. Melissa Hanson
 - a. Will be a custodian for the ESI searches referenced below for RSC.
4. Paul Heyden
 - a. Will be a custodian for the ESI searches referenced below for

- RSC.
5. Jeff Tellam
 - a. Will be a custodian for the ESI searches referenced below for RFSI.
 6. Cruise Operator, Inc. (“CO”)
 - a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder).
 7. BPCL Management, LLC (“BPCL”)
 - a. We will produce contracts that we are aware of with entities listed on request No. 2 (exception Greenspoon Marder).
 8. Royal Seas Cruises, Inc. (“RSC”)
 - a. A summary of all marketing for the relevant time period.
 - b. We will search for documents/emails to and from domain names that we are aware of, if any, associated with all entities listed on Request No. 2 with the exception of BPCLM, RSC, RFSI, NW, CO, James Verrillo, Daniel Lambert, Edward Levitan, Charlie Kinnear, Melissa Hanson, Paul Heyden, Jeff Telum, Paradise Cruise Line Operator, Ltd., Inc., Kevin Sheehan, The Port of Palm Beach, and Greenspoon Marder. There are several names and entities on the list with which we are not familiar and do not have domain names – we will let you know those in connection with our response.
 - c. We will then run ESI searches using the following search terms only, to and from domain names that we are aware of, if any, associated with the excepted names and entities identified in 8.b. above (with the exception of Greenspoon Marder – as discussed, no information with Greenspoon Marder will be provided).
 - i. Robo Dial
 - ii. Robo Dialer
 - iii. Robo Dialing
 - iv. Spoof
 - v. Spoof Caller ID
 - vi. Spoof Caller Identification
 - vii. Spoofed
 - viii. Spoofed Caller ID
 - ix. Spoofed Caller Identification
 - x. Spoofing
 - xi. Spoofing Caller ID
 - xii. Spoofing Caller Identification
 - xiii. Pre-Recorded
 - xiv. Pre-Recorded Voice
 - xv. Pre-Recorded Message
 - xvi. Prerecorded
 - xvii. Prerecorded Voice
 - xviii. Prerecorded Message
 9. Nationwide Reservations, Inc. (“NW”)
 - a. Same as RSC
 10. Reservations & Fulfillment Services, Inc. (“RFSI”)
 - a. Same as RSC
 11. “Subject Persons” is limited to the names and entities set forth in

Request for production No. 2.

12. All Requests are limited to Telemarketing Calls utilizing prerecorded messages and/or spoofed caller ID.

13. All Requests are limited to the M/V Grand Celebration.

14. No documents or information exchanged with or included counsel need to be provided or logged.

15. The same limitations set forth above with respect to the Requests for Production apply to corresponding Interrogatories.

16. Requests seeking financial, banking and payment processing information do not need to be responded to at this time. However, information regarding financial transactions with Blake

Curtis, Tony D. and any of their known related entities listed in the CID will be provided.

17. For Interrogatory 2, we will not disclose the names of the entities, but we will provide specific descriptions of any Telemarketing calls initiated by third parties, if any, engaged by the company.

18. Respondents will respond based on the information within their possession. Some of the Respondents are no longer in business and may not have access to computers or servers, but we will provide that information at the time of our written responses.

19. We will also identify appropriate custodians, if any, other than the 5 individuals specifically referenced above.

20. To the extent, after you review the various forms of marketing and other information, you believe you need additional information, we can address it at that time.

Thanks for working with us on this. We hope to respond, at a minimum, with the start of a rolling production and answers to the Interrogatories, by the extended date of January 7, 2019. If the searches are taking longer, we will let you know and keep you informed of our progress.

Sincerely,

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@esblaw.com

<http://www.esblaw.com>

<image001.jpg>

From: Goodman, Jody <jody.goodman@esblaw.com>

Sent: Thursday, December 13, 2018 11:46 AM

To: Jeffrey Backman; Brown, Christopher
Cc: Gregg Strock
Subject: RE: FTC CID Matter No. 1623005 [IWOV-ACTIVE.FID12481621]

Thanks, Jeff. You did not request an extension of the petition deadline on our call, but we can discuss this with you today if you'd like. We have discussed your request for an extension of the response deadline with our managers, and we have authority to grant you until January 7th for that. We are also happy to discuss a reasonable schedule for investigational hearings.

We are available today at 2 or 4 for a call. Is one of those times good for you?

Best,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman jbackman@ftc.gov
Sent: Thursday, December 13, 2018 11:00 AM
To: Brown, Christopher cbrown3@ftc.gov; Goodman, Jody jgoodman1@ftc.gov
Cc: Gregg Strock Gregg.Strock@enlaw.com
Subject: FTC CID Matter No. 1623005 [IWOV-ACTIVE.FID12481621]

Chris/Jody, it was good having that initial conversation on Monday. I've since spoken with my clients about the various parameters we generally discussed and would like to have a follow up call so we can be sure we are all on the same page as we move forward. Are you available this afternoon or tomorrow afternoon?

Also, you were going to get back to me on the enlargement of time of all the deadlines – Petition, Production and Hearing. I think it makes sense in light of our first discuss, and the one that we'll have today or tomorrow, that we all not be bogged down in Petitions to Limit/Quash – but instead focus on what it seems are really the issues/people/entities you're looking into. We have no objection to you revisiting matters that, for now, you agree don't need to be a part of my clients' responses.

Thanks,

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@enlaw.com

<http://www.enlaw.com>

<image001.jpg>

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A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

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A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

From: _____
To: _____
Cc: _____
Subject: FW: FTC/CID Matter - document production [IWOV-Active.FID12481621]
Date: Thursday, May 30, 2019 3:19:50 PM

From: Jeffrey Backman <Jeffrey.Backman@gmlaw.com>
Sent: Tuesday, April 23, 2019 3:32 PM
To: Goodman, Jody <jgoodman1@ftc.gov>; Brown, Christopher <cbrown3@ftc.gov>
Cc: Gregg Strock <Gregg.Strock@gmlaw.com>; '38541_0026 _Royal Seas Cruises_ Inc__ FTC CID to Royal Seas Cruises_ Inc__ 21_1 E_Mail' <{F12481621}.Active@gmlaw.imatech.work>
Subject: FW: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Jody, we are not ignoring you or our agreement to produce documents. As the responses state and as we have discussed several times, our agreement to produce documents was based upon my December 12 e-mail. After the end of the shut-down, when you, me and Chris got on a follow up call, we went through that e-mail again and the substantial majority of the substance of it was in dispute. In fact, much of what you outline below as your areas of concern change the agreement we had; in other words, you are asking for new information and production outside the scope of our prior agreement. To suggest that our clients have not complied with their obligations based upon matters outside the scope of the prior agreement is improper.

As I also previously told you, our clients are trying to figure out which, if any, of your additional proposed search terms can be reasonably searched. I hope to have that information soon.

The hold-up has been, in part, because your CIDs are addressed to several entities that have not been in operation for years and individuals that have not been involved in the operations for years. And recently, Royal Seas has ceased its marketing business and is winding down affairs. This has also resulted in layoffs. So getting the right people to focus on this matters and gather additional information is taking more time than expected.

If you'd like to schedule investigational hearings, please let me know proposed dates.

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@gmlaw.com

<http://www.gmlaw.com>

GreenspoonMarder

From: Goodman, Jody [<mailto:jgoodman1@ftc.gov>]
Sent: Wednesday, April 10, 2019 11:21 AM
To: Jeffrey Backman; Gregg Strock
Cc: Brown, Christopher; '38541_0026 _Royal Seas Cruises_ Inc_ _ FTC CID to Royal Seas Cruises_ Inc___ 21_1 E_Mail'
Subject: RE: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Jeff,

We are concerned that you have not produced the entire universe of documents we would expect to see in response to the CIDs. Our position continues to be that all CID responses are limited by the FTC's Modification Letter dated February 28, 2019, not your email of December 14, 2018. To the extent that your CID responses are limited by the latter and not the former, please supplement your answers to interrogatories and document production immediately.

Although we cannot purport to know the entirety of what you have not produced, at a minimum we see the following problems:

In response to numerous requests for production your clients have answered that "[CID target] will provide responsive information, if any, within its possession, custody or control..." Please supplement each of these responses to plainly indicate whether your client did in fact provide responsive information. If no such information responsive to a particular request is in your client's possession, custody or control, then please state so accordingly.

As to all CID recipients:

Your responses and production to RFPs 1 and 2 are insufficient, and perhaps illustrative of our disagreement concerning the scope of the CID. We are seeking relevant communications and documents between and among the CID recipients, on the topics articulated in the CID. In other words, for example, production of communications between RFSI and Blake Curtis or Anthony DiGiacomo are merely a part of what we seek. We also expect you to produce internal communications (between Dan Lambert and Jeff Tellam, for example) about the marketing conducted by various contractors and call centers.

As to all CID recipients except for Royal Seas:

We disagree with your interpretation of Request for Production 5, which reads:

All Communications with any business or individual relating to automated dialing, VoIP origination or termination, Caller Identification Service, CNAM, data brokerage services, direct inbound calling, Lead Generation, Telemarketing, or Voice Broadcasting provided by You or any other business or individual to the Subject Persons.

You have stated you are not producing documents responsive to this request because your clients do not conduct "any type of marketing described in the CID." If we accept that statement as true,

your clients may still have communicated with *other parties* about such marketing. Your clients' responses do not address whether any such communications exist.

Your production is not complete as to Request for Production 9.c.:

All documents related to complaints (and responses thereto) about any unwanted sales or Telemarketing calls, deceptive business practices (such as impersonating another company or misrepresenting the terms of sale), overbilling, refusals to provide refunds, refusals to honor cruise tickets or vacation travel packages, or any complaints about the Subject Persons, including:

- a. Complaints from consumers;
- b. Complaints from the Better Business Bureau;
- c. Cease and desist letters, threats of lawsuits, or actual lawsuits....

You provided complaints from several lawsuits, without providing any other documents related to those lawsuits. *All* documents related to those cases (excluding privileged materials), would include pleadings, motions, and other docketed items from each case, as well as communications among your clients, and between your clients and third parties, concerning the litigation. This would include settlement agreements.

As to Royal Seas:

Royal Seas' CID responses are also inadequate. Please produce all relevant communications between Royal Seas and the other CID recipients. Also, in numerous instances, the responses to document requests (e.g., No. 3) and answers to interrogatories (e.g., Nos. 2, 11, 12) fail to identify by name the relevant businesses and/or individuals that performed services or actions. For example, you must identify by name each lead generator, and not merely refer to "various consent based opt in lead generators." As requested above for all other CID recipients, please supplement Royal Seas' written responses to state plainly whether Royal Seas did in fact provide responsive information. For example, Royal Seas' document production does not appear to include email correspondence and/or agreements with lead generators or autodialer vendors, call records, or scripts. We expect that such documents would be in Royal Seas' possession, custody or control.

As we said above, the above examples are just examples; we cannot know precisely what you have not produced. We advise you to carefully read the CIDs to ensure that you have fully responded. And, if there are no documents responsive to a particular request, please notify us in writing to that effect.

We have been extremely accommodating of your schedule, but we need to conclude the CID process and schedule investigational hearings, preferably for mid- to late May. **Please produce supplemental responses and documents by April 17.** If supplemental responses and document production are not forthcoming, we may need to proceed with referral of this matter to the Commission's Office of General Counsel for judicial enforcement. We are available this week if you would like to discuss.

Best,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Jeffrey Backman <Jeffrey.Backman@gmlaw.com>
Sent: Tuesday, April 09, 2019 9:10 AM
To: Goodman, Jody <jgoodman1@ftc.gov>; Gregg Strock <Gregg.Strock@gmlaw.com>
Cc: Brown, Christopher <cbrown3@ftc.gov>; '38541_0026 _Royal Seas Cruises_ Inc__ FTC CID to Royal Seas Cruises_ Inc__ 21_1 E_Mail' <[F12481621}.Active@gmlaw.imatech.com](mailto:{F12481621}.Active@gmlaw.imatech.com)>
Subject: RE: FTC/CID Matter - document production [IWOV-Active.FID12481621]

Good morning. I need to speak with my clients in greater detail, but I believe some searches on the disputed search terms are still being run.

Is there something in particular you're looking for? Do you have any questions or concerns regarding what has been provided thus far?

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard
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Toll Free - (888)491-1120
Direct Fax - (954)213-0140
Direct Dial - (954)734-1853
Email: jeffrey.backman@gmlaw.com
<http://www.gmlaw.com>

GreenspoonMarder

From: Goodman, Jody [<mailto:jgoodman1@ftc.gov>]
Sent: Tuesday, April 02, 2019 5:20 PM
To: Gregg Strock; Jeffrey Backman

Cc: Brown, Christopher
Subject: RE: FTC/CID Matter - document production

Jeff/ Greg,

Is your production complete, or should we expect additional documents? Please let us know as soon as possible.

Thanks,
Jody

Jody Goodman
Federal Trade Commission
Bureau of Consumer Protection | Division of Marketing Practices
600 Pennsylvania Avenue, NW
Washington, D.C. 20580
Tel: (202) 326-3096 | Fax: (202) 326-3395
jgoodman1@ftc.gov

From: Gregg Strock <Gregg.Strock@gmlaw.com>
Sent: Wednesday, March 06, 2019 3:20 PM
To: Tyndall, Reeve <rtyndall@ftc.gov>; Jessica Serrano-Cartagena <Jessica.Serrano-Cartagena@gmlaw.com>; Goodman, Jody <jgoodman1@ftc.gov>
Subject: RE: FTC/CID Matter - document production / 38541.0026 [need addl FTC link]

We have some more documents. Please send another link.

Gregg I. Strock, Esq.

Associate

Greenspoon Marder LLP

200 East Broward Blvd., Suite 1800

Ft. Lauderdale, Florida 33301

Tel: (954) 491-1120

Email: gregg.strock@gmlaw.com

<http://www.gmlaw.com>

GreenspoonMarder

From: Tyndall, Reeve [<mailto:rtyndall@ftc.gov>]
Sent: Tuesday, March 05, 2019 4:42 PM

To: Jessica Serrano-Cartagena; Goodman, Jody
Cc: Gregg Strock
Subject: RE: FTC/CID Matter - document production / 38541.0026 [need addl FTC link]

Sent another upload link to both of you. Let me know if you have any issues.

From: Jessica Serrano-Cartagena [<mailto:Jessica.Serrano-Cartagena@gmlaw.com>]
Sent: Tuesday, March 05, 2019 4:37 PM
To: Tyndall, Reeve; Goodman, Jody
Cc: Gregg Strock
Subject: FTC/CID Matter - document production / 38541.0026 [need addl FTC link]

Good afternoon,

The first batch of document production was sent earlier today. We were unaware the link is valid only as a one-time use.

At your earliest convenience, can you please send us an additional FTC link so that I may upload the additional zip folders to your attention.

Thank you,
Jessica Serrano-Cartagena

GreenspoonMarder

Jessica Serrano-Cartagena
Litigation Paralegal
Greenspoon Marder LLP
200 East Broward Boulevard, Suite #1800
Fort Lauderdale, FL 33301
Office: (954) 491-1120, Ext. 2646
Jessica.Serrano-Cartagena@gmlaw.com | www.gmlaw.com

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A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

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PETITION EXHIBIT (PX) 17

Email from Jeffrey Backman to Burke
Kappler

(July 9, 2019)

From: [Jeffrey Backman](#)
To: [Kappler, Burke](#)
Cc: [Goodman, Jody](#); [Brown, Christopher](#); [Arington, Michele](#); [Gregg Strock](#); [38541_0026_Royal Seas Cruises_Inc_FTC CID to Royal Seas Cruises_Inc_21_1 E-Mail](#)
Subject: RE: 10 Civil Investigative Demands issued to Royal Seas Cruises, Inc., et al. [IWOV-Active.FID12481621]
Date: Tuesday, July 09, 2019 9:14:08 PM

My clients have been running the new search terms. Because of the vague and generic terms, there were over 15,000 emails returned, the substantial majority of which are not responsive. For example, you included the term "BBB". That search term, when run on Mr. Lambert's email for example, returns years' worth of attorney-client privilege communications between my firm and Mr. Lambert relating to a lawsuit filed against the BBB. The "BBB" search term also returns every single company signature block that references BBB accreditation. An additional example exists with the term "outbound". Mr. Lambert and Mr. Verrilo both travel frequently. Well the "outbound" search term returns every single reference to an outbound flight. We are thus in the midst of reviewing the thousands of returned e-mails. When that review is finished, we will produce the additional responsive documents. As I've said repeatedly, an enforcement proceeding is not necessary.

Many of the matters stated by you in your June 4 email are inaccurate. When our additional responsive documents are ready to produce, we will address those inaccuracies in greater detail. Our lack of an immediate response should not be considered a concession that any of your letter, and the effort you made to go through the history of our communication with FTC counsel, are accurate. Indeed, the email correspondence exchanged tells a different story than what's in your June 4 letter.

Sincerely,

Jeffrey A. Backman, Esq.

Partner

200 East Broward Boulevard

Suite 1800

Fort Lauderdale, FL 33301

Toll Free - (888)491-1120

Direct Fax - (954)213-0140

Direct Dial - (954)734-1853

Email: jeffrey.backman@gmlaw.com

<http://www.gmlaw.com>

GreenspoonMarder

From: Kappler, Burke [mailto:bkappler@ftc.gov]

Sent: Monday, July 08, 2019 3:45 PM

To: Jeffrey Backman

Cc: Goodman, Jody; Brown, Christopher; Arington, Michele; Gregg Strock

Subject: 10 Civil Investigative Demands issued to Royal Seas Cruises, Inc., et al.

Dear Mr. Backman:

Following up on my letter dated June 4, I am writing to notify you that the FTC intends to commence a proceeding to enforce the CIDs issued to your clients, likely during the week of [July 15, 2019](#). As I stated, we are willing to refrain from filing if your clients cure the deficiencies identified in my letter dated May 16 promptly. If you have any questions or wish to discuss, please feel free to respond to this message. I am out of the office this week on personal travel with limited access to telephone or email but Jody Goodman and Christopher Brown should be available to speak with you in my absence. Thank you.

Sincerely,

Burke Kappler

Burke W. Kappler

Attorney, Office of General Counsel | Federal Trade Commission | [600 Pennsylvania Avenue, N.W., Washington, D.C. 20580](#) | Mail Stop H-582
T: [202 326 9042](#) | F: [202 326 9497](#) | C: [703 810 2070](#) | bkappler@ftc.gov

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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

MISC. NO. 0:19-mc-61867-XXXX

FEDERAL TRADE COMMISSION,

Petitioner,

v.

DANIEL LAMBERT,

JAMES VERILLO,

CRUISE OPERATOR, INC,

BPCL MANAGEMENT, LLC,

NATIONWIDE RESERVATIONS, INC.,

JEFF TELLAM,

RESERVATIONS & FULFILLMENT
SERVICES, INC.,

PAUL HEYDEN,

MELISSA HANSON, and

ROYAL SEAS CRUISES, INC.

Respondents.

**MEMORANDUM IN SUPPORT OF PETITION OF THE FEDERAL TRADE
COMMISSION FOR AN ORDER TO ENFORCE CIVIL INVESTIGATIVE
DEMANDS**

INTRODUCTION

The Federal Trade Commission (“FTC” or “Commission”), petitions this Court, pursuant to Section 20 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 57b-1 and Fed. R. Civ. P. 81(a)(5), to compel compliance with ten Civil Investigative Demands (“CIDs”) issued to Respondents, a related set of entities and individuals, as part of an investigation into potentially illegal telemarketing practices.¹

While Respondents have produced some information, they have withheld key documents and materials. They seek, in effect, to unilaterally modify the terms of the CIDs. But although the Commission has modified the CIDs in certain respects, it has not relieved Respondents of their obligation to produce the information that is the subject of this petition. Respondents have not raised any legal objection to production of this information or otherwise pursued available administrative remedies; yet they continue to disregard their production obligations. Respondents’ continued withholding of information necessary and relevant to the Commission’s investigation has burdened and impeded that investigation. The Commission therefore asks this Court to issue an order directing Respondents to comply and cure certain key deficiencies within ten days from the date of the Court’s order.

¹ CIDs are a type of investigative administrative subpoena. *See, e.g., FTC v. Invention Submission Corp.*, 965 F.2d 1086, 1087 (D.C. Cir. 1992); *General Finance Co. v. FTC*, 700 F.2d 366, 367 (7th Cir. 1983); *FTC v. LabMD, Inc., et al.*, Case 1:12-cv-3005-WSD, 2012 WL 13104826 (N.D. Ga. Nov. 26, 2012) (slip op.).

JURISDICTION AND VENUE

Sections 20(e) and (h) of the FTC Act, 15 U.S.C. §§57b-1(e) and (h), respectively authorize the Commission to seek district court orders to enforce its CIDs in any jurisdiction in which the recipient of a CID “resides, is found, or transacts business” and district courts to enter such orders. As set out in the accompanying Petition and Declaration of Jody Goodman (PX 1), all of Respondents transact business in this district.

STATEMENT OF FACTS

The Commission is investigating Respondents’ involvement with a series of telemarketing calls, including prerecorded “robocalls,” that offer consumers “free cruise” vacations, to determine whether they have violated Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a), or the Telemarketing Sales Rule (TSR), 16 C.F.R. Part 310. As part of that investigation, the Commission issued CIDs to Respondents on November 21, 2018.² PX 1; ¶ 9; *see also* PX 2 to PX 11. The CIDs vary slightly based on the Commission’s understanding of each recipient’s role, they are substantially similar and include many of the same document requests and interrogatories. PX 1, ¶¶ 9-10. The CIDs were issued pursuant to a valid investigatory resolution; as required, a Commissioner signed the CIDs, and the Commission’s Secretary served them pursuant to the Commission’s CID statute and

² The Commission is authorized to issue CIDs to assist in “any inquiry . . . for the purpose of ascertaining whether any person is or has been engaged in any unfair or deceptive acts or practices in or affecting commerce.” 15 U.S.C. § 57b-1(a)(2).

regulations.³ *See* 15 U.S.C. §§ 57b-1(i), (c)(8), (c)(9); 16 C.F.R. § 2.7(a); PX 1, ¶¶ 9, 11. The CIDs’ return date was December 21, 2018. PX 1, ¶ 9.

Respondents are represented by the same counsel. FTC staff conducted a telephonic “meet and confer” with him shortly after service of the CID. PX 1, ¶ 12. Although the parties reached agreement with respect to some aspect of Respondents’ search and production obligations, FTC staff did not agree with (and thus recommend to their supervisor) certain limitations proposed by Respondents’ counsel. PX 1, ¶¶ 12-16; *see also* PX 12 at 8. After further discussions failed to resolve these issues, that supervisor, Lois Greisman, Associate Director for the FTC’s Division of Marketing Practices in the Bureau of Consumer Protection, issued on February 28, 2019, a letter formally modifying the CIDs pursuant to authority delegated her by the Commission.⁴ 16 C.F.R. § 2.7(l); PX 1, ¶ 21; PX 13. This modification letter formalized the FTC’s position and Respondents’ obligations. Most pertinent here, the letter clarified that “Subject Persons” for purposes of the CIDs included each of Respondents and required Respondents to search for and produce communications between and among themselves. PX 13 at 1.

Although Respondents had begun to produce documents, it soon became apparent to FTC staff that the production did not comply with the terms of the

³ Under the FTC’s Rules of Practice, individual Commissioners have delegated authority from the Commission to sign CIDs. 16 C.F.R. § 2.7(a).

⁴ The FTC’s Rules of Practice also provide that Associate Directors of the Bureau of Consumer Protection, but not Bureau staff attorneys, have delegated authority from the Commission to modify the terms of compliance with CIDs. 16 C.F.R. § 2.7(l). Thus any agreements Respondents’ counsel reached with FTC staff would have to be ratified by Ms. Greisman to formally modify the CID.

CIDs as modified. FTC staff notified Respondents of these deficiencies and asked them to supplement their responses; they failed to do so. PX 1, ¶ 24-25; PX 14. After additional unsuccessful efforts to engage with Respondents' counsel, FTC staff referred this matter to the FTC's Office of General Counsel (OGC). By letter dated May 16, 2019, the FTC's Office of General Counsel directed Respondents to address and cure four specific deficiencies on or before May 30, 2019, to avoid a potential process enforcement action:

- a. Request for Production 1 (communications relating to various aspects of telemarketing, complaints, and law enforcement inquiries about unwanted telemarketing sales calls): Respondents should produce any responsive communications with or among the other Respondents;
- b. Request for Production 2 (other communications relating to telemarketing, the marketing of cruises or travel vacations, and government investigations concerning specified individuals or entities): Respondents should produce any responsive communications with or among the other Respondents;
- c. Requests for Production 5 / 9 (communications relating to automated dialing and other telemarketing technologies)⁵: Respondents should produce responsive documents to be identified by running searches of

⁵ This specification appears in identical form as Request for Production 5 in all of the CIDs, except the CID to Royal Seas Cruises, Inc. In that CID, the specification appears as Request for Production 9. *See, e.g.*, PX 2 at 9; PX 11 at 9.

certain specified terms (search terms that FTC staff previously provided on December 27, 2018); and

d. Request for Production 6(c) / 9(c) / 15(c) (documents relating to complaints about certain business practices, including cease and desist letters, threats of lawsuits, or actual lawsuits)⁶: Respondents should produce all documents relating to actual lawsuits “including but not limited to complaints, pleadings, litigation filings, or other litigation-related records.”

PX 15; PX 1, ¶ 27...

Once again, Respondents failed to cure the specified deficiencies. Instead, their counsel insisted that Respondents’ productions to date represented “full compliance” with limitations they proposed back in December 2018—utterly ignoring that the CID as subsequently modified by the FTC official with that delegated authority did not adopt Respondents’ constricted view of their search and production obligations. PX 16 at 7. When reminded of the possibility of judicial action to enforce the CID, Respondents’ counsel later asserted that his clients were conducting additional email searches, but he provided no assurances about the scope of any additional searches. Nor would he say when additional searches would be completed or when production might occur. PX 17. In fact, FTC staff has received several such assurances from Respondents’ counsel in the past but has yet to

⁶ This request appears in identical form as Request 6(c) in the CIDs to BPCL Management, LLC, Nationwide Reservations, Inc., Reservations & Fulfillment Services, Inc., and Jeff Tellam; as Request 9(c) in the CIDs to Cruise Operator, Inc., Melissa Hanson, Paul Heyden, Daniel Lambert, and James Verillo; and as Request 15(c) in the CID to Royal Seas Cruises, Inc. *See, e.g.*, PX 5 at 9 (Request 6(c)); PX 4 at 9 (Request 9(c)); PX 11 at 10 (Request 15(c)).

receive the information promised. PX 16 at 5. Respondents' intransigence and delay has significantly impeded the FTC's investigation. PX 1, ¶ 33.

None of Respondents has filed a petition to limit or quash the CID it received.
Id.

ARGUMENT

I. Standards For Enforcement Of Agency Process.

Like any administrative agency, the FTC has broad authority to “investigate merely on suspicion that the law is being violated, or even just because it wants assurance that it is not.” *United States v. Morton Salt Co.*, 338 U.S. 632, 642-43 (1950). A court's role in a proceeding to enforce an agency's investigative process is thus “sharply limited.” *United States v. Florida Azalea Specialists*, 19 F.3d 620, 623 (11th Cir. 1994) (quoting *EEOC v. Kloster Cruise Ltd.*, 939 F.2d 920, 922 (11th Cir. 1991)). While “the court's function is ‘neither minor nor ministerial,’ the scope of issues which may be litigated in a [compulsory process] enforcement proceeding must be narrow, because of the important governmental interest in the expeditious investigation of possible unlawful activity.” *FTC v. Texaco Inc.*, 555 F.2d 862, 872 (D.C. Cir. 1977) (*en banc*) (internal citation omitted).

Actions enforcing administrative process are “to be handled summarily and with dispatch.” *In re: Office of the Inspector Gen'l, R.R. Retirement Bd.*, 933 F.2d 276, 277 (5th Cir. 1991).⁷ “The court may inquire into (1) whether the

⁷ The Commission initiates administrative process enforcement proceedings through a petition and order to show cause (rather than by complaint and summons); these proceedings are summary in nature. *See, e.g.*, 15 U.S.C. § 57b-1(e);

administrative investigation is within the agency's authority, (2) whether the agency's demand is too indefinite, and (3) whether the information sought is reasonably relevant." *EEOC v. Tire Kingdom, Inc.*, 80 F.3d 449, 450 (11th Cir. 1996) (citing *Morton Salt*, 338 U.S. at 652; *Florida Azalea*, 19 F.3d at 622-23). None of Respondents has raised any legal challenge on any of these grounds.⁸ Having failed to raise those challenges administratively, they may not raise them here. *EEOC v. Cuzzens of Georgia, Inc.*, 608 F.2d 1062, 1063-64 (5th Cir. 1979).

II. Respondents Have Improperly Withheld Responsive Information.

Respondents have never disputed the relevance of the CID's specifications. Nor have they articulated any other valid rationale for carving out from their searches and productions information that the FTC has specified—including, in particular, communications between and amongst themselves relating to the topics listed in the CID. Instead, Respondents' only objection—which has developed entirely over email and has never been fully or formally raised to the Commission

FTC v. Carter, 636 F.2d 781, 789 (D.C. Cir. 1980); *FTC v. MacArthur*, 532 F.2d 1135, 1141-42 (7th Cir. 1976). The FTC has used the same procedure in a prior case filed in this district. *See Federal Trade Commission v. National Processing Co., et al.*, Case No. 1:13-mc-23437 (S.D. Fla. filed Sept. 24, 2013).

⁸ If asserted, any such objection would fail. The Commission's investigation is lawful and authorized by the FTC Act, the Telemarketing and Consumer Fraud and Abuse Prevention Act, and the TSR. 15 U.S.C. § 45(a); 15 U.S.C. § 6101 *et seq.*; 16 C.F.R. Part 310. The CIDs here were lawfully issued and properly served according to Commission statute and regulations. 15 U.S.C. §§ 57b-1(i), (c)(8), (c)(9); 16 C.F.R. § 2.7(a); PX 1, ¶¶ 9, 11. The requests in the CIDs ask for information about Respondents' telemarketing activities and thus are directly relevant to the investigation. *See, e.g.*, PX 1, ¶ 10; PX 2-PX 11. Finally, the CIDs are not too indefinite; the scope of the FTC's investigation and the type of information required are clear and defined by the agency's authority and the plain text of the CIDs themselves. *See, e.g., Securities and Exchange Comm'n v. Arthur Young & Co.*, 584 F.2d 1018, 1025-26 (D.C. Cir. 1978).

through procedures to limit or quash a CID pursuant to the Commission's published Rules of Practice, 16 C.F.R. §2.7—seems to be that they never agreed to produce that information, citing limitations that their counsel proposed in a December 14, 2018 email. But Respondents cannot unilaterally decide what information the FTC needs for its investigation.

There is no question, moreover, that the FTC rejected Respondents' proposed limitations. In addition to other communications from FTC staff (*e.g.*, PX 12), the February 28 letter from Ms. Greisman made that abundantly clear. *See* PX 13. Under the FTC's Rules of Practice, *see* 16 C.F.R. Part 2, the Commission has delegated authority to "the Associate Directors of the Bureau of Consumer Protection . . . to modify and, in writing, approve the terms of compliance with all compulsory process, including . . . CIDs." 16 C.F.R. § 2.7(l). Ms. Greisman is one of the Associate Directors of the Bureau of Consumer Protection, and thus her letter modifying the terms of compliance with the CIDs issued to Respondents is as definitive—and as binding—as if those modifications had come from the Commission itself. *Id.*

If Respondents had objections to the CID (original or as modified) or disagreed with FTC staff's expressed expectations for Respondents' compliance, they had an available administrative remedy: a petition to limit or quash the CID pursuant to the Commission's procedural rules. *See* 16 C.F.R. § 2.10; *Cuzzens*, 608 F.2d at 1063-64. If needed, Respondents might have sought additional time to file such a petition. As shown from their communications, Respondents were well aware

of these rights. Indeed, Respondents expressly reserved their exercise, writing to staff: “To the extent you all want to ask for more at a later date, you are free to do so and, in turn, our right to object and/or file a petition will begin to run from the time you seek additional documents or information.” PX 12 at 5. Respondents never formally objected, however, even in the face of the CID modification letter that they themselves described as “asking for new information.” PX 14 at 2. Instead, they elected simply to withhold information until called on it—a position that is legally improper and inconsistent with their obligations under the CIDs.

CONCLUSION

The Court should issue the attached proposed Order Compelling Respondents To Comply With Federal Trade Commission’s Civil Investigative Demands Or To Show Cause Why They Failed To Do So and, if Respondents fail to produce the materials sought by the CIDs, issue an order requiring them to comply fully with the CIDs within ten days.

Respectfully submitted,

ALDEN F. ABBOTT
General Counsel

JAMES REILLY DOLAN
Principal Deputy General Counsel

MICHELE ARINGTON
Assistant General Counsel for Trial
Court Litigation

s/ Burke W. Kappler
BURKE W. KAPPLER
Attorney
Special Bar No. A5502547

FEDERAL TRADE COMMISSION
600 Pennsylvania Ave., N.W.
Washington, DC 20580
Tel.: (202) 326-2043
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Email: bkappler@ftc.gov

Dated: July 25, 2019.

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

MISC. NO. 0:19-mc-61867-XXXX

FEDERAL TRADE COMMISSION,

Petitioner,

v.

DANIEL LAMBERT,

JAMES VERILLO,

CRUISE OPERATOR, INC,

BPCL MANAGEMENT, LLC,

NATIONWIDE RESERVATIONS, INC.,

JEFF TELLAM,

RESERVATIONS & FULFILLMENT
SERVICES, INC.,

MELISSA HANSON,

PAUL HEYDEN, and

ROYAL SEAS CRUISES, INC.

Respondents.

**[PROPOSED] ORDER COMPELLING RESPONDENTS TO COMPLY
WITH FEDERAL TRADE COMMISSION'S
CIVIL INVESTIGATIVE DEMANDS OR
TO SHOW CAUSE WHY THEY FAILED TO DO SO**

Pursuant to the authority conferred by Section 20 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §57b-1, Petitioner, the Federal Trade

Commission ("Commission"), has invoked the aid of this Court, pursuant to Fed. R. Civ. P. 81(a)(5), for an order requiring the Respondents, Daniel Lambert, James Verillo, Cruise Operator, Inc., BPCL Management, LLC, Nationwide Reservations, Inc., Jeff Tellam, Reservations & Fulfillment Services, Inc., Paul Heyden, Melissa Hanson, and Royal Seas Cruises, Inc. to produce documents in compliance with separate Civil Investigative Demands ("CIDs") issued by the Commission on November 21, 2018, with an original return date of December 21, 2018.

The CIDs were issued in aid of an investigation concerning whether the Respondents' conduct violated Section 5 of the FTC Act, 15 U.S.C. § 45, or the Commission's Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310, through their telemarketing of cruise vacation packages.

The Court has considered the Commission's Petition for an Order enforcing its CIDs and the papers filed in support thereof and it appears to the Court that Petitioner has shown good cause for the entry of this Order.

It is, therefore, ORDERED that, within _____ days after the entry of this Order, by _____, 2019, each Respondent SHALL:

(1) Produce forthwith to the Commission all documents responsive to the CIDs and to the letter from the Petitioner FTC's Office of General Counsel dated May 16, 2019, including:

- (a) For all Respondents, all communications responsive to Request for Production 1 between or among any of Respondents;

- (b) For all Respondents, all communications responsive to Request for Production 2 between or among any of Respondents;
- (c) For all Respondents *except* Royal Seas Cruises, Inc., all documents responsive to Request for Production 5 in the CIDs they received;
- (d) For Royal Seas Cruises, Inc., all documents responsive to Request for Productions 9 and 15(c) in the CID it received;
- (e) For Respondents BPCL Management, LLC; Nationwide Reservations, Inc.; Reservation & Fulfillment Services, Inc.; and Jeff Tellam, all documents responsive to Request for Production 6(c) in the CIDs they received;
- (f) For Respondents Cruise Operator, Inc.; Melissa Hanson; Paul Heyden; Daniel Lambert; and James Verillo all documents responsive to Request for Production 9(c) in the CIDs they received;

OR

(2) By that date, file and serve (by hand or electronically via email) on counsel for the Commission their response(s) to the Commission's petition. As none of Respondents filed a petition to limit or quash the CIDs they received, any response to the Commission much demonstrate good cause their failure to raise such objections previously. Absent such good cause shown, no objections that could have been raised in an administrative petition to quash and were not shall be

considered. Any reply by the Commission to oppositions filed by any of Respondents shall be filed with the Court and served (by hand or electronically via email) on counsel for Respondents. Such reply(ies) shall be filed and served no later than ____ days after service of the latest of any opposition by Respondents.

IT IS FURTHER ORDERED that each Respondent filing an opposition shall appear at: ____ a.m./p.m. on the ____ day of _____, 2019, in Courtroom No. ____, of the _____ located at _____, and show cause, if any there be, why this Court should not enter an order, subject to the penalty of contempt, directing them to comply with the Commission's CIDs. Unless the Court determines otherwise, notwithstanding the filing or pending of any procedural or other motions, all issues raised by the petition and supporting papers, and any opposition to the petition will be considered at the hearing on the petition, and the allegations of said petition shall be deemed admitted unless controverted by a specific factual showing.

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 81(a)(5), that this is a summary proceeding and that no party shall be entitled to discovery without further order of the Court upon a specific showing of need; and the dates for a hearing and the filing of papers established by this Order shall not be altered without prior order of the Court upon good cause shown; and

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 81(a)(5), that a copy of this Order and copies of said Petition and all other papers filed herein (to the

extent not previously served), shall be served forthwith upon Respondents or their counsel by the Commission using as expeditious means as practicable.

SO ORDERED:

United States District/Magistrate Judge

Dated: _____, 2019, _____, Florida