

1
2 UNITED STATES DISTRICT COURT
3 DISTRICT OF NEVADA

4 Federal Trade Commission, et al.,
5 Plaintiffs

Case No. 2:25-cv-00760-CDS-NJK
Preliminary Injunction

6 v.

7 International Markets Live, Inc., et al.,
8 Defendants

9
10 The Federal Trade Commission (“Commission”) and the State of Nevada (collectively,
11 “Plaintiffs”), filed their complaint for Permanent Injunction, Monetary Judgment, and Other
12 Relief pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act (“FTC Act”), 15
13 U.S.C. §§ 53(b) and 57b, the Telemarketing and Consumer Fraud and Abuse Prevention Act
14 (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, Section 5 of the Restore Online Shoppers’
15 Confidence Act (“ROSCA”), 15 U.S.C. § 8404, and the Deceptive Trade provisions of Chapter
16 598 of the Nevada Revised Statutes, §§ 598.0915(5) and 598.0923(1)(c). The Plaintiffs also
17 applied for a preliminary injunction, limited asset freeze, appointment of a monitor, and other
18 relief.

19 FINDINGS

20 The Court, having considered the complaint, the motion for preliminary injunction,
21 declarations, exhibits, and the memorandum of points and authorities filed in support thereof,
22 finds that:

23 A. This Court has jurisdiction over the subject matter of this case, and there is good
24 cause to believe that it will have jurisdiction over all parties hereto and that venue in this district
25 is proper.
26

1 B. There is good cause to believe that the Defendants have engaged in and are likely
2 to engage in acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), the
3 Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and Chapter 598 of the Nevada Revised
4 Statutes, that the ROSCA Defendants, as defined below, have engaged in and are likely to engage
5 in acts or practices that violate Section 4 of ROSCA, 15 U.S.C. § 8403, and that plaintiffs are
6 therefore likely to prevail on the merits of this action.

7 C. As demonstrated by documentation of Defendants’ advertisements, documents
8 and information provided by Defendants to plaintiffs and submitted in support of plaintiffs’
9 motion for preliminary injunction, testimony from Defendants’ employees, consumer
10 declarations, a report by plaintiffs’ survey expert, and the additional documentation filed by the
11 plaintiffs, the plaintiffs have established a likelihood of success in showing that Defendants
12 have: (1) made false or unsubstantiated claims regarding consumers’ ability to earn substantial
13 income trading in the financial markets, including consumers’ ability to do so even if they lacked
14 trading experience, significant time, or investable capital; (2) made false claims that their
15 instructors were audited by the FTC; (3) made false or unsubstantiated claims regarding
16 consumers ability to earn substantial income from Defendants’ Business Venture; and (4) made
17 material misrepresentations and false and misleading statements while engaged in
18 telemarketing. Plaintiffs have also established a likelihood of success in showing that the
19 ROSCA Defendants have: (i) failed to clearly and conspicuously disclose all material terms of
20 their transactions before obtaining purchasers’ billing information and (ii) failed to obtain
21 purchasers’ express informed consent before obtaining purchasers’ billing information.

22 D. There is good cause to believe that immediate and irreparable harm will result
23 from Defendants’ ongoing violations of the FTC Act, the TSR, and Nevada Revised Statutes, and
24 ROSCA Defendants’ ongoing violations of ROSCA, unless Defendants and ROSCA Defendants
25 are restrained and enjoined by order of this Court.
26

1 E. There is good cause to believe that immediate and irreparable damage to the
2 Court's ability to grant effective final relief for consumers – including monetary restitution,
3 rescission, or refunds –will occur from the sale, transfer, destruction, or other disposition or
4 concealment by Defendants of their assets or records, unless Defendants are immediately
5 restrained and enjoined by order of this Court.

6 F. Good cause exists for appointing an independent monitor over the Monitored
7 Entities, as defined below, placing a limited freeze on the Corporate Defendants' assets,
8 requiring preservation of the Individual Defendants' assets, permitting the Monitor and
9 plaintiffs to have immediate access to the Defendants' business premises, and permitting the
10 plaintiffs and the Monitor to take expedited discovery.

11 G. Weighing the equities and considering plaintiffs' likelihood of ultimate success
12 on the merits, a preliminary injunction with a limited asset freeze on the Corporate Defendants'
13 assets, the preservation of the Individual Defendants' assets, the appointment of a monitor,
14 immediate access to business premises, expedited discovery, and other relief is in the public
15 interest.

16 H. This Court has authority to issue this order pursuant to Section 13(b) and 19 of
17 the FTC Act, 15 U.S.C. § 53(b); Federal Rule of Civil Procedure 65; and the All Writs Act, 28
18 U.S.C. § 1651.

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

21 DEFINITIONS

22 For the purpose of this order, the following definitions shall apply:

23 A. **"Business Venture"** means any written or oral business arrangement, however
24 denominated, whether or not covered by 16 C.F.R. Part 437, that consists of providing payment
25 or other consideration for the right or means to offer, sell, or distribute Defendants' products or
26 services.

1
2 B. “Clear(ly) and Conspicuous(ly)” means that a required disclosure is easily
3 noticeable (i.e., difficult to miss) and easily understandable by ordinary consumers, including in
4 all of the following ways:

- 5 (1) In any communication that is solely visual or solely audible, the disclosure
6 must be made through the same means through which the communication
7 is presented. In any communication made through both visual and audible
8 means, such as a television advertisement, the disclosure must be presented
9 simultaneously in both the visual and audible portions of the
10 communication even if the representation requiring the disclosure is made
11 in only one means.
- 12 (2) A visual disclosure, by its size, contrast, location, the length of time it
13 appears, and other characteristics, must stand out from any accompanying
14 text or other visual elements so that it is easily noticed, read, and
15 understood.
- 16 (3) An audible disclosure, including by telephone or streaming video, must be
17 delivered in a volume, speed, and cadence sufficient for ordinary consumers
18 to easily hear and understand it.
- 19 (4) In any communication using an interactive electronic medium, such as the
20 Internet, an app, or software, the disclosure must be unavoidable. A
21 disclosure is not Clear and Conspicuous if a consumer must take any action,
22 such as clicking on a hyperlink or hovering over an icon, to perceive and
23 understand it.
- 24 (5) The disclosure must use diction and syntax understandable to ordinary
25 consumers and must appear in each language in which the representation
26 that requires the disclosure appears.

1 (6) The disclosure must comply with these requirements in each medium
2 through which it is received, including all electronic devices and face-to-
3 face communications.

4 (7) The disclosure must not be contradicted or mitigated by, or inconsistent
5 with, anything else in the communication.

6 (8) When the representation or sales practice targets a specific audience, such
7 as children, the elderly, or the terminally ill, “ordinary consumers” includes
8 members of that group.

9 C. “Corporate Defendants” means International Markets Live, Inc., also d/b/a
10 IYOVIA, iMarketsLive, IM Mastery Academy, and IM Academy; IM Mastery Academy Ltd., f/k/a
11 International Markets Live Ltd.; and Assiduous, Inc., and their affiliates, subsidiaries, successors
12 and assigns.

13 D. “Defendants” means all of the Individual Defendants and the Corporate
14 Defendants, individually, collectively, or in any combination.

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

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

4 G. “**Earnings Claim**” means any representation to consumers, specific or general,
5 about income, financial gains, percentage gains, profit, net profit, gross profit, or return on
6 investment. Earnings Claims include, but are not limited to: (a) the details of specific profitable
7 trades, whether actual or hypothetical; (b) references to quitting one’s job, not having to work,
8 financial freedom, or living off of income from trading in any financial market or multi-level
9 marketing; (c) references to increased savings; (d) references to purchases, including a home,
10 vehicle, boat, vacation, jewelry, luxury clothing and accessories, or travel; (e) claims that
11 consumers will not lose money if they use a particular trading strategy; (f) claims that profits are
12 likely, probable, or the “mathematical” result of applying a particular trading strategy; (g) any
13 statements, claims, success stories, endorsements, or testimonials about the performance or
14 profitability of representatives, endorsers, instructors or customers; and (h) any representation,
15 even hypothetical, of how much money a consumer could or would earn.

16 H. “**Independent Business Owner**” or “**IBO**” means any individual or entity who is
17 participating in a Business Venture.

18 I. “**Individual Defendants**” means Christopher Terry, a/k/a Chris Terry, and Isis
19 Terry, f/k/a Isis De La Torre.

20 J. “**Monitor**” means the monitor appointed in Section XIII of this order and any
21 deputy monitors that shall be named by the monitor.

22 K. “**Monitored Entities**” means Corporate Defendants and any other entity that has
23 conducted any business related to the marketing or sale of Defendants’ Products, including
24 receipt of assets derived from any activity that is subject of the complaint in this matter, and
25 that the Monitor determines is controlled or owned by any Defendant.
26

1 L. “Negative Option Feature” means a provision of a contract under which the
2 consumer’s silence or failure to take affirmative action to reject a good or service or to cancel the
3 agreement is interpreted by the negative option seller or provider as acceptance (or continuing
4 acceptance) of the offer, including, but not limited to: an automatic renewal; a continuity plan; a
5 free-to-pay conversion or fee-to-pay conversion; or a pre-notification negative option plan.

6 M. “Person” means any natural person or any entity, corporation, partnership, or
7 association of persons.

8 N. “Product” means any Business Venture or Trading Training Service sold by
9 Defendants.

10 O. “ROSCA Defendants” means Christopher Terry, a/k/a Chris Terry, Isis Terry,
11 f/k/a Isis De La Torre, and International Markets Live, Inc., also d/b/a IYOVIA, iMarketsLive, IM
12 Mastery Academy, and IM Academy.

13 P. “Seller” means any Person who, in connection with a Telemarketing transaction,
14 provides, offers to provide, or arranges for others to provide goods or services to the customer in
15 exchange for consideration.

16 Q. “Telemarketer” means any Person who, in connection with Telemarketing,
17 initiates or receives telephone calls to or from a customer or donor.

18 R. “Telemarketing” means any plan, program, or campaign which is conducted to
19 induce the purchase of goods or services by use of one or more telephones, and which involves a
20 telephone call, whether or not covered by the Telemarketing Sales Rule.

21 S. “Trading Training Service” means any product or service, including any program
22 or plan, that is represented, expressly or by implication, to train or teach a consumer how to
23 trade in any financial market, including the foreign exchange, binary options, cryptocurrency, or
24 stock markets.

ORDER

I. PROHIBITED BUSINESS ACTIVITIES

IT IS THEREFORE ORDERED that Defendants, Defendants' officers, agents, IBOs, employees, and attorneys, and all other Persons in active concert or participation with any of them, who receive actual notice of this order by personal service or otherwise, whether acting directly or indirectly, in connection with the advertising, marketing, promoting, or offering for sale of any goods or services, are preliminarily restrained and enjoined from:

A. Making any Earnings Claim, expressly or by implication, unless the Earnings Claim is non-misleading, and, at the time such claim is made, Defendants: (1) have a reasonable basis for the claim; (2) have in their possession written materials that substantiate that the claimed earnings are typical for consumers similarly situated to those to whom the claim is made; and (3) make the written substantiation available upon request to the consumer, potential purchaser, the Monitor, or the FTC;

B. Misrepresenting or assisting others in misrepresenting, expressly or by implication:

- (1) The level of experience required for consumers to effectively use the good or service;
- (2) The time or effort required for consumers to effectively use the good or service;
- (3) The amount of capital required for consumers to effectively use the good or service;
- (4) That any government entity is auditing or reviewing the good or service or representations regarding the good or service;
- (5) Any material aspect of the nature or terms of a refund, cancellation, or exchange policy for the good or service; or

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

C. Offering any good or service with a Negative Option Feature, without first:

(1) Disclosing Clearly and Conspicuously, and immediately adjacent to the means of recording the consumer's consent for the Negative Option Feature, all material terms of the transaction before obtaining the consumer's billing information; and

(2) Obtaining the consumer's express informed consent before charging the consumer's credit card, debit card, bank account, or other financial account for the transaction.

D. In connection with Telemarketing of any goods or services:

(1) Providing substantial assistance or support to any Seller or Telemarketer when that Person knows or should know that the Seller or Telemarketer is engaged in any actions that violates §§ 310.3(a), (c) or (d), or § 310.4 of the TSR; or

(2) Violating any provision of the TSR, 16 C.F.R. Part 310, attached as **Attachment A**.

II. PROHIBITION ON RELEASE OF CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, IBOs, employees, and attorneys, and all other Persons in active concert or participation with any of them, who receive actual notice of this order, whether acting directly or indirectly, are hereby preliminarily restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing, the name, address, birth date, telephone number, email address, credit card number, bank account number, Social Security number, or other financial or identifying information of

1 any Person that any Defendant obtained in connection with any activity that pertains to the
2 subject matter of this order.

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

7 **III. PRESERVATION OF RECORDS**

8 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, IBOs,
9 employees, and attorneys, and all other Persons in active concert or participation with any of
10 them, who receive actual notice of this order, whether acting directly or indirectly, are hereby
11 preliminarily restrained and enjoined from:

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

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

21 **IV. PRESERVATION OF INDIVIDUAL DEFENDANTS' ASSETS**

22 **IT IS FURTHER ORDERED** that for the pendency of this order, each Individual
23 Defendant shall not:

24 A. Directly or indirectly, disburse, gift, spend, transfer, liquidate, or assign more
25 than a cumulative amount of \$75,000.00 (per Individual Defendant) of their assets without prior
26 approval from the Court.

1 B. Directly or indirectly, transfer any asset (including but not limited to digital
2 currencies and non-fungible tokens) outside the United States.

3 **V. ASSET FREEZE OVER CORPORATE DEFENDANTS**

4 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, employees,
5 and attorneys, and all other Persons in active concert or participation with any of them, who
6 receive actual notice of this order, whether acting directly or indirectly, are hereby preliminarily
7 restrained and enjoined from:

8 A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling,
9 concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, granting a
10 lien or security interest or other interest in, or otherwise disposing of any assets, wherever
11 located, including outside the United States, that are:

- 12 (1) Owned or controlled, directly or indirectly, by any Corporate Defendant;
- 13 (2) Held, in part or in whole, for the benefit of any Corporate Defendant;
- 14 (3) In the actual or constructive possession of any Corporate Defendant; or
- 15 (4) Owned or controlled by, in the actual or constructive possession of, or
16 otherwise held for the benefit of, any corporation, partnership, asset
17 protection trust, or other entity that is directly or indirectly owned,
18 managed, or controlled by any Corporate Defendant.

19 B. Opening or causing to be opened any safe deposit boxes, commercial mailboxes,
20 or storage facilities titled in the name of any Corporate Defendant or subject to access by any
21 Corporate Defendant, except as necessary to comply with written requests from the Monitor
22 acting pursuant to its authority under this order;

23 C. Incurring charges or cash advances on any credit, debit, or ATM card issued in
24 the name, individually or jointly, of any Corporate Defendant or any corporation, partnership, or
25 other entity directly or indirectly owned, managed, or controlled by any Corporate Defendant or
26 of which any Individual Defendant is an officer, director, member, or manager. This includes any

1 corporate bankcard or corporate credit card account for which any Defendant is, or was on the
2 date that this order was signed, an authorized signor; or

3 D. The assets affected by this Section shall include: (1) all assets of the Corporate
4 Defendants as of the time this order is entered; and (2) assets obtained by the Corporate
5 Defendants after this order is entered if those assets are derived from any activity that is the
6 subject of the complaint in this matter or that is prohibited by this order.

7 **VI. EXCEPTIONS TO ASSET FREEZE OVER CORPORATE DEFENDANTS**

8 **IT IS FURTHER ORDERED** that:

9 A. Notwithstanding the provisions of Section V, above, Corporate Defendants may:

- 10 (1) Pay employees, other than Defendants, their usual current salaries;
11 (2) Pay the current monthly or other periodic payment paid to individuals who
12 serve as regular instructors;
13 (3) Pay compensation to IBOs as calculated under Defendant International
14 Markets Live, Inc.'s IYOVIA compensation plan;
15 (4) Pay for internet services or other reasonable and necessary purchases in the
16 ordinary course of business;
17 (5) Make payments to fulfill federal, state, and local tax obligations; and
18 (6) Pay for the employer's share of health insurance benefits already in effect;

19 B. Provided, however, that no single or aggregate payment in any month to any
20 single payee shall exceed \$10,000 without prior approval of the Monitor. Any such payment
21 shall be contingent on the Monitor's determination that both payor and payee are in compliance
22 with this order.

23 C. Defendants may submit to the Monitor a list of vendors or individuals to seek
24 prior approval and the basis therefor. No later than the 15th day of each month, Corporate
25 Defendants shall file with the Monitor a list of payees and the amount of each payment
26

1 authorized herein for the prior month. A duly authorized officer(s) of Corporate Defendants
2 shall certify the accuracy of the report.

3 **VII. DUTIES OF ASSET HOLDERS AND OTHER THIRD PARTIES**

4 **IT IS FURTHER ORDERED** that any financial or brokerage institution, Electronic
5 Data Host, credit card processor, payment processor, merchant bank, acquiring bank,
6 independent sales organization, third party processor, payment gateway, insurance company,
7 business entity, or Person who receives actual notice of this order (by service or otherwise) that
8 (a) has held, controlled, or maintained custody, through an account or otherwise, of any
9 Document on behalf of any Defendant or any asset that has been: owned or controlled, directly
10 or indirectly, by any Defendant; held, in part or in whole, for the benefit of any Defendant; in the
11 actual or constructive possession of any Defendant; or owned or controlled by, in the actual or
12 constructive possession of, or otherwise held for the benefit of, any corporation, partnership,
13 asset protection trust, or other entity that is directly or indirectly owned, managed or controlled
14 by any Defendant; (b) has held, controlled, or maintained custody, through an account or
15 otherwise, of any Document or asset associated with credits, debits, or charges made on behalf
16 of any Defendant, including reserve funds held by payment processors, credit card processors,
17 merchant banks, acquiring banks, independent sales organizations, third party processors,
18 payment gateways, insurance companies, or other entities; or (c) has extended credit to any
19 Defendant, including through a credit card account, shall:

20 A. Hold, preserve, and retain within its control and prohibit the withdrawal,
21 removal, alteration, assignment, transfer, pledge, encumbrance, disbursement, dissipation,
22 relinquishment, conversion, sale, refund, chargeback, or other disposal of any such Document or
23 asset of any Corporate Defendant, as well as all Documents or other property related to such
24 assets, except by further order of this Court.

1 Provided, however, this provision does not prohibit an Individual Defendant from
2 incurring charges on a personal credit card established prior to entry of this order, up to the pre-
3 existing credit limit.

4 Provided further, however, that asset holders may release funds for payments authorized
5 pursuant to Section VI. Before the asset holder releases any funds, a duly authorized officer of
6 the Corporate Defendant shall certify in writing to the entity releasing funds the amount to be
7 released and that such assets will be used to make payments authorized by the Court or
8 Monitor. Defendants shall provide a copy of the certification to the Plaintiffs and the Monitor at
9 the same time it is provided to the asset holder. If any asset holder contests or otherwise fails to
10 honor a Corporate Defendant's certificate, the Corporate Defendant may apply to the Court for
11 relief;

12 B. Deny any Person access to any safe deposit box, commercial mailbox, or storage
13 facility that is titled in the name of any Corporate Defendant, either individually or jointly, or
14 otherwise subject to access by any Corporate Defendant;

15 C. Provide plaintiffs' counsel and the Monitor, within three (3) days of receiving a
16 copy of this order, a sworn statement setting forth, for each asset or account covered by this
17 Section:

- 18 (1) The identification number of each such account or asset;
19 (2) The balance of each such account, or a description of the nature and value
20 of each such asset as of the close of business on the day on which this
21 order is served, and, if the account or other asset has been closed or
22 removed, the date closed or removed, the total funds removed in order to
23 close the account, and the name of the Person to whom such account or
24 other asset was remitted;

(3) The identification of any safe deposit box, commercial mailbox, or storage facility that is either titled in the name, individually or jointly, of any Defendant, or is otherwise subject to access by any Defendant; and

D. Upon the request of plaintiffs' counsel or the Monitor, promptly provide plaintiffs' counsel and the Monitor with copies of all records or other Documents pertaining to each account or asset covered by this Section, including originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, including wire transfers and wire transfer instructions, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and all logs and records pertaining to safe deposit boxes, commercial mail boxes, and storage facilities.

VIII. FINANCIAL DISCLOSURES

IT IS FURTHER ORDERED that each Defendant, within five (5) days of service of this order upon them, shall prepare and deliver to Plaintiffs' counsel and the Monitor:

A. Completed financial statements on the forms attached to this order as **Attachment B** (Financial Statement of Individual Defendant) for each Individual Defendant, and **Attachment C** (Financial Statement of Corporate Defendant) for each Corporate Defendant; and

B. Completed **Attachment D** (IRS Form 4506, Request for Copy of a Tax Return) for each Individual and Corporate Defendant.

IX. FOREIGN ASSET DISCLOSURES

IT IS FURTHER ORDERED that within five days following the service of this order, each Defendant shall:

A. Provide Plaintiffs' counsel and the Monitor with a full accounting, verified under oath and accurate as of the date of this, of all assets, Documents, and accounts outside of the United States which are: (1) titled in the name, individually or jointly, of any Defendant; (2) held by any Person for the benefit of any Defendant or for the benefit of any corporation, partnership,

1 asset protection trust, or other entity that is directly or indirectly owned, managed, or
2 controlled by any Defendant; or (3) under the direct or indirect control, whether jointly or
3 singly, of any Defendant;

4 B. Take all steps necessary to provide Plaintiffs' counsel and the Monitor access to
5 all Documents and records relating to each Defendant that may be held by third parties located
6 outside of the territorial United States of America, including signing the Consent to Release of
7 Financial Records appended to this order as **Attachment E**.

8 **X. CONSUMER CREDIT REPORTS**

9 IT IS FURTHER ORDERED that Plaintiffs' counsel and the Monitor may obtain credit
10 reports concerning any Corporate Defendant pursuant to Section 604(a)(1) of the Fair Credit
11 Reporting Act, 15 U.S.C. § 1681b(a)(1), and that, upon written request, any credit reporting
12 agency from which such reports are requested shall provide them to Plaintiffs' counsel and the
13 Monitor.

14 **XI. REPORT OF NEW BUSINESS ACTIVITY**

15 IT IS FURTHER ORDERED that Defendants, who receive actual notice of this order,
16 whether acting directly or indirectly, are hereby preliminarily restrained and enjoined from
17 creating, operating, or exercising any control over any business entity, whether newly formed or
18 previously inactive, including any partnership, limited partnership, joint venture, sole
19 proprietorship, or corporation, without first providing Plaintiffs' counsel and the Monitor with
20 a written statement disclosing: (1) the name and domicile of the business entity; (2) the address
21 and telephone number of the business entity; (3) the names of the business entity's officers,
22 directors, principals, managers, members, and employees; and (4) a detailed description of the
23 business entity's intended activities.

1 **XII. RECORDING OF LIVE SALES EVENTS AND RETENTION OF SALES**
2 **DOCUMENTS**

3 **IT IS FURTHER ORDERED** that Defendants and their officers, agents, IBOs,
4 employees, independent contractors, and attorneys, all other Persons in active concert or
5 participation with any of them, in connection with the advertising, marketing, promoting, or
6 offering for sale of Defendants' Products, shall:

7 A. Ensure all of Defendants' and IBOs' live sales events, including, but not limited to
8 in-person meetings, telephone calls, and meetings conducted via videoconferencing applications
9 such as Zoom and Microsoft Teams, are recorded and provided to Defendants;

10 B. Ensure all sales Documents, including, but not limited to social media posts on
11 platforms such as Instagram, Facebook, and YouTube, and communications on messaging
12 applications (e.g., WhatsApp, Telegram, Discord), are provided to Defendants;

13 C. Ensure all live programs offered as part of Defendants' Trading Training Services,
14 such as "GoLive" sessions, are recorded and provided to Defendants; and

15 D. Defendants shall retain copies of all recordings of live sales events and live
16 training programs and all sales Documents collected pursuant to this Section for the duration of
17 this order.

18 **XIII. APPOINTMENT OF MONITOR**

19 **IT IS FURTHER ORDERED** that Thomas W. McNamara is appointed as monitor of
20 the Monitored Entities. The Monitor shall be solely the agent of this Court in acting as Monitor
21 under this order.

22 **XIV. DUTIES AND AUTHORITY OF THE MONITOR**

23 **IT IS FURTHER ORDERED** that the Monitor shall have the following duties and
24 authority:

25 A. Ensure that the Monitored Entities record live sales events, training programs,
26 and collect sales Documents as described in Section XII of this order;

1 B. Monitor the Monitored Entities' compliance with this order by identifying and
2 reviewing the Monitored Entities' marketing materials and other Documents that reflect the
3 Monitored Entities' marketing, advertising, promotion, offer for sale, or sale of their Products,
4 including but not limited to, email, search engine advertising, Internet banner advertisements,
5 websites, communications on messaging applications (e.g., WhatsApp, Telegram, Discord),
6 online videos, webinars, social media, live sales events, recordings of live sales events, handouts,
7 slide decks, workbooks, telephone calls (both live and recorded), call logs, call detail records,
8 and reports. The Monitor will determine a reasonable number of materials and Documents (e.g.,
9 social media posts), live sales events, recordings of live sales events, and calls to review;

10 C. Identify and review the Monitored Entities' records and financial transactions,
11 including bank records, as they relate to the practices charged in the complaint or Defendants'
12 Products and ensure that all such related documents are preserved;

13 D. Identify and inventory all assets of the Monitored Entities, including but not
14 limited to:

- 15 (1) Conducting an accounting of the Monitored Entities' assets; and
16 (2) Opening and inventorying any safe deposit boxes, commercial mailboxes, or
17 storage facilities titled in the name of any Monitored Entity, either
18 individually or jointly, or subject to the access by any Monitored Entity;

19 E. Review and authorize any Monitored Entities' request to:

- 20 (1) Incur reasonable charges or cash advances on any credit or bank card issued
21 in the name, individually or jointly, of any Monitored Entity or any
22 corporation, partnership, or other entity directly or indirectly owned,
23 managed, or controlled by any Monitored Entity or of which any Monitored
24 Entity is an officer, director, member, or manager, including but not limited
25 to corporate bank cards or corporate credit card accounts for which any
26

1 Defendant is, or was on the date this order was signed, an authorized
2 signor; and

3 (2) Make reasonable payments authorized by Section VI.A subject to the
4 requirements set forth in Section VI.B.;

5 F. Maintain accurate records of all receipts and expenditures of the Monitored
6 Entities;

7 G. Maintain accurate records of all receipts and expenditures incurred as Monitor;

8 H. The Monitor shall have immediate, unfettered access to all information or
9 Documents the Monitor deems necessary to carry out the Monitor's duties pursuant to this
10 order, to the same extent as the Monitored Entities, themselves, are allowed by right, contract,
11 or practice including, but not limited to:

12 (1) Access to all Documents pertaining to the Monitored Entities' business
13 activities and finances related to the practices charged in the complaint or
14 Defendants' Products wherever located and in whomever's custody or
15 control;

16 (2) Access to all property or premises in possession of, owned by, or under the
17 control of the Monitored Entities related to the practices charged in the
18 complaint or Defendants' Products, wherever located;

19 (3) The right to interview any current or former employee, independent
20 contractor, principal, owner, manager or member of the Monitored Entities,
21 including Individual Defendants, to obtain and copy pertinent information
22 including, but not limited to, the name, home address, Social Security
23 number, job description, company history, passwords or access codes,
24 method of compensation, and all accrued and unpaid commissions and
25 compensation of each such employee;
26

- 1 (4) The right to interview any Monitored Entity's current or former officer,
2 manager, independent contractor, subcontractor, financial institution,
3 vendor, telecommunications provider, agent, service bureau, or other entity
4 involved in the provision of any services from, to, or on behalf of the
5 Monitored Entities, including Individual Defendants;
- 6 (5) Access to all Documents of any officer, manger, independent contractor,
7 employee, or agent of any Monitored Entity pertaining to the Monitored
8 Entities' business activities and finances related to the practices charged in
9 the complaint or Defendants' Products;
- 10 (6) The right to copy or image all Documents that the Monitor deems necessary
11 to carry out the Monitor's duties pursuant to this order, including any
12 documents in the custody, or control of the Individual Defendants; and
- 13 (7) The right to issue subpoenas to obtain Documents and records pertaining to
14 the Monitored Entities, and conduct discovery in this action that the
15 Monitor deems necessary to carry out the Monitor's duties pursuant to this
16 order; and

17 I. The Monitor is authorized to choose, engage, and employ attorneys,
18 investigators, accountants, appraisers, and other independent contractors and technical
19 specialists, as the Monitor deems advisable or necessary in the performance of duties and
20 responsibilities under the authority granted by this order. The Monitor is also authorized to
21 obtain the assistance of the U.S. Marshal's office and other federal, state, and local law
22 enforcement officers as the Monitor deems necessary to fulfill the duties set forth in this Section.
23 If requested by the Monitor, the United States Marshal shall provide, and state or local law
24 enforcement may provide, appropriate and necessary assistance to the Monitor to implement
25 this order and is authorized to use any necessary and reasonable force to do so.
26

1 **XV. REPORTING BY THE MONITOR**

2 **IT IS FURTHER ORDERED** that within forty-five days of entry of this order, the
3 Monitor is directed to report to this Court on the Monitor's findings, including:

4 A. The Monitored Entities' compliance with this order;

5 B. An accounting of the Monitored Entities' financial transactions as to they relate
6 to the practices charged in the complaint or Defendants' Products;

7 C. A description of the Monitored Entities' corporate structures including all
8 parents, subsidiaries (whether wholly or partially owned), divisions (whether incorporated or
9 not), affiliates, branches, charters, joint ventures, partnerships, franchises, operations under
10 assumed names, and all ownership interests of the Monitored Entities;

11 D. A determination of whether the Monitored Entities can be continued legally and
12 profitably;

13 E. The Monitor shall make subsequent reports on the Monitored Entities'
14 compliance with this order every thirty days after its initial report for the duration of this order.

15 **XVI. PROVISION OF INFORMATION TO MONITOR**

16 **IT IS FURTHER ORDERED** that Defendants, their agents, and IBOs shall provide to
17 the Monitor, immediately upon request, but not less than 72 hours, without need of any
18 subpoena or further order, the following:

19 A. A list of all Documents pertaining to the Monitored Entities' Earnings Claims and
20 other representations related to the marketing, advertising, promotion, offer for sale, or sale of
21 Defendants' Products, including any such Documents belonging to other Persons whose
22 interests are under the direction, custody, or control, or in the possession, of the Monitored
23 entities;

24 B. A list of all assets and accounts of the Monitored Entities, including assets of the
25 Monitored Entities that are held in any name other than the name of a Monitored Entity, or by
26 any Person other than a Monitored Entity;

1 C. A list of all assets and Documents belonging to other Persons whose interests are
2 under the direction, custody, or control, or in the possession, of the Monitored Entities;

3 D. A list of all locations where Documents of the Monitored Entities are located, and
4 the means to access such Documents with twelve (12) hours of the Monitor's request;

5 E. Access to all Documents of the Monitored Entities including, but not limited to,
6 books and records of accounts, all financial and accounting records, including cryptocurrency
7 wallets, balance sheets, income statements, bank records (including monthly statements,
8 canceled checks, records of wire transfers, and check registers), client lists, title Documents and
9 other papers that relate to the practices charged in the complaint or Defendants' Products;

10 F. Access to all computers, electronic devices, mobile devices, cryptocurrency
11 wallets, and machines (onsite or remotely), and any cloud account (including specific method to
12 access account), electronic file in any medium, or other data in whatever form used to conduct
13 the business of the Monitored Entities;

14 G. Copies of all keys, codes, user names and passwords necessary to gain or to secure
15 access to any assets or Documents of the Monitored Entities including, but not limited to, access
16 to their business premises, means of communication, accounts, computer systems, or other
17 property; and

18 H. A list of all agents, IBOs, employees, independent contractors, officers, attorneys,
19 servants, and those Persons in active concert and participation with the Monitored Entities, or
20 what have been associated or done business with the Monitored Entities since January 1, 2018.

21 **XVII. COOPERATION WITH THE MONITOR**

22 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, IBOs,
23 employees and attorneys, all other Persons in active concert of participation with any of them,
24 and all other Persons or entities served with a copy of this order shall fully cooperate with and
25 assist the Monitor. This cooperation and assistance shall include, but is not limited to, providing
26 information to the Monitor that the Monitor deems necessary to exercise the authority and

1 discharge the responsibilities of the Monitor under this order, providing any keys, codes, user
2 names, and passwords required to access any computers, electronic devices, mobile devices,
3 cryptocurrency wallets, and machines (onsite or remotely) and any cloud account (including
4 specific method to access account) or electronic file in any medium; informing the Monitor of all
5 Persons who owe money to any Monitored Entity, transferring funds at the Monitor's direction;
6 and producing Documents related to the assets and sales and refunds of the Monitored Entities.

7 **XVIII. NON-INTERFERENCE WITH THE MONITOR**

8 **IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, IBOs,
9 employees, attorneys, and all other Persons in active concert or participation with any of them,
10 who receive actual notice of this order, and any other Persons served with a copy of this order,
11 are hereby restrained and enjoined from directly or indirectly;

12 A. Interfering with the Monitor's efforts to carry out its duties under this order,
13 including but not limited to interfering with the Monitor's efforts to review Documents or
14 claims related to the Monitored Entities' marketing, advertising, promotion, offer for sale of the
15 Defendants' Products;

16 B. Interfering with the Monitor's efforts to inventory or review the assets or
17 Documents of the Monitored Entities;

18 C. Destroying, secreting, defacing, transferring, or otherwise altering or disposing of
19 any Documents of the Monitored Entities;

20 D. Transferring, receiving, altering, selling, encumbering, pledging, assigning,
21 liquidating, or otherwise disposing of any assets owned, controlled, or in the possession or
22 custody of, or in which an interest is held or claimed by, the Monitored Entities except as
23 provided in Section VI;

24 E. Refusing to cooperate with the Monitor or the Monitor's duly authorized agents
25 in the exercise of their duties or authority under any order of this Court; and
26

1 F. Failing to provide any assistance or information requested by the Monitor in
2 connection with the performance of the Monitor's duties under this Order.

3 **XIX. COMPENSATION OF THE MONITOR**

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

13 **XX. IMMEDIATE ACCESS TO BUSINESS PREMISES AND RECORDS**

14 **IT IS FURTHER ORDERED** that:

15 A. To ensure the preservation of assets and evidence relevant to this action and to
16 expedite discovery, the Plaintiffs and the Monitor, and their representatives, agents, contractors,
17 and assistants, shall have immediate access to the business premises, records, and storage
18 facilities, owned, controlled, or used by the Monitored Entities. Such locations include, but are
19 not limited to 3750 South Las Vegas Boulevard., Apartment 2808, Las Vegas, Nevada 89109 and
20 3098 W. Executive Parkway, Suite 150, Lehi, Utah 84043; and any offsite location or commercial
21 mailbox used by the Monitored Entities. The Monitor may exclude Defendants, Monitored
22 Entities, and their employees from the business premises during the immediate access;

23 B. Plaintiffs and the Monitor, and their representatives, agents, contractors, and
24 assistants, are authorized to remove Documents from the Monitored Entities' premises in order
25 that they may be inspected, inventoried, and copied. Plaintiffs shall return any removed
26

1 materials to the Monitor within five (5) days of completing inventorying and copying, or such
2 time as is agreed upon by Plaintiffs and the Monitor;

3 C. Plaintiffs' and the Monitor's access to the Monitored Entities' Documents
4 pursuant to this Section shall not provide grounds for any Defendant to object to any
5 subsequent request for documents served by Plaintiffs or the Monitor;

6 D. Plaintiffs and the Monitor, and their representatives, agents, contractors, and
7 assistants, are authorized to obtain the assistance of federal, state and local law enforcement
8 officers as they deem necessary to effect service and to implement peacefully the provisions of
9 this order;

10 E. If any Documents, computers, or electronic storage devices containing
11 information related to the business practices or finances of the Monitored Entities are at a
12 location other than those listed herein, including personal residence(s) of any Defendant, then,
13 immediately upon receiving notice of this order, Defendants and Monitored Entities shall
14 produce to the Monitor all such Documents, computers, and electronic storage devices, along
15 with any codes or passwords needed for access. In order to prevent the destruction of computer
16 data, upon service of this order, any such computers or electronic storage devices shall be
17 powered down in the normal course of the operating system used on such devices and shall not
18 be powered up or used until produced for copying and inspection; and

19 F. If any communications or records of any Monitored Entity are stored with an
20 Electronic Data Host, such Entity shall, immediately upon receiving notice of this order, provide
21 the Monitor with the username, passwords, and any other login credential needed to access the
22 communications and records, and shall not attempt to access, or cause a third-party to attempt
23 to access, the communications or records.

1 **XXI. DISTRIBUTION OF ORDER BY DEFENDANTS**

2 **IT IS FURTHER ORDERED** that Defendants shall immediately provide a copy of this
 3 order to each franchisee, affiliate, telemarketer, marketer, IBO, sales entity, successor, assign,
 4 member, officer, director, employee, agent, independent contractor, client, attorney, spouse,
 5 subsidiary, division, and representative of themselves, and shall, within ten (10) days from the
 6 date of entry of this order, provide Plaintiffs and the Monitor with a sworn statement that this
 7 provision of the order has been satisfied, which statement shall include the names, physical
 8 addresses, phone number, and email addresses of each such Person who received a copy of the
 9 order. Furthermore, Defendants shall not take any action that would encourage officers, agents,
 10 IBOs, members, directors, employees, salespersons, independent contractors, attorneys,
 11 subsidiaries, affiliates, successors, assigns, franchisees, or other Persons in active concert or
 12 participation with any of them to disregard this order or believe that they are not bound by its
 13 provisions.

14 **XXII. EXPEDITED DISCOVERY**

15 **IT IS FURTHER ORDERED** that, notwithstanding the provisions of Fed. R. Civ. P.
 16 26(d) and (f) and 30(a)(2)(A)(iii), and pursuant to Fed. R. Civ. P. 30(a), 33, 34, and 45, Plaintiffs
 17 and the Monitor are granted leave, at any time after service of this order, to conduct limited
 18 expedited discovery for the purpose of discovering: (1) the nature, location, status, and extent of
 19 Defendants' assets; (2) the nature, location, and extent of Defendants' business transactions and
 20 operations; (3) Documents reflecting Defendants' business transactions and operations; or (4)
 21 compliance with this order. The limited expedited discovery set forth in this Section shall
 22 proceed as follows:

23 A. Plaintiffs and the Monitor may take the deposition of parties and non-parties.
 24 Forty-eight (48) hours' notice shall be sufficient notice for such depositions. The limitations
 25 and conditions set forth in Rules 30(a)(2)(B) and 31(a)(2)(B) of the Federal Rules of Civil
 26 Procedure regarding subsequent depositions of an individual shall not apply to depositions

1 taken pursuant to this Section. Any such deposition taken pursuant to this Section shall not be
2 counted towards the deposition limit set forth in Rules 30(a)(2)(A) and 31(a)(2)(A) and
3 depositions may be taken by telephone, video conferencing platform (e.g., Zoom or Microsoft
4 Teams), or other remote electronic means;

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

9 C. Plaintiffs and the Monitor may serve upon parties interrogatories that require
10 response within five (5) days after Plaintiffs serve such interrogatories;

11 D. Plaintiffs and the Monitor may serve subpoenas upon non-parties that direct
12 production or inspection within five (5) days of service.

13 E. Plaintiffs and Monitor may use all lawful means, including posing, through its
14 representatives as consumers or other individuals or entities, to Defendants or any entity
15 affiliated with Defendants, without the necessity of identification or prior notice;

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

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

22 H. The Parties are exempted from making initial disclosures under Fed. R. Civ. P.
23 26(a)(1) until further order of this Court.

1 **XXIII. SERVICE OF THIS ORDER**

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

11 **XXIV. CORRESPONDENCE AND SERVICE ON PLAINTIFFS**

12 **IT IS FURTHER ORDERED** that, for the purpose of this order, all correspondence and
13 service of pleadings on Plaintiffs shall be addressed to:

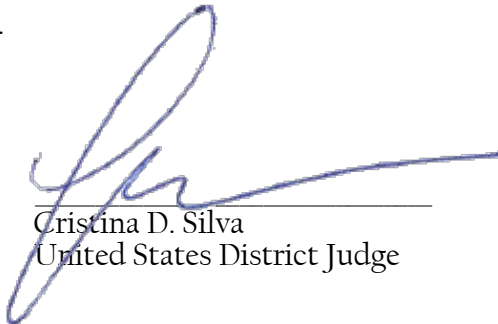
14 Laura C. Basford
15 Thomas M. Biesty
16 J. Ronald Brooke, Jr.
17 Joshua A. Doan
18 Federal Trade Commission
19 600 Pennsylvania Ave., NW
20 Mailstop CC-8528
21 Washington, DC 20580
22 Email: lbasford@ftc.gov; tbiesty@ftc.gov; jbrooke@ftc.gov; jdoan@ftc.gov

23 Lucas J. Tucker
24 Samantha B. Feeley
25 State of Nevada
26 Office of the Attorney General
Bureau of Consumer Protection
8945 W. Russell Road, #204
Las Vegas, Nevada 89148
Email: ltucker@ag.nv.gov; sfeeley@ag.nv.gov

1 XXV. RETENTION OF JURISDICTION

2 IT IS FURTHER ORDERED that, until further notice or order, this Court shall retain
3 jurisdiction of this matter for all purposes.

4 Dated: August 11, 2025

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7 Cristina D. Silva
8 United States District Judge
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Attachment A – Telemarketing Sales Rule

This content is from the eCFR and is authoritative but unofficial.

Title 16 — Commercial Practices

Chapter I — Federal Trade Commission

Subchapter C — Regulations Under Specific Acts of Congress

Part 310 Telemarketing Sales Rule

- § 310.1 Scope of regulations in this part.
- § 310.2 Definitions.
- § 310.3 Deceptive telemarketing acts or practices.
- § 310.4 Abusive telemarketing acts or practices.
- § 310.5 Recordkeeping requirements.
- § 310.6 Exemptions.
- § 310.7 Actions by states and private persons.
- § 310.8 Fee for access to the National Do Not Call Registry.
- § 310.9 Severability.

PART 310—TELEMARKETING SALES RULE

Authority: 15 U.S.C. 6101-6108.

Source: 75 FR 48516, Aug. 10, 2010, unless otherwise noted.

§ 310.1 Scope of regulations in this part.

This part implements the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. 6101-6108, as amended.

§ 310.2 Definitions.

- (a) **Acquirer** means a business organization, financial institution, or an agent of a business organization or financial institution that has authority from an organization that operates or licenses a credit card system to authorize merchants to accept, transmit, or process payment by credit card through the credit card system for money, goods or services, or anything else of value.
- (b) **Attorney General** means the chief legal officer of a state.
- (c) **Billing information** means any data that enables any person to access a customer's or donor's account, such as a credit card, checking, savings, share or similar account, utility bill, mortgage loan account, or debit card.
- (d) **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 contemporaneously with the telephone call, and displayed on a device in or connected to the subscriber's telephone.

- (e) **Cardholder** means a person to whom a credit card is issued or who is authorized to use a credit card on behalf of or in addition to the person to whom the credit card is issued.
- (f) **Cash-to-cash money transfer** means the electronic (as defined in section 106(2) of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7006(2))) transfer of the value of cash received from one person to another person in a different location that is sent by a money transfer provider and received in the form of cash. For purposes of this definition, *money transfer provider* means any person or financial institution that provides cash-to-cash money transfers for a person in the normal course of its business, whether or not the person holds an account with such person or financial institution. The term *cash-to-cash money transfer* includes a remittance transfer, as defined in section 919(g)(2) of the Electronic Fund Transfer Act ("EFTA"), 15 U.S.C. 1693a, that is a cash-to-cash transaction; however it does not include any transaction that is:
 - (1) An electronic fund transfer as defined in section 903 of the EFTA;
 - (2) Covered by Regulation E, 12 CFR 1005.20, pertaining to gift cards; or
 - (3) Subject to the Truth in Lending Act, 15 U.S.C. 1601 *et seq.*
- (g) **Cash reload mechanism** is a device, authorization code, personal identification number, or other security measure that makes it possible for a person to convert cash into an electronic (as defined in section 106(2) of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7006(2))) form that can be used to add funds to a general-use prepaid card, as defined in Regulation E, 12 CFR 1005.2, or an account with a payment intermediary. For purposes of this definition, a cash reload mechanism is not itself a general-use prepaid debit card or a swipe reload process or similar method in which funds are added directly onto a person's own general-use prepaid card or account with a payment intermediary.
- (h) **Charitable contribution** means any donation or gift of money or any other thing of value.
- (i) **Commission** means the Federal Trade Commission.
- (j) **Credit** means the right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment.
- (k) **Credit card** means any card, plate, coupon book, or other credit device existing for the purpose of obtaining money, property, labor, or services on credit.
- (l) **Credit card sales draft** means any record or evidence of a credit card transaction.
- (m) **Credit card system** means any method or procedure used to process credit card transactions involving credit cards issued or licensed by the operator of that system.
- (n) **Customer** means any person who is or may be required to pay for goods or services offered through telemarketing.
- (o) **Debt relief service** means any program or service represented, directly or by implication, to renegotiate, settle, or in any way alter the terms of payment or other terms of the debt between a person and one or more unsecured creditors or debt collectors, including, but not limited to, a reduction in the balance, interest rate, or fees owed by a person to an unsecured creditor or debt collector.
- (p) **Donor** means any person solicited to make a charitable contribution.
- (q) **Established business relationship** means a relationship between a seller and a person based on:

- (1) The person's purchase, rental, or lease of the seller's goods or services or a financial transaction between the person and seller, within the 540 days immediately preceding the date of a telemarketing call; or
- (2) The person's inquiry or application regarding a good or service offered by the seller, within the 90 days immediately preceding the date of a telemarketing call.
- (r) **Free-to-pay conversion** means, in an offer or agreement to sell or provide any goods or services, a provision under which a customer receives a product or service for free for an initial period and will incur an obligation to pay for the product or service if he or she does not take affirmative action to cancel before the end of that period.
- (s) **Investment opportunity** means anything, tangible or intangible, that is offered, offered for sale, sold, or traded based wholly or in part on representations, either express or implied, about past, present, or future income, profit, or appreciation.
- (t) **Material** means likely to affect a person's choice of, or conduct regarding, goods or services or a charitable contribution.
- (u) **Merchant** means a person who is authorized under a written contract with an acquirer to honor or accept credit cards, or to transmit or process for payment credit card payments, for the purchase of goods or services or a charitable contribution.
- (v) **Merchant agreement** means a written contract between a merchant and an acquirer to honor or accept credit cards, or to transmit or process for payment credit card payments, for the purchase of goods or services or a charitable contribution.
- (w) **Negative option feature** means, in an offer or agreement to sell or provide any goods or services, a provision under which the customer's silence or failure to take an affirmative action to reject goods or services or to cancel the agreement is interpreted by the seller as acceptance of the offer.
- (x) **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.
- (y) **Person** means any individual, group, unincorporated association, limited or general partnership, corporation, or other business entity.
- (z) **Preacquired account information** means any information that enables a seller or telemarketer to cause a charge to be placed against a customer's or donor's account without obtaining the account number directly from the customer or donor during the telemarketing transaction pursuant to which the account will be charged.
- (aa) **Previous donor** means any person who has made a charitable contribution to a particular charitable organization within the 2-year period immediately preceding the date of the telemarketing call soliciting on behalf of that charitable organization.
- (bb) **Prize** means anything offered, or purportedly offered, and given, or purportedly given, to a person by chance. For purposes of this definition, chance exists if a person is guaranteed to receive an item and, at the time of the offer or purported offer, the telemarketer does not identify the specific item that the person will receive.
- (cc) **Prize promotion** means:
 - (1) A sweepstakes or other game of chance; or

- (2) An oral or written express or implied representation that a person has won, has been selected to receive, or may be eligible to receive a prize or purported prize.
- (dd) **Remotely created payment order** means any payment instruction or order drawn on a person's account that is created by the payee or the payee's agent and deposited into or cleared through the check clearing system. The term includes, without limitation, a "remotely created check," as defined in Regulation CC, Availability of Funds and Collection of Checks, 12 CFR 229.2(fff), but does not include a payment order cleared through an Automated Clearinghouse (ACH) Network or subject to the Truth in Lending Act, 15 U.S.C. 1601 *et seq.*, and Regulation Z, 12 CFR part 1026.
- (ee) **Seller** means any person who, in connection with a telemarketing transaction, provides, offers to provide, or arranges for others to provide goods or services to the customer in exchange for consideration.
- (ff) **State** means any state of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, and any territory or possession of the United States.
- (gg) **Technical support service** means any plan, program, software, or service that is marketed to repair, maintain, or improve the performance or security of any device on which code can be downloaded, installed, run, or otherwise used, such as a computer, smartphone, tablet, or smart home product, including any software or application run on such device. Technical support service does not include any plan, program, software, or service in which the person providing the repair, maintenance, or improvement obtains physical possession of the device being repaired.
- (hh) **Telemarketer** means any person who, in connection with telemarketing, initiates or receives telephone calls to or from a customer or donor.
- (ii) **Telemarketing** means 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. The term does not include the solicitation of sales through the mailing of a catalog which: contains a written description or illustration of the goods or services offered for sale; includes the business address of the seller; includes multiple pages of written material or illustrations; and has been issued not less frequently than once a year, when the person making the solicitation does not solicit customers by telephone but only receives calls initiated by customers in response to the catalog and during those calls takes orders only without further solicitation. For purposes of the previous sentence, the term "further solicitation" does not include providing the customer with information about, or attempting to sell, any other item included in the same catalog which prompted the customer's call or in a substantially similar catalog.
- (jj) **Upselling** means soliciting the purchase of goods or services following an initial transaction during a single telephone call. The upsell is a separate telemarketing transaction, not a continuation of the initial transaction. An "external upsell" is a solicitation made by or on behalf of a seller different from the seller in the initial transaction, regardless of whether the initial transaction and the subsequent solicitation are made by the same telemarketer. An "internal upsell" is a solicitation made by or on behalf of the same seller as in the initial transaction, regardless of whether the initial transaction and subsequent solicitation are made by the same telemarketer.

[75 FR 48516, Aug. 10, 2010, as amended at 80 FR 77557, Dec. 14, 2015; 89 FR 26783, Apr. 16, 2024; 89 FR 99075, Dec. 10, 2024]

§ 310.3 Deceptive telemarketing acts or practices.

- (a) ***Prohibited deceptive telemarketing acts or practices.*** It is a deceptive telemarketing act or practice and a violation of this part for any seller or telemarketer to engage in the following conduct:
- (1) Before a customer consents to pay^[1] for goods or services offered, failing to disclose truthfully, in a clear and conspicuous manner, the following material information:
- (i) The total costs to purchase, receive, or use, and the quantity of, any goods or services that are the subject of the sales offer;^[2]
 - (ii) All material restrictions, limitations, or conditions to purchase, receive, or use the goods or services that are the subject of the sales offer;
 - (iii) If the seller has a policy of not making refunds, cancellations, exchanges, or repurchases, a statement informing the customer that this is the seller's policy; or, if the seller or telemarketer makes a representation about a refund, cancellation, exchange, or repurchase policy, a statement of all material terms and conditions of such policy;
 - (iv) In any prize promotion, the odds of being able to receive the prize, and, if the odds are not calculable in advance, the factors used in calculating the odds; that no purchase or payment is required to win a prize or to participate in a prize promotion and that any purchase or payment will not increase the person's chances of winning; and the no-purchase/no-payment method of participating in the prize promotion with either instructions on how to participate or an address or local or toll-free telephone number to which customers may write or call for information on how to participate;
 - (v) All material costs or conditions to receive or redeem a prize that is the subject of the prize promotion;
 - (vi) In the sale of any goods or services represented to protect, insure, or otherwise limit a customer's liability in the event of unauthorized use of the customer's credit card, the limits on a cardholder's liability for unauthorized use of a credit card pursuant to 15 U.S.C. 1643;
 - (vii) If the offer includes a negative option feature, all material terms and conditions of the negative option feature, including, but not limited to, the fact that the customer's account will be charged unless the customer takes an affirmative action to avoid the charge(s), the date(s) the charge(s) will be submitted for payment, and the specific steps the customer must take to avoid the charge(s); and
 - (viii) In the sale of any debt relief service:

^[1] When a seller or telemarketer uses, or directs a customer to use, a courier to transport payment, the seller or telemarketer must make the disclosures required by § 310.3(a)(1) before sending a courier to pick up payment or authorization for payment, or directing a customer to have a courier pick up payment or authorization for payment. In the case of debt relief services, the seller or telemarketer must make the disclosures required by § 310.3(a)(1) before the consumer enrolls in an offered program.

^[2] For offers of consumer credit products subject to the Truth in Lending Act, 15 U.S.C. 1601 *et seq.*, and Regulation Z, 12 CFR 226, compliance with the disclosure requirements under the Truth in Lending Act and Regulation Z shall constitute compliance with § 310.3(a)(1)(i) of this part.

- (A) the amount of time necessary to achieve the represented results, and to the extent that the service may include a settlement offer to any of the customer's creditors or debt collectors, the time by which the debt relief service provider will make a bona fide settlement offer to each of them;
 - (B) to the extent that the service may include a settlement offer to any of the customer's creditors or debt collectors, the amount of money or the percentage of each outstanding debt that the customer must accumulate before the debt relief service provider will make a bona fide settlement offer to each of them;
 - (C) to the extent that any aspect of the debt relief service relies upon or results in the customer's failure to make timely payments to creditors or debt collectors, that the use of the debt relief service will likely adversely affect the customer's creditworthiness, may result in the customer being subject to collections or sued by creditors or debt collectors, and may increase the amount of money the customer owes due to the accrual of fees and interest; and
 - (D) to the extent that the debt relief service requests or requires the customer to place funds in an account at an insured financial institution, that the customer owns the funds held in the account, the customer may withdraw from the debt relief service at any time without penalty, and, if the customer withdraws, the customer must receive all funds in the account, other than funds earned by the debt relief service in compliance with § 310.4(a)(5)(i)(A) through (C).
- (2) Misrepresenting, directly or by implication, in the sale of goods or services any of the following material information:
- (i) The total costs to purchase, receive, or use, and the quantity of, any goods or services that are the subject of a sales offer;
 - (ii) Any material restriction, limitation, or condition to purchase, receive, or use goods or services that are the subject of a sales offer;
 - (iii) Any material aspect of the performance, efficacy, nature, or central characteristics of goods or services that are the subject of a sales offer;
 - (iv) Any material aspect of the nature or terms of the seller's refund, cancellation, exchange, or repurchase policies;
 - (v) Any material aspect of a prize promotion including, but not limited to, the odds of being able to receive a prize, the nature or value of a prize, or that a purchase or payment is required to win a prize or to participate in a prize promotion;
 - (vi) Any material aspect of an investment opportunity including, but not limited to, risk, liquidity, earnings potential, or profitability;
 - (vii) A seller's or telemarketer's affiliation with, or endorsement or sponsorship by, any person or government entity;
 - (viii) That any customer needs offered goods or services to provide protections a customer already has pursuant to 15 U.S.C. 1643;

- (ix) Any material aspect of a negative option feature including, but not limited to, the fact that the customer's account will be charged unless the customer takes an affirmative action to avoid the charge(s), the date(s) the charge(s) will be submitted for payment, and the specific steps the customer must take to avoid the charge(s); or
 - (x) Any material aspect of any debt relief service, including, but not limited to, the amount of money or the percentage of the debt amount that a customer may save by using such service; the amount of time necessary to achieve the represented results; the amount of money or the percentage of each outstanding debt that the customer must accumulate before the provider of the debt relief service will initiate attempts with the customer's creditors or debt collectors or make a bona fide offer to negotiate, settle, or modify the terms of the customer's debt; the effect of the service on a customer's creditworthiness; the effect of the service on collection efforts of the customer's creditors or debt collectors; the percentage or number of customers who attain the represented results; and whether a debt relief service is offered or provided by a non-profit entity.
- (3) Causing billing information to be submitted for payment, or collecting or attempting to collect payment for goods or services or a charitable contribution, directly or indirectly, without the customer's or donor's express verifiable authorization, except when the method of payment used is a credit card subject to protections of the Truth in Lending Act and Regulation Z,^[3] or a debit card subject to the protections of the Electronic Fund Transfer Act and Regulation E.^[4] Such authorization shall be deemed verifiable if any of the following means is employed:
- (i) Express written authorization by the customer or donor, which includes the customer's or donor's signature;^[5]
 - (ii) Express oral authorization which is audio-recorded and made available upon request to the customer or donor, and the customer's or donor's bank or other billing entity, and which evidences clearly both the customer's or donor's authorization of payment for the goods or services or charitable contribution that are the subject of the telemarketing transaction and the customer's or donor's receipt of all of the following information:
 - (A) An accurate description, clearly and conspicuously stated, of the goods or services or charitable contribution for which payment authorization is sought;
 - (B) The number of debits, charges, or payments (if more than one);
 - (C) The date(s) the debit(s), charge(s), or payment(s) will be submitted for payment;
 - (D) The amount(s) of the debit(s), charge(s), or payment(s);
 - (E) The customer's or donor's name;

^[4] Electronic Fund Transfer Act, 15 U.S.C. 1693 *et seq.*, and Regulation E, 12 CFR part 205.

^[3] Truth in Lending Act, 15 U.S.C. 1601 *et seq.*, and Regulation Z, 12 CFR part 226.

^[5] For purposes of this part, the term "signature" shall include an electronic or digital form of signature, to the extent that such form of signature is recognized as a valid signature under applicable federal law or state contract law.

- (F) The customer's or donor's billing information, identified with sufficient specificity such that the customer or donor understands what account will be used to collect payment for the goods or services or charitable contribution that are the subject of the telemarketing transaction;
 - (G) A telephone number for customer or donor inquiry that is answered during normal business hours; and
 - (H) The date of the customer's or donor's oral authorization; or
 - (iii) Written confirmation of the transaction, identified in a clear and conspicuous manner as such on the outside of the envelope, sent to the customer or donor via first class mail prior to the submission for payment of the customer's or donor's billing information, and that includes all of the information contained in §§ 310.3(a)(3)(ii)(A)-(G) and a clear and conspicuous statement of the procedures by which the customer or donor can obtain a refund from the seller or telemarketer or charitable organization in the event the confirmation is inaccurate; provided, however, that this means of authorization shall not be deemed verifiable in instances in which goods or services are offered in a transaction involving a free-to-pay conversion and preacquired account information.
- (4) Making a false or misleading statement to induce any person to pay for goods or services or to induce a charitable contribution.
- (b) **Assisting and facilitating.** It is a deceptive telemarketing act or practice and a violation of this part for a person to provide substantial assistance or support to any seller or telemarketer when that person knows or consciously avoids knowing that the seller or telemarketer is engaged in any act or practice that violates §§ 310.3(a), (c) or (d), or § 310.4 of this part.
- (c) **Credit card laundering.** Except as expressly permitted by the applicable credit card system, it is a deceptive telemarketing act or practice and a violation of this part for:
- (1) A merchant to present to or deposit into, or cause another to present to or deposit into, the credit card system for payment, a credit card sales draft generated by a telemarketing transaction that is not the result of a telemarketing credit card transaction between the cardholder and the merchant;
 - (2) Any person to employ, solicit, or otherwise cause a merchant, or an employee, representative, or agent of the merchant, to present to or deposit into the credit card system for payment, a credit card sales draft generated by a telemarketing transaction that is not the result of a telemarketing credit card transaction between the cardholder and the merchant; or
 - (3) Any person to obtain access to the credit card system through the use of a business relationship or an affiliation with a merchant, when such access is not authorized by the merchant agreement or the applicable credit card system.
- (d) **Prohibited deceptive acts or practices in the solicitation of charitable contributions.** It is a fraudulent charitable solicitation, a deceptive telemarketing act or practice, and a violation of this part for any telemarketer soliciting charitable contributions to misrepresent, directly or by implication, any of the following material information:
- (1) The nature, purpose, or mission of any entity on behalf of which a charitable contribution is being requested;
 - (2) That any charitable contribution is tax deductible in whole or in part;

- (3) The purpose for which any charitable contribution will be used;
- (4) The percentage or amount of any charitable contribution that will go to a charitable organization or to any particular charitable program;
- (5) Any material aspect of a prize promotion including, but not limited to: the odds of being able to receive a prize; the nature or value of a prize; or that a charitable contribution is required to win a prize or to participate in a prize promotion; or
- (6) A charitable organization's or telemarketer's affiliation with, or endorsement or sponsorship by, any person or government entity.

[75 FR 48516, Aug. 10, 2010, as amended at 80 FR 77558, Dec. 14, 2015; 89 FR 26784, 26785, Apr. 16, 2024]

§ 310.4 Abusive telemarketing acts or practices.

- (a) **Abusive conduct generally.** It is an abusive telemarketing act or practice and a violation of this part for any seller or telemarketer to engage in the following conduct:
 - (1) Threats, intimidation, or the use of profane or obscene language;
 - (2) Requesting or receiving payment of any fee or consideration for goods or services represented to remove derogatory information from, or improve, a person's credit history, credit record, or credit rating until:
 - (i) The time frame in which the seller has represented all of the goods or services will be provided to that person has expired; and
 - (ii) The seller has provided the person with documentation in the form of a consumer report from a consumer reporting agency demonstrating that the promised results have been achieved, such report having been issued more than six months after the results were achieved. Nothing in this part should be construed to affect the requirement in the Fair Credit Reporting Act, 15 U.S.C. 1681, that a consumer report may only be obtained for a specified permissible purpose;
 - (3) Requesting or receiving payment of any fee or consideration from a person for goods or services represented to recover or otherwise assist in the return of money or any other item of value paid for by, or promised to, that person in a previous transaction, until seven (7) business days after such money or other item is delivered to that person. This provision shall not apply to goods or services provided to a person by a licensed attorney;
 - (4) Requesting or receiving payment of any fee or consideration in advance of obtaining a loan or other extension of credit when the seller or telemarketer has guaranteed or represented a high likelihood of success in obtaining or arranging a loan or other extension of credit for a person;
 - (5)
 - (i) Requesting or receiving payment of any fee or consideration for any debt relief service until and unless:
 - (A) The seller or telemarketer has renegotiated, settled, reduced, or otherwise altered the terms of at least one debt pursuant to a settlement agreement, debt management plan, or other such valid contractual agreement executed by the customer;

- (B) The customer has made at least one payment pursuant to that settlement agreement, debt management plan, or other valid contractual agreement between the customer and the creditor or debt collector; and
- (C) To the extent that debts enrolled in a service are renegotiated, settled, reduced, or otherwise altered individually, the fee or consideration either:
 - (1) Bears the same proportional relationship to the total fee for renegotiating, settling, reducing, or altering the terms of the entire debt balance as the individual debt amount bears to the entire debt amount. The individual debt amount and the entire debt amount are those owed at the time the debt was enrolled in the service; or
 - (2) Is a percentage of the amount saved as a result of the renegotiation, settlement, reduction, or alteration. The percentage charged cannot change from one individual debt to another. The amount saved is the difference between the amount owed at the time the debt was enrolled in the service and the amount actually paid to satisfy the debt.
- (ii) Nothing in § 310.4(a)(5)(i) prohibits requesting or requiring the customer to place funds in an account to be used for the debt relief provider's fees and for payments to creditors or debt collectors in connection with the renegotiation, settlement, reduction, or other alteration of the terms of payment or other terms of a debt, provided that:
 - (A) The funds are held in an account at an insured financial institution;
 - (B) The customer owns the funds held in the account and is paid accrued interest on the account, if any;
 - (C) The entity administering the account is not owned or controlled by, or in any way affiliated with, the debt relief service;
 - (D) The entity administering the account does not give or accept any money or other compensation in exchange for referrals of business involving the debt relief service; and
 - (E) The customer may withdraw from the debt relief service at any time without penalty, and must receive all funds in the account, other than funds earned by the debt relief service in compliance with § 310.4(a)(5)(i)(A) through (C), within seven (7) business days of the customer's request.
- (6) Disclosing or receiving, for consideration, unencrypted consumer account numbers for use in telemarketing; provided, however, that this paragraph shall not apply to the disclosure or receipt of a customer's or donor's billing information to process a payment for goods or services or a charitable contribution pursuant to a transaction;
- (7) Causing billing information to be submitted for payment, directly or indirectly, without the express informed consent of the customer or donor. In any telemarketing transaction, the seller or telemarketer must obtain the express informed consent of the customer or donor to be charged for the goods or services or charitable contribution and to be charged using the identified account. In any telemarketing transaction involving preacquired account information, the requirements in paragraphs (a)(7)(i) through (ii) of this section must be met to evidence express informed consent.
 - (i) In any telemarketing transaction involving preacquired account information and a free-to-pay conversion feature, the seller or telemarketer must:

- (A) Obtain from the customer, at a minimum, the last four (4) digits of the account number to be charged;
 - (B) Obtain from the customer his or her express agreement to be charged for the goods or services and to be charged using the account number pursuant to paragraph (a)(7)(i)(A) of this section; and,
 - (C) Make and maintain an audio recording of the entire telemarketing transaction.
- (ii) In any other telemarketing transaction involving preacquired account information not described in paragraph (a)(7)(i) of this section, the seller or telemarketer must:
- (A) At a minimum, identify the account to be charged with sufficient specificity for the customer or donor to understand what account will be charged; and
 - (B) Obtain from the customer or donor his or her express agreement to be charged for the goods or services and to be charged using the account number identified pursuant to paragraph (a)(7)(ii)(A) of this section;
- (8) Failing to transmit or cause to be transmitted the telephone number, and, when made available by the telemarketer's carrier, the name of the telemarketer, to any caller identification service in use by a recipient of a telemarketing call; provided that it shall not be a violation to substitute (for the name and phone number used in, or billed for, making the call) the name of the seller or charitable organization on behalf of which a telemarketing call is placed, and the seller's or charitable organization's customer or donor service telephone number, which is answered during regular business hours;
- (9) Creating or causing to be created, directly or indirectly, a remotely created payment order as payment for goods or services offered or sold through telemarketing or as a charitable contribution solicited or sought through telemarketing; or
- (10) Accepting from a customer or donor, directly or indirectly, a cash-to-cash money transfer or cash reload mechanism as payment for goods or services offered or sold through telemarketing or as a charitable contribution solicited or sought through telemarketing.

(b) *Pattern of calls.*

- (1) It is an abusive telemarketing act or practice and a violation of this part for a telemarketer to engage in, or for a seller to cause a telemarketer to engage in, the following conduct:
- (i) Causing any telephone to ring, or engaging any person in telephone conversation, repeatedly or continuously with intent to annoy, abuse, or harass any person at the called number;
 - (ii) Denying or interfering in any way, directly or indirectly, with a person's right to be placed on any registry of names and/or telephone numbers of persons who do not wish to receive outbound telephone calls established to comply with paragraph (b)(1)(iii)(A) of this section, including, but not limited to, harassing any person who makes such a request; hanging up on that person; failing to honor the request; requiring the person to listen to a sales pitch before accepting the request; assessing a charge or fee for honoring the request; requiring a person to call a different number to submit the request; and requiring the person to identify the seller making the call or on whose behalf the call is made;
 - (iii) Initiating any outbound telephone call to a person when:

- (A) That person previously has stated that he or she does not wish to receive an outbound telephone call made by or on behalf of the seller whose goods or services are being offered or made on behalf of the charitable organization for which a charitable contribution is being solicited; or
- (B) That person's telephone number is on the "do-not-call" registry, maintained by the Commission, of persons who do not wish to receive outbound telephone calls to induce the purchase of goods or services unless the seller or telemarketer:
 - (1) Can demonstrate that the seller has obtained the express agreement, in writing, of such person to place calls to that person. Such written agreement shall clearly evidence such person's authorization that calls made by or on behalf of a specific party may be placed to that person, and shall include the telephone number to which the calls may be placed and the signature^[1] of that person; or
 - (2) Can demonstrate that the seller has an established business relationship with such person, and that person has not stated that he or she does not wish to receive outbound telephone calls under paragraph (b)(1)(iii)(A) of this section; or
- (iv) Abandoning any outbound telephone call. An outbound telephone call is "abandoned" under this section if a person answers it and the telemarketer does not connect the call to a sales representative within two (2) seconds of the person's completed greeting.
- (v) Initiating any outbound telephone call that delivers a prerecorded message, other than a prerecorded message permitted for compliance with the call abandonment safe harbor in § 310.4(b)(4)(iii), unless:
 - (A) In any such call to induce the purchase of any good or service, the seller has obtained from the recipient of the call an express agreement, in writing, that:
 - (i) The seller obtained only after a clear and conspicuous disclosure that the purpose of the agreement is to authorize the seller to place prerecorded calls to such person;
 - (ii) The seller obtained without requiring, directly or indirectly, that the agreement be executed as a condition of purchasing any good or service;
 - (iii) Evidences the willingness of the recipient of the call to receive calls that deliver prerecorded messages by or on behalf of a specific seller; and
 - (iv) Includes such person's telephone number and signature;^[2] and

^[1] For purposes of this part, the term "signature" shall include an electronic or digital form of signature, to the extent that such form of signature is recognized as a valid signature under applicable federal law or state contract law.

^[2] For purposes of this part, the term "signature" shall include an electronic or digital form of signature, to the extent that such form of signature is recognized as a valid signature under applicable federal law or state contract law.

- (B) In any such call to induce the purchase of any good or service, or to induce a charitable contribution from a member of, or previous donor to, a non-profit charitable organization on whose behalf the call is made, the seller or telemarketer:
 - (i) Allows the telephone to ring for at least fifteen (15) seconds or four (4) rings before disconnecting an unanswered call; and
 - (ii) Within two (2) seconds after the completed greeting of the person called, plays a prerecorded message that promptly provides the disclosures required by § 310.4(d) or (e), followed immediately by a disclosure of one or both of the following:
 - (A) In the case of a call that could be answered in person by a consumer, that the person called can use an automated interactive voice and/or keypress-activated opt-out mechanism to assert a Do Not Call request pursuant to § 310.4(b)(1)(iii)(A) at any time during the message. The mechanism must:
 - (1) Automatically add the number called to the seller's entity-specific Do Not Call list;
 - (2) Once invoked, immediately disconnect the call; and
 - (3) Be available for use at any time during the message; and
 - (B) In the case of a call that could be answered by an answering machine or voicemail service, that the person called can use a toll-free telephone number to assert a Do Not Call request pursuant to § 310.4(b)(1)(iii)(A). The number provided must connect directly to an automated interactive voice or keypress-activated opt-out mechanism that:
 - (1) Automatically adds the number called to the seller's entity-specific Do Not Call list;
 - (2) Immediately thereafter disconnects the call; and
 - (3) Is accessible at any time throughout the duration of the telemarketing campaign; and
- (iii) Complies with all other requirements of this part and other applicable federal and state laws.
 - (C) Any call that complies with all applicable requirements of this paragraph (v) shall not be deemed to violate § 310.4(b)(1)(iv) of this part.
 - (D) This paragraph (v) shall not apply to any outbound telephone call that delivers a prerecorded healthcare message made by, or on behalf of, a covered entity or its business associate, as those terms are defined in the HIPAA Privacy Rule, 45 CFR 160.103. P>(2) It is an abusive telemarketing act or practice and a violation of this part for any person to sell, rent, lease, purchase, or use any list established to comply with § 310.4(b)(1)(iii)(A) or § 310.5, or maintained by the Commission pursuant to § 310.4(b)(1)(iii)(B), for any purpose except compliance with the provisions of this part or otherwise to prevent telephone calls to telephone numbers on such lists.
- (3) A seller or telemarketer will not be liable for violating § 310.4(b)(1)(ii) and (iii) if it can demonstrate that, as part of the seller's or telemarketer's routine business practice:
 - (i) It has established and implemented written procedures to comply with § 310.4(b)(1)(ii) and (iii);
 - (ii) It has trained its personnel, and any entity assisting in its compliance, in the procedures established pursuant to § 310.4(b)(3)(i);

- (iii) The seller, or a telemarketer or another person acting on behalf of the seller or charitable organization, has maintained and recorded a list of telephone numbers the seller or charitable organization may not contact, in compliance with § 310.4(b)(1)(iii)(A);
- (iv) The seller or a telemarketer uses a process to prevent telemarketing to any telephone number on any list established pursuant to § 310.4(b)(3)(iii) or 310.4(b)(1)(iii)(B), employing a version of the “do-not-call” registry obtained from the Commission no more than thirty-one (31) days prior to the date any call is made, and maintains records documenting this process;
- (v) The seller or a telemarketer or another person acting on behalf of the seller or charitable organization, monitors and enforces compliance with the procedures established pursuant to § 310.4(b)(3)(i); and
- (vi) Any subsequent call otherwise violating paragraph (b)(1)(ii) or (iii) of this section is the result of error and not of failure to obtain any information necessary to comply with a request pursuant to paragraph (b)(1)(iii)(A) of this section not to receive further calls by or on behalf of a seller or charitable organization.

(4) A seller or telemarketer will not be liable for violating § 310.4(b)(1)(iv) if:

- (i) The seller or telemarketer employs technology that ensures abandonment of no more than three (3) percent of all calls answered by a person, measured over the duration of a single calling campaign, if less than 30 days, or separately over each successive 30-day period or portion thereof that the campaign continues.
- (ii) The seller or telemarketer, for each telemarketing call placed, allows the telephone to ring for at least fifteen (15) seconds or four (4) rings before disconnecting an unanswered call;
- (iii) Whenever a sales representative is not available to speak with the person answering the call within two (2) seconds after the person's completed greeting, the seller or telemarketer promptly plays a recorded message that states the name and telephone number of the seller on whose behalf the call was placed^[3]; and
- (iv) The seller or telemarketer, in accordance with § 310.5(b)-(d), retains records establishing compliance with § 310.4(b)(4)(i)-(iii).

(c) **Calling time restrictions.** Without the prior consent of a person, it is an abusive telemarketing act or practice and a violation of this part for a telemarketer to engage in outbound telephone calls to a person's residence at any time other than between 8:00 a.m. and 9:00 p.m. local time at the called person's location.

(d) **Required oral disclosures in the sale of goods or services.** It is an abusive telemarketing act or practice and a violation of this part for a telemarketer in an outbound telephone call or internal or external upsell to induce the purchase of goods or services to fail to disclose truthfully, promptly, and in a clear and conspicuous manner to the person receiving the call, the following information:

- (1) The identity of the seller;
- (2) That the purpose of the call is to sell goods or services;

^[3] This provision does not affect any seller's or telemarketer's obligation to comply with relevant state and federal laws, including but not limited to the TCPA, 47 U.S.C. 227, and 47 CFR part 64.1200.

- (3) The nature of the goods or services; and
- (4) That no purchase or payment is necessary to be able to win a prize or participate in a prize promotion if a prize promotion is offered and that any purchase or payment will not increase the person's chances of winning. This disclosure must be made before or in conjunction with the description of the prize to the person called. If requested by that person, the telemarketer must disclose the no-purchase/no-payment entry method for the prize promotion; provided, however, that, in any internal upsell for the sale of goods or services, the seller or telemarketer must provide the disclosures listed in this section only to the extent that the information in the upsell differs from the disclosures provided in the initial telemarketing transaction.
- (e) **Required oral disclosures in charitable solicitations.** It is an abusive telemarketing act or practice and a violation of this part for a telemarketer, in an outbound telephone call to induce a charitable contribution, to fail to disclose truthfully, promptly, and in a clear and conspicuous manner to the person receiving the call, the following information:
 - (1) The identity of the charitable organization on behalf of which the request is being made; and
 - (2) That the purpose of the call is to solicit a charitable contribution.

[75 FR 48516, Aug. 10, 2010, as amended at 76 FR 58716, Sept. 22, 2011; 80 FR 77559, Dec. 14, 2015; 89 FR 26784, 26785, Apr. 16, 2024]

§ 310.5 Recordkeeping requirements.

- (a) Any seller or telemarketer must keep, for a period of 5 years from the date the record is produced unless specified otherwise, the following records relating to its telemarketing activities:
 - (1) A copy of each substantially different advertising, brochure, telemarketing script, and promotional material, and a copy of each unique prerecorded message. Such records must be kept for a period of 5 years from the date that they are no longer used in telemarketing;
 - (2) A record of each telemarketing call, which must include:
 - (i) The telemarketer that placed or received the call;
 - (ii) The seller or person for which the telemarketing call is placed or received;
 - (iii) The good, service, or charitable purpose that is the subject of the telemarketing call;
 - (iv) Whether the telemarketing call is to an individual consumer or a business consumer;
 - (v) Whether the telemarketing call is an outbound telephone call;
 - (vi) Whether the telemarketing call utilizes a prerecorded message;
 - (vii) The calling number, called number, date, time, and duration of the telemarketing call;
 - (viii) The telemarketing script(s) and prerecorded message, if any, used during the call;
 - (ix) The caller identification telephone number, and if it is transmitted, the caller identification name that is transmitted in an outbound telephone call to the recipient of the call, and any contracts or other proof of authorization for the telemarketer to use that telephone number and name, and the time period for which such authorization or contract applies; and

- (x) The disposition of the call, including but not limited to, whether the call was answered, connected, dropped, or transferred. If the call was transferred, the record must also include the telephone number or IP address that the call was transferred to as well as the company name, if the call was transferred to a company different from the seller or telemarketer that placed the call; provided, however, that for calls that an individual telemarketer makes by manually entering a single telephone number to initiate the call to that number, a seller or telemarketer need not retain the records specified in paragraphs (a)(2)(vii) and (a)(2)(x) of this section.
- (3) For each prize recipient, a record of the name, last known telephone number, and last known physical or email address of that prize recipient, and the prize awarded for prizes that are represented, directly or by implication, to have a value of \$25.00 or more;
- (4) For each customer, a record of the name, last known telephone number, and last known physical or email address of that customer, the goods or services purchased, the date such goods or services were purchased, the date such goods or services were shipped or provided, and the amount paid by the customer for the goods or services;^[1]
- (5) For each person with whom a seller intends to assert it has an established business relationship under § 310.2(q)(2), a record of the name and last known telephone number of that person, the date that person submitted an inquiry or application regarding the seller's goods or services, and the goods or services inquired about;
- (6) For each person that a telemarketer intends to assert is a previous donor to a particular charitable organization under § 310.2(aa), a record of the name and last known telephone number of that person, and the last date that person donated to that particular charitable organization;
- (7) For each current or former employee directly involved in telephone sales or solicitations, a record of the name, any fictitious name used, the last known home address and telephone number, and the job title(s) of that employee; provided, however, that if the seller or telemarketer permits fictitious names to be used by employees, each fictitious name must be traceable to only one specific employee;
- (8) All verifiable authorizations or records of express informed consent or express agreement (collectively, "Consent") required to be provided or received under this part. A complete record of Consent includes the following:
 - (i) The name and telephone number of the person providing Consent;
 - (ii) A copy of the request for Consent in the same manner and format in which it was presented to the person providing Consent;
 - (iii) The purpose for which Consent is requested and given;
 - (iv) A copy of the Consent provided;
 - (v) The date Consent was given; and

^[1] For offers of consumer credit products subject to the Truth in Lending Act, 15 U.S.C. 1601 *et seq.*, and Regulation Z, 12 CFR pt. 226, compliance with the recordkeeping requirements under the Truth in Lending Act, and Regulation Z, will constitute compliance with § 310.5(a)(4) of this part.

(vi) For the copy of Consent provided under § 310.3(a)(3), § 310.4(a)(7), § 310.4(b)(1)(iii)(B)(1), or § 310.4(b)(1)(v)(A), a complete record must also include all information specified in those respective sections of this part;

(9) A record of each service provider a telemarketer used to deliver an outbound telephone call to a person on behalf of a seller for each good or service the seller offers for sale through telemarketing. For each such service provider, a complete record includes the contract for the service provided, the date the contract was signed, and the time period the contract is in effect. Such contracts must be kept for 5 years from the date the contract expires;

(10) A record of each person who has stated she does not wish to receive any outbound telephone calls made on behalf of a seller or charitable organization pursuant to § 310.4(b)(1)(iii)(A) including: the name of the person, the telephone number(s) associated with the request, the seller or charitable organization from which the person does not wish to receive calls, the telemarketer that called the person, the date the person requested that she cease receiving such calls, and the goods or services the seller was offering for sale or the charitable purpose for which a charitable contribution was being solicited; and

(11) A record of which version of the Commission's "do-not-call" registry was used to ensure compliance with § 310.4(b)(1)(iii)(B). Such record must include:

- (i) The name of the entity which accessed the registry;
- (ii) The date the "do-not-call" registry was accessed;
- (iii) The subscription account number that was used to access the registry; and
- (iv) The telemarketing campaign for which it was accessed.

(b) A seller or telemarketer may keep the records required by paragraph (a) of this section in the same manner, format, or place as they keep such records in the ordinary course of business. The format for records required by paragraph (a)(2)(vii) of this section, and any other records that include a time or telephone number, must also comply with the following:

- (1) The format for domestic telephone numbers must comport with the North American Numbering plan;
- (2) The format for international telephone numbers must comport with the standard established in the International Telecommunications Union's Recommendation ITU-T E.164: Series E: Overall Network Operation, Telephone Service, Service Operation and Human Factors, published 11/2010 (incorporated by reference, see paragraph (g)(1) of this section);
- (3) The time and duration of a call must be kept to the closest second; and
- (4) Time must be recorded in Coordinated Universal Time (UTC).

(c) Failure to keep each record required by paragraph (a) of this section in a complete and accurate manner, and in compliance with paragraph (b) of this section, as applicable, is a violation of this part.

(d) For records kept pursuant to paragraph (a)(2) of this section, the seller or telemarketer will not be liable for failure to keep complete and accurate records pursuant to this part if it can demonstrate, with documentation, that as part of its routine business practice:

- (1) It has established and implemented procedures to ensure completeness and accuracy of its records;

- (2) It has trained its personnel, and any entity assisting it in its compliance, in such procedures;
 - (3) It monitors compliance with and enforces such procedures, and maintains records documenting such monitoring and enforcement; and
 - (4) Any failure to keep complete and accurate records was temporary, due to inadvertent error, and corrected within 30 days of discovery.
- (e) The seller and the telemarketer calling on behalf of the seller may, by written agreement, allocate responsibility between themselves for the recordkeeping required by this section. When a seller and telemarketer have entered into such an agreement, the terms of that agreement will govern, and the seller or telemarketer, as the case may be, need not keep records that duplicate those of the other. If by written agreement the telemarketer bears the responsibility for the recordkeeping requirements of this section, the seller must establish and implement practices and procedures to ensure the telemarketer is complying with the requirements of this section. These practices and procedures include retaining access to any record the telemarketer creates under this section on the seller's behalf. If the agreement is unclear as to who must maintain any required record(s), or if no such agreement exists, both the telemarketer and the seller are responsible for complying with this section.
- (f) In the event of any dissolution or termination of the seller's or telemarketer's business, the principal of that seller or telemarketer must maintain all records required under this section. In the event of any sale, assignment, or other change in ownership of the seller's or telemarketer's business, the successor business must maintain all records required under this section.
- (g) The material required in this section is incorporated by reference into this section with the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51. All approved material is available for inspection at the Federal Trade Commission (FTC) and at the National Archives and Records Administration (NARA). Contact FTC at: FTC Library, (202) 326-2395, Federal Trade Commission, Room H-630, 600 Pennsylvania Avenue NW, Washington, DC 20580, or by email at Library@ftc.gov. For information on the availability of this material at NARA, email fr.inspection@nara.gov or go to www.archives.gov/federal-register/cfr/ibr-locations.html. It is available from: The International Telecommunications Union, Telecommunications Standardization Bureau, Place des Nations, CH-1211 Geneva 20; (+41 22 730 5852); <https://www.itu.int/en/pages/default.aspx>.
- (1) Recommendation ITU-T E.164: Series E: Overall Network Operation, Telephone Service, Service Operation and Human Factors, published 11/2010.
 - (2) [Reserved]

[89 FR 26784, Apr. 16, 2024]

§ 310.6 Exemptions.

- (a) Solicitations to induce charitable contributions via outbound telephone calls are not covered by § 310.4(b)(1)(iii)(B) of this part.
- (b) The following acts or practices are exempt from this part:
 - (1) The sale of pay-per-call services subject to the Commission's Rule entitled "Trade Regulation Rule Pursuant to the Telephone Disclosure and Dispute Resolution Act of 1992," 16 CFR part 308, *provided*, however, that this exemption does not apply to the requirements of § 310.4(a)(1), (a)(8), (b), and (c);

- (2) The sale of franchises subject to the Commission's Rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising," ("Franchise Rule") 16 CFR part 436, and the sale of business opportunities subject to the Commission's Rule entitled "Disclosure Requirements and Prohibitions Concerning Business Opportunities," ("Business Opportunity Rule") 16 CFR part 437, *provided*, however, that this exemption does not apply to the requirements of § 310.4(a)(1), (a)(8), (b), and (c);
- (3) Telephone calls in which the sale of goods or services or charitable solicitation is not completed, and payment or authorization of payment is not required, until after a face-to-face sales or donation presentation by the seller or charitable organization, *provided*, however, that this exemption does not apply to the requirements of § 310.4(a)(1), (a)(8), (b), and (c);
- (4) Telephone calls initiated by a customer or donor that are not the result of any solicitation by a seller, charitable organization, or telemarketer, *provided*, however, that this exemption does not apply to any instances of upselling included in such telephone calls;
- (5) Telephone calls initiated by a customer or donor in response to an advertisement through any medium, other than direct mail solicitation, *provided*, however, that this exemption does not apply to:
 - (i) Calls initiated by a customer or donor in response to an advertisement relating to investment opportunities, debt relief services, technical support services, business opportunities other than business arrangements covered by the Franchise Rule or Business Opportunity Rule, or advertisements involving offers for goods or services described in § 310.3(a)(1)(vi) or § 310.4(a)(2) through (4);
 - (ii) The requirements of § 310.4(a)(9) or (10); or
 - (iii) Any instances of upselling included in such telephone calls;
- (6) Telephone calls initiated by a customer or donor in response to a direct mail solicitation, including solicitations via the U.S. Postal Service, facsimile transmission, electronic mail, and other similar methods of delivery in which a solicitation is directed to specific address(es) or person(s), that clearly, conspicuously, and truthfully discloses all material information listed in § 310.3(a)(1), for any goods or services offered in the direct mail solicitation, and that contains no material misrepresentation regarding any item contained in § 310.3(d) for any requested charitable contribution; *provided*, however, that this exemption does not apply to:
 - (i) Calls initiated by a customer in response to a direct mail solicitation relating to prize promotions, investment opportunities, debt relief services, technical support services, business opportunities other than business arrangements covered by the Franchise Rule or Business Opportunity Rule, or goods or services described in § 310.3(a)(1)(vi) or § 310.4(a)(2) through (4);
 - (ii) The requirements of § 310.4(a)(9) or (10); or
 - (iii) Any instances of upselling included in such telephone calls; and
- (7) Telephone calls between a telemarketer and any business to induce the purchase of goods or services or a charitable contribution by the business, *provided*, however that this exemption does not apply to:
 - (i) The requirements of § 310.3(a)(2) and (4); or

- (ii) Calls to induce the retail sale of nondurable office or cleaning supplies; *provided*, however, that §§ 310.4(b)(1)(iii)(B) and 310.5 shall not apply to sellers or telemarketers of nondurable office or cleaning supplies.

[75 FR 48516, Aug. 10, 2010, as amended at 80 FR 77559, Dec. 14, 2015; 89 FR 26785, Apr. 16, 2024; 89 FR 99075, Dec. 10, 2024]

§ 310.7 Actions by states and private persons.

- (a) Any attorney general or other officer of a State authorized by the State to bring an action under the Telemarketing and Consumer Fraud and Abuse Prevention Act, and any private person who brings an action under that Act, must serve written notice of its action on the Commission, if feasible, prior to its initiating an action under this part. The notice must be sent to the Office of the Director, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC 20580, at tsrnotice@ftc.gov and must include a copy of the State's or private person's complaint and any other pleadings to be filed with the court. If prior notice is not feasible, the State or private person must serve the Commission with the required notice immediately upon instituting its action.
- (b) Nothing contained in this Section shall prohibit any attorney general or other authorized state official from proceeding in state court on the basis of an alleged violation of any civil or criminal statute of such state.

[75 FR 48516, Aug. 10, 2010, as amended at 89 FR 26785, Apr. 16, 2024]

§ 310.8 Fee for access to the National Do Not Call Registry.

- (a) It is a violation of this part for any seller to initiate, or cause any telemarketer to initiate, an outbound telephone call to any person whose telephone number is within a given area code unless such seller, either directly or through another person, first has paid the annual fee, required by § 310.8(c), for access to telephone numbers within that area code that are included in the National Do Not Call Registry maintained by the Commission under § 310.4(b)(1)(iii)(B); *provided*, however, that such payment is not necessary if the seller initiates, or causes a telemarketer to initiate, calls solely to persons pursuant to §§ 310.4(b)(1)(iii)(B)(i) or (ii), and the seller does not access the National Do Not Call Registry for any other purpose.
- (b) It is a violation of this part for any telemarketer, on behalf of any seller, to initiate an outbound telephone call to any person whose telephone number is within a given area code unless that seller, either directly or through another person, first has paid the annual fee, required by § 310.8(c), for access to the telephone numbers within that area code that are included in the National Do Not Call Registry; *provided*, however, that such payment is not necessary if the seller initiates, or causes a telemarketer to initiate, calls solely to persons pursuant to §§ 310.4(b)(1)(iii)(B)(i) or (ii), and the seller does not access the National Do Not Call Registry for any other purpose.
- (c) The annual fee, which must be paid by any person prior to obtaining access to the National Do Not Call Registry, is \$80 for each area code of data accessed, up to a maximum of \$22,038; *provided*, however, that there shall be no charge to any person for accessing the first five area codes of data, and *provided further*, that there shall be no charge to any person engaging in or causing others to engage in outbound telephone calls to consumers and who is accessing area codes of data in the National Do Not Call Registry if the person is permitted to access, but is not required to access, the National Do Not Call Registry under 47 CFR 64.1200, or any other Federal regulation or law. No person may participate in any

arrangement to share the cost of accessing the National Do Not Call Registry, including any arrangement with any telemarketer or service provider to divide the costs to access the registry among various clients of that telemarketer or service provider.

- (d) Each person who pays, either directly or through another person, the annual fee set forth in paragraph (c) of this section, each person excepted under paragraph (c) from paying the annual fee, and each person excepted from paying an annual fee under § 310.4(b)(1)(iii)(B), will be provided a unique account number that will allow that person to access the registry data for the selected area codes at any time for the twelve month period beginning on the first day of the month in which the person paid the fee ("the annual period"). To obtain access to additional area codes of data during the first six months of the annual period, each person required to pay the fee under paragraph (c) of this section must first pay \$80 for each additional area code of data not initially selected. To obtain access to additional area codes of data during the second six months of the annual period, each person required to pay the fee under paragraph (c) of this section must first pay \$40 for each additional area code of data not initially selected. The payment of the additional fee will permit the person to access the additional area codes of data for the remainder of the annual period.
- (e) Access to the National Do Not Call Registry is limited to telemarketers, sellers, others engaged in or causing others to engage in telephone calls to consumers, service providers acting on behalf of such persons, and any government agency that has law enforcement authority. Prior to accessing the National Do Not Call Registry, a person must provide the identifying information required by the operator of the registry to collect the fee, and must certify, under penalty of law, that the person is accessing the registry solely to comply with the provisions of this part or to otherwise prevent telephone calls to telephone numbers on the registry. If the person is accessing the registry on behalf of sellers, that person also must identify each of the sellers on whose behalf it is accessing the registry, must provide each seller's unique account number for access to the national registry, and must certify, under penalty of law, that the sellers will be using the information gathered from the registry solely to comply with the provisions of this part or otherwise to prevent telephone calls to telephone numbers on the registry.

[75 FR 48516, Aug. 10, 2010; 75 FR 51934, Aug. 24, 2010, as amended at 77 FR 51697, Aug. 27, 2012; 78 FR 53643, Aug. 30, 2013; 79 FR 51478, Aug. 29, 2014; 80 FR 77560, Dec. 14, 2016; 81 FR 59845, Aug. 31, 2016; 82 FR 39534, Aug. 21, 2017; 83 FR 46640, Sept. 14, 2018; 84 FR 44687, Aug. 27, 2019; 85 FR 62597, Oct. 5, 2020; 86 FR 48301, Aug. 30, 2021; 87 FR 53373, Aug. 31, 2022; 88 FR 57334, Aug. 23, 2023; 89 FR 26785, Apr. 16, 2024; 89 FR 70095, Aug. 29, 2024]

§ 310.9 Severability.

The provisions of this part are separate and severable from one another. If any provision is stayed or determined to be invalid, it is the Commission's intention that the remaining provisions shall continue in effect.

[75 FR 48516, Aug. 10, 2010, as amended at 89 FR 26785, Apr. 16, 2024]

Attachment B – Financial Statement of Individual Defendant

FINANCIAL STATEMENT OF INDIVIDUAL DEFENDANT

Definitions and Instructions:

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") in the first field only of any item that does not apply to you. If you cannot fully answer a question, explain why.
2. "Dependents" include your spouse, live-in companion, dependent children, or any other person, whom you or your spouse (or your children's other parent) claimed or could have claimed as a dependent for tax purposes at any time during the past five years.
3. "Assets" and "Liabilities" include ALL assets and liabilities, located within the United States or any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or your dependents, or held by others for the benefit of you, your spouse, or your dependents.
4. For any digital assets you hold including but not limited to virtual currencies (e.g. Bitcoin, Ethereum, Tether) and non-fungible tokens ("NFTs") please list your holdings in item 17. "Other Personal Property." As to virtual currencies, in the "Property Category" column identify the type and quantity of each virtual currency you hold; in the "Property Location" column list the following information: (i) the name of the virtual currency wallet, exchange or digital currency exchange (DCE); (ii) email address used to set-up with the virtual currency exchange or DCE; and (iii) the location(s) of the virtual currency [e.g., mobile wallet, online, and/or external hardware storage].
5. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number(s) being continued.
6. Type or print legibly.
7. Initial each page in the space provided in the lower right corner.
8. Sign and date the completed financial statement on the last page.

Penalty for False Information:

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

(1) "in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact; makes any materially false, fictitious or fraudulent statement or representation; or makes or uses any false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry" (18 U.S.C. § 1001);

(2) "in any . . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code, willfully subscribes as true any material matter which he does not believe to be true" (18 U.S.C. § 1621); or

(3) "in any (. . . statement under penalty of perjury as permitted under section 1746 of title 28, United States Code) in any proceeding before or ancillary to any court or grand jury of the United States knowingly makes any false material declaration or makes or uses any other information . . . knowing the same to contain any false material declaration" (18 U.S.C. § 1623).

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

BACKGROUND INFORMATION**Item 1. Information About You**

Full Name	Social Security No.		
Current Address of Primary Residence	Driver's License No.		State Issued
	Phone Numbers Home: () Fax: ()	Date of Birth: / / (mm/dd/yyyy)	
	Place of Birth		
<input type="checkbox"/> Rent <input type="checkbox"/> Own From (Date): / / (mm/dd/yyyy)	E-Mail Address		
Internet Home Page			

Previous Addresses for past five years (if required, use additional pages at end of form)

Address	From: / / (mm/dd/yyyy)	Until: / / (mm/dd/yyyy)
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Address	From: / /	Until: / /
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Address	From: / /	Until: / /
	<input type="checkbox"/> Rent <input type="checkbox"/> Own	
Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:		

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

Spouse/Companion's Name	Social Security No.	Date of Birth / / (mm/dd/yyyy)
Address (if different from yours)	Phone Number ()	Place of Birth
	<input type="checkbox"/> Rent <input type="checkbox"/> Own From (Date): / / (mm/dd/yyyy)	
Identify any other name(s) and/or social security number(s) you have used, and the time period(s) during which they were used:		
Employer's Name and Address	Job Title	
	Years in Present Job	Annual Gross Salary/Wages \$

Item 3. Information About Your Previous Spouse

Name and Address	Social Security No.
	Date of Birth / / (mm/dd/yyyy)

Item 4. Contact Information (name and address of closest living relative other than your spouse)

Name and Address	Phone Number ()
------------------	-----------------------

Initials: _____

Item 5. Information About Dependents (whether or not they reside with you)

Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	
Name and Address	Social Security No.	Date of Birth / / (mm/dd/yyyy)
	Relationship	

Item 6. Employment Information/Employment Income

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

Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year)	To (Month/Year)		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year)	To (Month/Year)		\$
	/	/		\$
	/	/		\$
	/	/		\$
	/	/		\$
Company Name and Address	Dates Employed		Income Received: Y-T-D & 5 Prior Yrs.	
	From (Month/Year) /	To (Month/Year) /	Year	Income
Ownership Interest? <input type="checkbox"/> Yes <input type="checkbox"/> No			20	\$
Positions Held	From (Month/Year)	To (Month/Year)		\$
	/	/		\$
	/	/		\$
	/	/		\$

Initials: _____

Item 7. Pending Lawsuits Filed By or Against You or Your Spouse

List all pending lawsuits that have been filed by or against you or your spouse in any court or before an administrative agency in the United States or in any foreign country or territory. **Note:** At Item 12, list lawsuits that resulted in final judgments or settlements in your favor. At Item 21, list lawsuits that resulted in final judgments or settlements against you.

Caption of Proceeding	Court or Agency and Location	Case No.	Nature of Proceeding	Relief Requested	Status or Disposition

Item 8. Safe Deposit Boxes

List all safe deposit boxes, located within the United States or in any foreign country or territory, whether held individually or jointly and whether held by you, your spouse, or any of your dependents, or held by others for the benefit of you, your spouse, or any of your dependents.

Name of Owner(s)	Name & Address of Depository Institution	Box No.	Contents

Initials: _____

FINANCIAL INFORMATION

REMINDER: When an item asks for information regarding your "assets" and "liabilities" include ALL assets and liabilities, located within the United States or in any foreign country or territory, or institution, whether held individually or jointly, and whether held by you, your spouse, or any of your dependents, or held by others for the benefit of you, your spouse, or any of your dependents. In addition, provide all documents requested in Item 24 with your completed Financial Statement.

ASSETS**Item 9. Cash, Bank, and Money Market Accounts**

List cash on hand (as opposed to cash in bank accounts or other financial accounts) and all bank accounts, money market accounts, or other financial accounts, including but not limited to checking accounts, savings accounts, and certificates of deposit. The term "cash on hand" includes but is not limited to cash in the form of currency, uncashed checks, and money orders.

a. Amount of Cash on Hand \$		Form of Cash on Hand	
b. Name on Account	Name & Address of Financial Institution	Account No.	Current Balance
			\$
			\$
			\$
			\$
			\$

Item 10. Publicly Traded Securities

List all publicly traded securities, including but not limited to, stocks, stock options, corporate bonds, mutual funds, U.S. government securities (including but not limited to treasury bills and treasury notes), and state and municipal bonds. Also list any U.S. savings bonds.

Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	
Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	
Owner of Security	Issuer	Type of Security	No. of Units Owned
Broker House, Address	Broker Account No.		
	Current Fair Market Value \$	Loan(s) Against Security \$	

Initials: _____

Item 11. Non-Public Business and Financial Interests

List all non-public business and financial interests, including but not limited to any interest in a non-public corporation, subchapter-S corporation, limited liability corporation ("LLC"), general or limited partnership, joint venture, sole proprietorship, international business corporation or personal investment corporation, and oil or mineral lease.

Entity's Name & Address	Type of Business or Financial Interest (e.g., LLC, partnership)	Owner (e.g., self, spouse)	Ownership %	If Officer, Director, Member or Partner, Exact Title

Item 12. Amounts Owed to You, Your Spouse, or Your Dependents

Debtor's Name & Address	Date Obligation Incurred (Month/Year) /	Original Amount Owed \$	Nature of Obligation (if the result of a final court judgment or settlement, provide court name and docket number)
	Current Amount Owed \$	Payment Schedule \$	
Debtor's Telephone	Debtor's Relationship to You		
Debtor's Name & Address	Date Obligation Incurred (Month/Year) /	Original Amount Owed \$	Nature of Obligation (if the result of a final court judgment or settlement, provide court name and docket number)
	Current Amount Owed \$	Payment Schedule \$	
Debtor's Telephone	Debtor's Relationship to You		

Item 13. Life Insurance Policies

List all life insurance policies (including endowment policies) with any cash surrender value.

Insurance Company's Name, Address, & Telephone No.	Beneficiary	Policy No.	Face Value \$
	Insured	Loans Against Policy \$	Surrender Value \$
Insurance Company's Name, Address, & Telephone No.	Beneficiary	Policy No.	Face Value \$
	Insured	Loans Against Policy \$	Surrender Value \$

Item 14. Deferred Income Arrangements

List all deferred income arrangements, including but not limited to, deferred annuities, pensions plans, profit-sharing plans, 401(k) plans, IRAs, Keoghs, other retirement accounts, and college savings plans (e.g., 529 Plans).

Trustee or Administrator's Name, Address & Telephone No.	Name on Account		Account No.
	Date Established / / (mm/dd/yyyy)	Type of Plan	Surrender Value before Taxes and Penalties \$
Trustee or Administrator's Name, Address & Telephone No.	Name on Account		Account No.
	Date Established / /	Type of Plan	Surrender Value before Taxes and Penalties \$

Initials: _____

Item 15. Pending Insurance Payments or Inheritances

List any pending insurance payments or inheritances owed to you.

Type	Amount Expected	Date Expected (mm/dd/yyyy)
	\$	/ /
	\$	/ /
	\$	/ /

Item 16. Vehicles

List all cars, trucks, motorcycles, boats, airplanes, and other vehicles.

Vehicle Type	Year	Registered Owner's Name	Purchase Price \$	Original Loan Amount \$	Current Balance \$
Make		Registration State & No.	Account/Loan No.	Current Value \$	Monthly Payment \$
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price \$	Original Loan Amount \$	Current Balance \$
Make		Registration State & No.	Account/Loan No.	Current Value \$	Monthly Payment \$
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price \$	Original Loan Amount \$	Current Balance \$
Make		Registration State & No.	Account/Loan No.	Current Value \$	Monthly Payment \$
Model		Address of Vehicle's Location	Lender's Name and Address		
Vehicle Type	Year	Registered Owner's Name	Purchase Price \$	Original Loan Amount \$	Current Balance \$
Make		Registration State & No.	Account/Loan No.	Current Value \$	Monthly Payment \$
Model		Address of Vehicle's Location	Lender's Name and Address		

Item 17. Other Personal Property

List all other personal property not listed in Items 9-16 by category, whether held for personal use, investment or any other reason, including but not limited to coins, stamps, artwork, gemstones, jewelry, bullion, other collectibles, copyrights, patents, and other intellectual property.

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

Initials: _____

Item 18. Real Property

List all real property interests (including any land contract)

Property's Location		Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation	
Lender's Name and Address		Loan or Account No.	Current Balance On First Mortgage or Contract \$	
			Monthly Payment \$	
Other Mortgage Loan(s) (describe)		Monthly Payment \$	<input type="checkbox"/> Rental Unit	
		Current Balance \$	Monthly Rent Received \$	

Property's Location		Type of Property	Name(s) on Title or Contract and Ownership Percentages	
Acquisition Date (mm/dd/yyyy) / /	Purchase Price \$	Current Value \$	Basis of Valuation	
Lender's Name and Address		Loan or Account No.	Current Balance On First Mortgage or Contract \$	
			Monthly Payment \$	
Other Mortgage Loan(s) (describe)		Monthly Payment \$	<input type="checkbox"/> Rental Unit	
		Current Balance \$	Monthly Rent Received \$	

LIABILITIES**Item 19. Credit Cards**

List each credit card account held by you, your spouse, or your dependents, and any other credit cards that you, your spouse, or your dependents use, whether issued by a United States or foreign financial institution.

Name of Credit Card (e.g., Visa, MasterCard, Department Store)	Account No.	Name(s) on Account	Current Balance
			\$
			\$
			\$
			\$
			\$

Item 20. Taxes Payable

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

Type of Tax	Amount Owed	Year Incurred
	\$	
	\$	
	\$	

Initials: _____

Item 21. Other Amounts Owed by You, Your Spouse, or Your Dependents

List all other amounts, not listed elsewhere in this financial statement, owed by you, your spouse, or your dependents.

Lender/Creditor's Name, Address, and Telephone No.		Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)	
		Lender/Creditor's Relationship to You	
Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule
Lender/Creditor's Name, Address, and Telephone No.		Nature of Debt (if the result of a court judgment or settlement, provide court name and docket number)	
		Lender/Creditor's Relationship to You	
Date Liability Was Incurred / / (mm/dd/yyyy)	Original Amount Owed \$	Current Amount Owed \$	Payment Schedule

OTHER FINANCIAL INFORMATION**Item 22. Trusts and Escrows**

List all funds and other assets that are being held in trust or escrow by any person or entity for you, your spouse, or your dependents. Include any legal retainers being held on your behalf by legal counsel. Also list all funds or other assets that are being held in trust or escrow by you, your spouse, or your dependents, for any person or entity.

Trustee or Escrow Agent's Name & Address	Date Established (mm/dd/yyyy)	Grantor	Beneficiaries	Present Market Value of Assets*
	/ /			\$
	/ /			\$
	/ /			\$

*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.

Item 23. Transfers of Assets

List each person or entity to whom you have transferred, in the aggregate, more than \$5,000 in funds or other assets during the previous five years by loan, gift, sale, or other transfer (exclude ordinary and necessary living and business expenses paid to unrelated third parties). For each such person or entity, state the total amount transferred during that period.

Transferee's Name, Address, & Relationship	Property Transferred	Aggregate Value*	Transfer Date (mm/dd/yyyy)	Type of Transfer (e.g., Loan, Gift)
		\$	/ /	
		\$	/ /	
		\$	/ /	

*If the market value of any asset is unknown, describe the asset and state its cost, if you know it.

Initials: _____

Item 24. Document Requests

Provide copies of the following documents with your completed Financial Statement.

	Federal tax returns filed during the last three years by or on behalf of you, your spouse, or your dependents.
	All applications for bank loans or other extensions of credit (other than credit cards) that you, your spouse, or your dependents have submitted within the last two years, including by obtaining copies from lenders if necessary.
Item 9	For each bank account listed in Item 9, all account statements for the past 3 years.
Item 11	For each business entity listed in Item 11, provide (including by causing to be generated from accounting records) the most recent balance sheet, tax return, annual income statement, the most recent year-to-date income statement, and all general ledger files from account records.
Item 17	All appraisals that have been prepared for any property listed in Item 17, including appraisals done for insurance purposes. You may exclude any category of property where the total appraised value of all property in that category is less than \$2,000.
Item 18	All appraisals that have been prepared for real property listed in Item 18.
Item 21	Documentation for all debts listed in Item 21.
Item 22	All executed documents for any trust or escrow listed in Item 22. Also provide any appraisals, including insurance appraisals that have been done for any assets held by any such trust or in any such escrow.

SUMMARY FINANCIAL SCHEDULES**Item 25. Combined Balance Sheet for You, Your Spouse, and Your Dependents**

Assets		Liabilities	
Cash on Hand (Item 9)	\$	Loans Against Publicly Traded Securities (Item 10)	\$
Funds Held in Financial Institutions (Item 9)	\$	Vehicles - Liens (Item 16)	\$
U.S. Government Securities (Item 10)	\$	Real Property – Encumbrances (Item 18)	\$
Publicly Traded Securities (Item 10)	\$	Credit Cards (Item 19)	\$
Non-Public Business and Financial Interests (Item 11)	\$	Taxes Payable (Item 20)	\$
Amounts Owed to You (Item 12)	\$	Amounts Owed by You (Item 21)	\$
Life Insurance Policies (Item 13)	\$	Other Liabilities (Itemize)	
Deferred Income Arrangements (Item 14)	\$		\$
Vehicles (Item 16)	\$		\$
Other Personal Property (Item 17)	\$		\$
Real Property (Item 18)	\$		\$
Other Assets (Itemize)			\$
	\$		\$
	\$		\$
	\$		\$
Total Assets	\$	Total Liabilities	\$

Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents

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

Income (State source of each item)		Expenses	
Salary - After Taxes Source:	\$	Mortgage or Rental Payments for Residence(s)	\$
Fees, Commissions, and Royalties Source:	\$	Property Taxes for Residence(s)	\$
Interest Source:	\$	Rental Property Expenses, Including Mortgage Payments, Taxes, and Insurance	\$
Dividends and Capital Gains Source:	\$	Car or Other Vehicle Lease or Loan Payments	\$
Gross Rental Income Source:	\$	Food Expenses	\$
Profits from Sole Proprietorships Source:	\$	Clothing Expenses	\$
Distributions from Partnerships, S-Corporations, and LLCs Source:	\$	Utilities	\$

Initials: _____

Item 26. Combined Current Monthly Income and Expenses for You, Your Spouse, and Your Dependents (cont.)			
Distributions from Trusts and Estates Source:	\$	Medical Expenses, Including Insurance	\$
Distributions from Deferred Income Arrangements Source:	\$	Other Insurance Premiums	\$
Social Security Payments	\$	Other Transportation Expenses	\$
Alimony/Child Support Received	\$	Other Expenses (Itemize)	
Gambling Income	\$		\$
Other Income (Itemize)			\$
	\$		\$
	\$		\$
	\$		\$
Total Income	\$	Total Expenses	\$

ATTACHMENTS

Item 27. Documents Attached to this Financial Statement	
List all documents that are being submitted with this financial statement. For any Item 24 documents that are not attached, explain why.	
Item No. Document Relates To	Description of Document

I am submitting this financial statement with the understanding that it may affect action by the Federal Trade Commission or a federal court. I have used my best efforts to obtain the information requested in this statement. The responses I have provided to the items above are true and contain all the requested facts and information of which I have notice or knowledge. I have provided all requested documents in my custody, possession, or control. I know of the penalties for false statements under 18 U.S.C. § 1001, 18 U.S.C. § 1621, and 18 U.S.C. § 1623 (five years imprisonment and/or fines). I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on:

(Date)

Signature

Attachment C – Financial Statement of Corporate Defendant

FEDERAL TRADE COMMISSION

FINANCIAL STATEMENT OF CORPORATE DEFENDANT

Instructions:

1. Complete all items. Enter "None" or "N/A" ("Not Applicable") where appropriate. If you cannot fully answer a question, explain why.
2. The font size within each field will adjust automatically as you type to accommodate longer responses.
3. In completing this financial statement, "the corporation" refers not only to this corporation but also to each of its predecessors that are not named defendants in this action.
4. When an Item asks for information about assets or liabilities "held by the corporation," include ALL such assets and liabilities, located within the United States or elsewhere, held by the corporation or held by others for the benefit of the corporation.
5. For any digital assets you hold including but not limited to virtual currencies (e.g. Bitcoin, Ethereum, Tether) and non-fungible tokens ("NFTs") please list your holdings in item 17. "Other Personal Property." As to virtual currencies, in the "Property Category" column identify the type and quantity of each virtual currency you hold; in the "Property Location" column list the following information: (i) the name of the virtual currency wallet, exchange or digital currency exchange (DCE); (ii) email address used to set-up with the virtual currency exchange or DCE; and (iii) the location(s) of the virtual currency [e.g., mobile wallet, online, and/or external hardware storage].
6. Attach continuation pages as needed. On the financial statement, state next to the Item number that the Item is being continued. On the continuation page(s), identify the Item number being continued.
7. Type or print legibly.
8. An officer of the corporation must sign and date the completed financial statement on the last page and initial each page in the space provided in the lower right corner.

Penalty for False Information:

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

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

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

BACKGROUND INFORMATION

Item 1. General Information

Corporation's Full Name _____

Primary Business Address _____ From (Date) _____

Telephone No. _____ Fax No. _____

E-Mail Address _____ Internet Home Page _____

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

Address _____ From/Until _____

Address _____ From/Until _____

Address _____ From/Until _____

All predecessor companies for past five years:

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Name & Address _____ From/Until _____

Item 2. Legal Information

Federal Taxpayer ID No. _____ State & Date of Incorporation _____

State Tax ID No. _____ State _____ Profit or Not For Profit _____

Corporation's Present Status: Active _____ Inactive _____ Dissolved _____

If Dissolved: Date dissolved _____ By Whom _____

Reasons _____

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

Item 3. Registered Agent

Name of Registered Agent _____

Address _____ Telephone No. _____

Item 4. Principal Stockholders

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

<u>Name & Address</u>	<u>% Owned</u>

Item 5. Board Members

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

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

Item 6. Officers

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

<u>Name & Address</u>	<u>% Owned</u>

Item 7. Businesses Related to the Corporation

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

<u>Name & Address</u>	<u>Business Activities</u>	<u>% Owned</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

Item 8. Businesses Related to Individuals

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

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

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

Item 9. Related Individuals

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

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

Item 10. Outside Accountants

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

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

Item 11. Corporation's Recordkeeping

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

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

Item 12. Attorneys

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

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

Item 13. Pending Lawsuits Filed by the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 14. Current Lawsuits Filed Against the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Opposing Party's Name & Address _____

Court's Name & Address _____

Docket No. _____ Relief Requested _____ Nature of Lawsuit _____

_____ Status _____

Item 15. Bankruptcy Information

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

Commencement Date _____ Termination Date _____ Docket No. _____

If State Court: Court & County _____ If Federal Court: District _____

Disposition _____

Item 16. Safe Deposit Boxes

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

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

FINANCIAL INFORMATION

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

Item 17. Tax Returns

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

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

Item 18. Financial Statements

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

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

Item 19. Financial Summary

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

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

Item 20. Cash, Bank, and Money Market Accounts

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

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

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

Item 21. Government Obligations and Publicly Traded Securities

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

Issuer _____ Type of Security/Obligation _____

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

Issuer _____ Type of Security/Obligation _____

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

Item 22. Real Estate

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Type of Property _____ Property's Location _____

Name(s) on Title and Ownership Percentages _____

Current Value \$ _____ Loan or Account No. _____

Lender's Name and Address _____

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

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

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

Item 23. Other Assets

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

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

Item 24. Trusts and Escrows

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

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

Item 25. Monetary Judgments and Settlements Owed To the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 26. Monetary Judgments and Settlements Owed By the Corporation

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

Nature of Lawsuit _____ Date _____ Amount \$ _____

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Opposing Party's Name & Address _____

Court's Name & Address _____ Docket No. _____

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

Item 27. Government Orders and Settlements

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

Name of Agency _____ Contact Person _____

Address _____ Telephone No. _____

Agreement Date _____ Nature of Agreement _____

Item 28. Credit Cards

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

Name of Credit Card or Store

Names of Authorized Users and Positions Held

Item 29. Compensation of Employees

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

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

Item 30. Compensation of Board Members and Officers

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

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

Item 31. Transfers of Assets Including Cash and Property

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

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

Attachment D – Request for Copy of Tax Form

Request for Copy of Tax ReturnForm **4506**

(September 2024)

Department of the Treasury
Internal Revenue Service

- **Do not sign this form unless all applicable lines have been completed.**
- **Request may be rejected if the form is incomplete or illegible.**
- **For more information about Form 4506, visit www.irs.gov/form4506.**

OMB No. 1545-0429

Tip: Get faster service: Online at www.irs.gov, **Get Your Tax Record** (Get Transcript) or by calling **1-800-908-9946** for specialized assistance. We have teams available to assist. **Note:** Taxpayers may register to use [Get Transcript](#) to view, print, or download the following transcript types: **Tax Return Transcript** (shows most line items including Adjusted Gross Income (AGI) from your original Form 1040-series tax return as filed, along with any forms and schedules), **Tax Account Transcript** (shows basic data such as return type, marital status, AGI, taxable income and all payment types), **Record of Account Transcript** (combines the tax return and tax account transcripts into one complete transcript), **Wage and Income Transcript** (shows data from information returns we receive such as Forms W-2, 1099, 1098 and Form 5498), and **Verification of Non-filing Letter** (provides proof that the IRS has no record of a filed Form 1040-series tax return for the year you request).

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions).	
4 Previous address shown on the last return filed if different from line 3 (see instructions).	
5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

Caution: If the tax return is being sent to the third party, ensure that lines 5 through 7 are completed before signing. (see instructions).

6 Tax return requested. Form 1040, 1120, 941, etc. and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ► _____

Note: If the copies must be certified for court or administrative proceedings, check here ☐

7 Year or period requested. Enter the ending date of the tax year or period using the mm/dd/yyyy format (see instructions).

____/____/____	____/____/____	____/____/____	____/____/____
____/____/____	____/____/____	____/____/____	____/____/____

8 Fee. There is a \$30 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN, ITIN, or EIN and "Form 4506 request" on your check or money order	
a Cost for each return	\$ 30.00
b Number of returns requested on line 7	
c Total cost. Multiply line 8a by line 8b	\$

9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here ☐

Caution: Do not sign this form unless all applicable lines have been complete

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

☐ **Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506. See instructions**

Phone number of taxpayer on line 1a or 2a

Sign Here	Signature (see instructions)	Date
	Print/Type name	Title (if line 1a above is a corporation, partnership, estate, or trust)
	Spouse's signature	Date
	Print/Type name	

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about Form 4506 and its instructions, go to www.irs.gov/form4506.

General Instructions

Caution: Do not sign this form unless all applicable lines, including lines 5 through 7, have been completed.

Designated Recipient Notification. Internal Revenue Code, Section 6103(c), limits disclosure and use of return information received pursuant to the taxpayer's consent and holds the recipient subject to penalties for any unauthorized access, other use, or redisclosure without the taxpayer's express permission or request.

Taxpayer Notification. Internal Revenue Code, Section 6103(c), limits disclosure and use of return information provided pursuant to your consent and holds the recipient subject to penalties, brought by private right of action, for any unauthorized access, other use, or redisclosure without your express permission or request.

Purpose of form. Use Form 4506 to request a copy of your tax return. You can also designate (on line 5) a third party to receive the tax return.

How long will it take? It may take up to 75 calendar days for us to process your request.

Where to file. Attach payment and mail Form 4506 to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual returns (Form 1040 series) and one for all other returns.

If you are requesting a return for more than one year or period and the chart below shows two different addresses, send your request based on the address of your most recent return.

Chart for individual returns (Form 1040 series)

If you filed an individual return and lived in:

Mail to:

Alabama, Arizona, Arkansas, Florida, Georgia, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

Internal Revenue Service
RAIVS Team
Stop 6716 AUSC
Austin, TX 73301

Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Wisconsin

Internal Revenue Service
RAIVS Team
Stop 6705 S-2
Kansas City, MO 64999

Alaska, California, Colorado, Hawaii, Idaho, Kansas, Michigan, Montana, Nebraska, Nevada, North Dakota, Ohio, Oregon, South Dakota, Utah, Washington, Wyoming

Internal Revenue Service
RAIVS Team
P.O. Box 9941
Mail Stop 6734
Ogden, UT 84409

Chart for all other returns

For returns not in Form 1040 series, if the address on the return was in:

Mail to:

Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin

Internal Revenue Service
RAIVS Team
Stop 6705 S-2
Kansas City, MO 64999

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address

Internal Revenue Service
RAIVS Team
P.O. Box 9941
Mail Stop 6734
Ogden, UT 84409

Specific Instructions

Line 1b. Enter the social security number (SSN) or individual taxpayer identification number (ITIN) for the individual listed on line 1a, or enter the employer identification number (EIN) for the business listed on line 1a. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 3. Enter your current address. If you use a P.O. box, please include it on this line 3.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.

Note. If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party — Business, with Form 4506.

Line 7. Enter the end date of the tax year or period requested in mm/dd/yyyy format. This may be a calendar year, fiscal year or quarter. Enter each quarter requested for quarterly returns. Example: Enter 12/31/2018 for a calendar year 2018 Form 1040 return, or 03/31/2017 for a first quarter Form 941 return.

Signature and date. Form 4506 must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506 within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines, including lines 5 through 7, are completed before signing.



You must check the box in the signature area to acknowledge you have the authority to sign and request the information. The form will not be processed and returned to you if the box is unchecked.

Individuals. Copies of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506 exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506 can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer. A bona fide shareholder of record owning 1 percent or more of the outstanding stock of the corporation may submit a Form 4506 but must provide documentation to support the requester's right to receive the information.

Partnerships. Generally, Form 4506 can be signed by any person who was a member of the partnership during any part of the tax period requested on line 7.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Note: If you are Heir at law, Next of kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

Signature by a representative. A representative can sign Form 4506 for a taxpayer only if this authority has been specifically delegated to the representative on Form 2848, line 5a. Form 2848 showing the delegation must be attached to Form 4506.

Privacy Act and Paperwork Reduction Act

Notice. We ask for the information on this form to establish your right to gain access to the requested return(s) under the Internal Revenue Code. We need this information to properly identify the return(s) and respond to your request. If you request a copy of a tax return, sections 6103 and 6109 require you to provide this information, including your SSN or EIN, to process your request. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506 will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form**, 10 min.; **Preparing the form**, 16 min.; and **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506 simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications Division
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224.

Do not send the form to this address. Instead, see *Where to file* on this page.

Attachment E – Consent to Release Financial Records

CONSENT TO RELEASE FINANCIAL RECORDS

I, _____ of _____, (City, State), do hereby direct any bank, saving and loan association, credit union, depository institution, finance company, commercial lending company, credit card processor, credit card processing entity, automated clearing house, network transaction processor, bank debit processing entity, brokerage house, escrow agent, money market or mutual fund, title company, commodity trading company, trustee, or person that holds, controls, or maintains custody of assets, wherever located, that are owned or controlled by me or at which there is an account of any kind upon which I am authorized to draw, and its officers, employees, and agents, to disclose all information and deliver copies of all documents of every nature in its possession or control which relate to the said accounts to any attorney of the Federal Trade Commission, and to give evidence relevant thereto, in the matter of [], now pending in the United States District Court of [], and this shall be irrevocable authority for so doing.

This direction is intended to apply to the laws of countries other than the United States of America which restrict or prohibit disclosure of bank or other financial information without the consent of the holder of the account, and shall be construed as consent with respect hereto, and the same shall apply to any of the accounts for which I may be a relevant principal.

Dated: _____

Signature: _____

Printed Name: _____