

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION

CASE NO. 02-21760-CIV-JORDAN

THIS IS A CONSENT CASE - Magistrate Judge Brown

FEDERAL TRADE COMMISSION, )

Plaintiff, )

v. )

INSPIRED VENTURES, INC., )  
a Florida corporation; )

I.V.I. MANAGEMENT CORP., )

Business Opportunity Ventures" (the "Franchise Rule" or the "Rule"), 16 C.F.R. Part 436. The

... also immediately moved in court for a Temporary Restraining Order ("TRO")

2002, this Court, having considered the Complaint as well as the memorandum of law,

Final Order.

6. On April 9, 2003, Jesse Alper filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*, in the United States Bankruptcy Court for the District of Florida, Case No. 03-12262 RYC, & IC (the "Bankruptcy Case"). Marcia T. [REDACTED]

Dunn was appointed the Chapter 7 trustee for Jesse Alper (the "Bankruptcy Trustee"). The Commission's action against Jesse Alper is not stayed by 11 U.S.C. § 362(a) because it is an

exercise of the Commission's police or regulatory power as a governmental unit pursuant to 11 U.S.C. § 362(h)(4) and thus falls within an exemption to the automatic stay.

7. Jesse Alper has waived all rights that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412, amended by Pub. L. No. 104-121, 110 Stat. 847, 863-64 (1996).

funds, and cash, wherever located, whether in the United States or abroad;

"Business Venture" means any written or oral business arrangement, however

denominated, whether or not covered by the Franchise Rule, which consists of the payment of

- a. The right or means to offer, sell, or distribute goods or services (whether or not identified by a trademark, service mark, trade name, advertising, or other commercial symbol or "name") as defined in Section 4 of the

ETC Act, 15 U.S.C. § 44; and

- b. More than nominal assistance to any person or entity in connection with or incident to the establishment, maintenance, or operation of a new business or the entry by an existing business into a new line or type of business;

3. "Corporate Defendants" means Incurred Ventures, I.V.I. Management, and Source



any false or misleading representation.

**IV. DUTY TO COOPERATE WITH RECEIVER**

IT IS HEREBY ORDERED that [redacted] shall cooperate with:

the Stipulated Judgment Against Non-Debtor Defendants, including the transfer of

[redacted] of the Company Defendants. This cooperation and assistance shall include

Case in the amount of \$16,728.00. The FTC shall be entitled to participate in any distribution in the Bankruptcy Case paid on account of allowed general unsecured claims in such case, pursuant to Section 726 or 1129 of the Bankruptcy Code, 11 U.S.C. §§ 726 and 1129, and in accordance with the priorities of the Bankruptcy Code;

- 2. Jesse Alper hereby releases to the Commission all dominion, title, and control of all funds of the Corporate Defendants remaining in the receivership estate including monies of the Corporate Defendants from

pursuant to the Preliminary Injunction entered by this Court on June 28, 2002, and hereby agrees that these monies are not property of Jesse Alper's bankruptcy estate;

- C. The Commission and Jesse Alper stipulate and agree to file, within ten (10) days of the date of entry of this Final Order, a Complaint and Agreed Judgment in the Bankruptcy Case substantially in the form of

Jesse Alper shall have no right to challenge the Commission's choice of remedies under this Paragraph; and

- E. The execution of the remainder of this judgment is suspended, subject to the provisions of Paragraph VI, which is the Right to Reopen.

~~IT IS FURTHER ORDERED~~



any other civil or criminal remedies as may be provided by law, including any

other proceedings that the FTC may initiate to enforce this Final Order.

**VII. COSTS**

**IT IS FURTHER ORDERED** that each party shall bear its own costs and attorney's fees incurred in connection with this action.

**VIII. [REDACTED]**

Commission, Jesse Alper shall submit additional written reports, sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in Jesse Alper's possession or direct or indirect control to inspect the business operation;

B. In addition, the Commission is authorized to monitor compliance with this Final Order by all other lawful means, including but not limited to the following:

1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, and 45;

2. obtaining discovery from Jesse Alper, Jesse Alper's

employees, or any other entity managed or controlled in whole or in part

1. Any changes in Jesse Alper's residence, mailing addresses, and

telephone numbers within ten (10) days of the date of any change

D. For purposes of the compliance reporting required by this Paragraph, the

Andrew Cove  
Cove & Associates, PA  
225 South 21<sup>st</sup> Avenue  
Hollywood, FL 33020  
954-921-1121.

**XII. RECORD KEEPING PROVISIONS**

E. Copies of all sales scripts, training materials, advertisements, or other marketing materials.

**XIII. DISTRIBUTION OF ORDER BY JESSE ALPER**

**IT IS FURTHER ORDERED** that, for a period of five (5) years from the date of entry

into the Order by Jesse Alper, the Order by Jesse Alper shall be the final Order by Jesse Alper.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

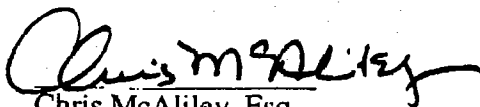
[REDACTED]

... managers and employees under his control for any business that (a) employs or

DONE AND ORDERED, this \_\_\_\_\_ day of \_\_\_\_\_, 2003, in Miami,

United States Magistrate Judge

SO STIPULATED:



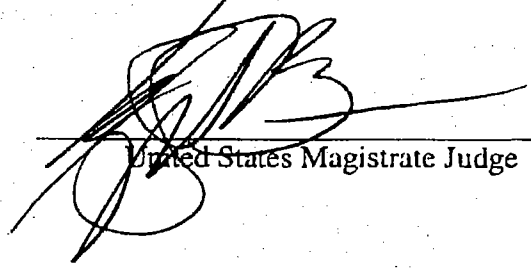
Chris McAiley, Esq.  
Receiver for Inspired Ventures, Inc.  
Dated: 10-17-03

Brad Winter, Esq. (A5500668)  
K. Michelle Roden, Esq. (A5500669)  
Attorneys for Plaintiff  
Federal Trade Commission  
Dated: \_\_\_\_\_

Andrew N. Cove, Esq.  
Hector E. Lora, Esq.  
Attorneys for Defendants  
Dated: \_\_\_\_\_

Jesse Alper individually  
Dated: \_\_\_\_\_

DONE AND ORDERED, this 19<sup>th</sup> day of February, 2007, in Miami,  
Florida.



United States Magistrate Judge

SO STIPULATED:

Chris McAiley, Esq.  
Receiver for Inspired Ventures, Inc.  
Dated: \_\_\_\_\_

K. Michelle Roden  
Brad Winter, Esq. (A5500668)  
K. Michelle Roden, Esq. (A5500669)  
Attorneys for Plaintiff  
Federal Trade Commission  
Dated: 11-24-03

Andrew N. Cove  
Andrew N. Cove, Esq.  
Hector E. Lora, Esq.  
Attorneys for Defendants  
Dated: 11/18/03

Jesse Alper  
Jesse Alper individually  
Dated: 11-18-03





Notary Public \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION

In re: \_\_\_\_\_ )  
\_\_\_\_\_ )

JESSE ALPER, )  
\_\_\_\_\_ )

Debtor. )  
\_\_\_\_\_ )

FEDERAL TRADE COMMISSION, )  
\_\_\_\_\_ )

Plaintiff, )  
\_\_\_\_\_ )

v. )  
\_\_\_\_\_ )

JESSE ALPER, )  
\_\_\_\_\_ )

Defendant. )  
\_\_\_\_\_ )

Case No. 03-13362-AJC  
Chapter 7

Adv. Proc. No. \_\_\_\_\_

COMPLAINT TO DETERMINE NONDISCHARGEABILITY OF DEBT OWED TO  
THE FEDERAL TRADE COMMISSION

U.S.C. § 157(b)(2)(D). Venue in the Southern District of Florida is proper under 28 U.S.C. § 1391(b) and (c).

2. This Adversary Proceeding relates to *In re Jesse Alper*, Case No.

03-13362-BKC-AIC (Bankr. S.D. Fla.) (Chapter 7) now pending in this Court (the "Bankruptcy

\$2,653,968, pursuant to the Stipulated Final Judgment and Order for Permanent Injunction and

equitable relief as may be appropriate in each case, including redress for injured consumers.

The Defendant Defendants 1 2018 Case No. D.C. 2018-01-00000

temporarily prohibiting certain further conduct in connection with the sale of vending machine business ventures, appointing a receiver over the Corporate Defendant, and freezing the assets of all of the Defendants.

10. The Debtor has signed, and the District Court has entered, the Stipulated Judgment permanently enjoining the various practices that the FTC alleged were deceptive to consumers and entering a monetary judgment in the amount of \$2,653,968. This monetary judgment is joint and

12. From at least January 2002 until June 13, 2002, when the District Court's TRO halted their unlawful business practices, the Debtor and the Non-Debtor Defendants offered for

sale of their products including vending machines, which were called "Sweet Tooth Sam

the Money Making Man."

<sup>12</sup> The Debtor and the Non-Debtor Defendants promoted Inspired Ventures and their

Business Opportunities (Franchises/Distributorship)  
- AMAZING 500% RETURN! Local vending route.  
\$4000/mo. potential. Minimum investment required.  
FREE INFO. 1-800-483-8717.

15. Prospective purchasers who contacted Inspired Ventures reached the Debtor and the Non-Debtor Defendants, who delivered sales pitches over the course of what were often a

of telephone calls and written communications. The Debtor and Non-Debtor Def

sold Sweet Tooth Sam "Plans" which required a minimum payment of thousands of dollars. The  
Beginner Plan of thirty Sweet Tooth Sam machines cost \$11,000. Larger plans, such as the

the names and telephone numbers of purported "references." The Defendants represented that these references did not work for Inspired Ventures or would provide reports which accurately described the business practices of Inspired Ventures. However, Defendants' representations



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24. For each earnings claim the Debtor and the Non-Debtor Defendants made, they did not have a reasonable basis and did not disclose that material which constitutes a reasonable basis for that earnings claim was available to prospective purchasers

25. The Debtor and the Non-Debtor Defendants

Defendants' business ventures. In truth and in fact, in numerous instances, Defendants'

descriptions of experiences with the Defendants' business ventures. Therefore, these



35. Pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. 57a(d)(3), and 16 C.F.R.

affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

36. In connection with the offering of franchises, as "franchise" is defined in Section

required by the Franchise Rule including the number and percentage of prior purchasers known by the Defendants to have achieved the same or better results.

consumers throughout the United States have suffered substantial monetary loss as a result of the Debtor and Non-Debtor Defendants' unlawful acts or practices.

**Nondischargeability of the Stipulated Judgment**

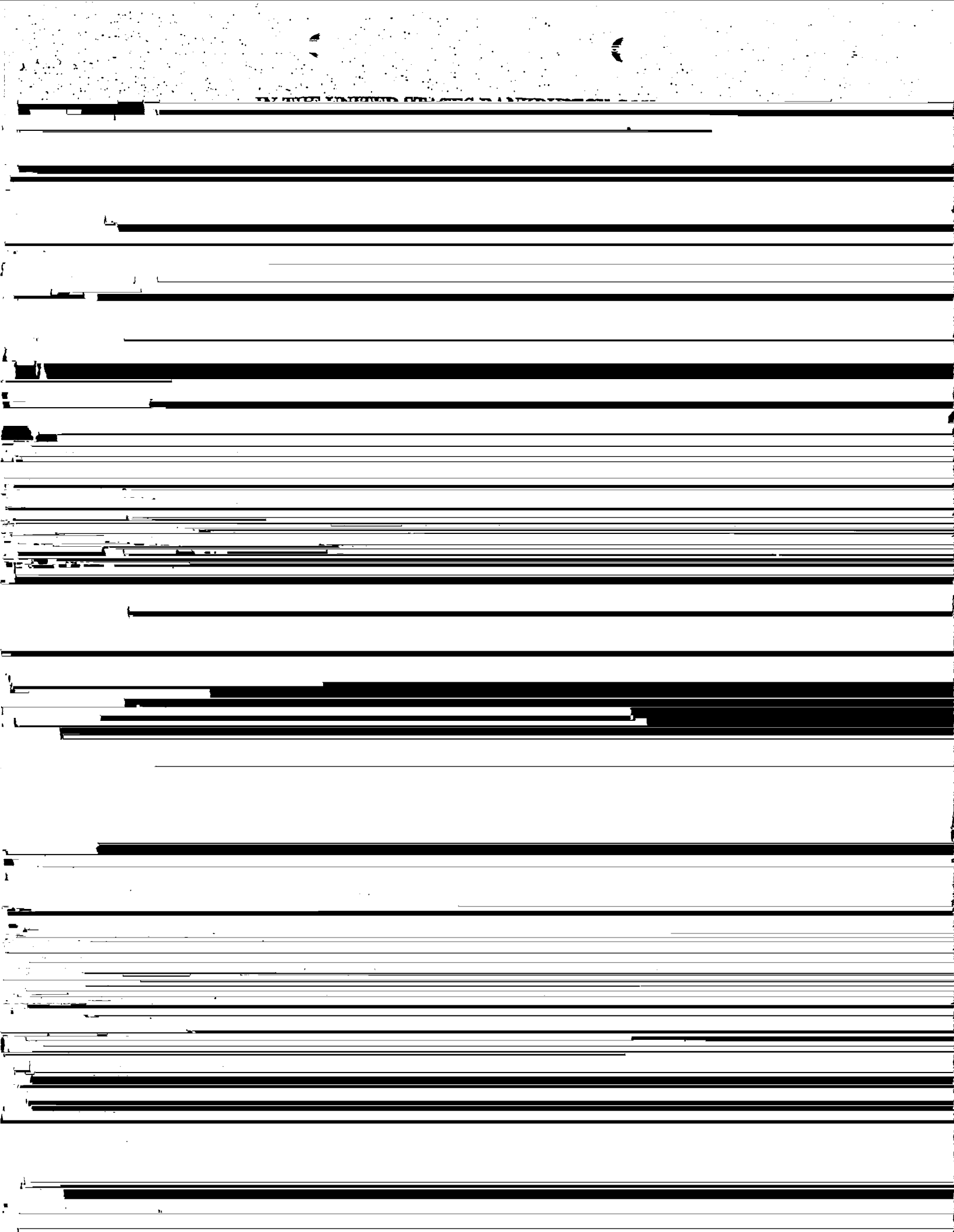
40. Debts for money, property, or services obtained by false pretenses, a false representation, or actual fraud are not dischargeable. 11 U.S.C. § 523(a)(2)(A).

41. The Debtor violated Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the

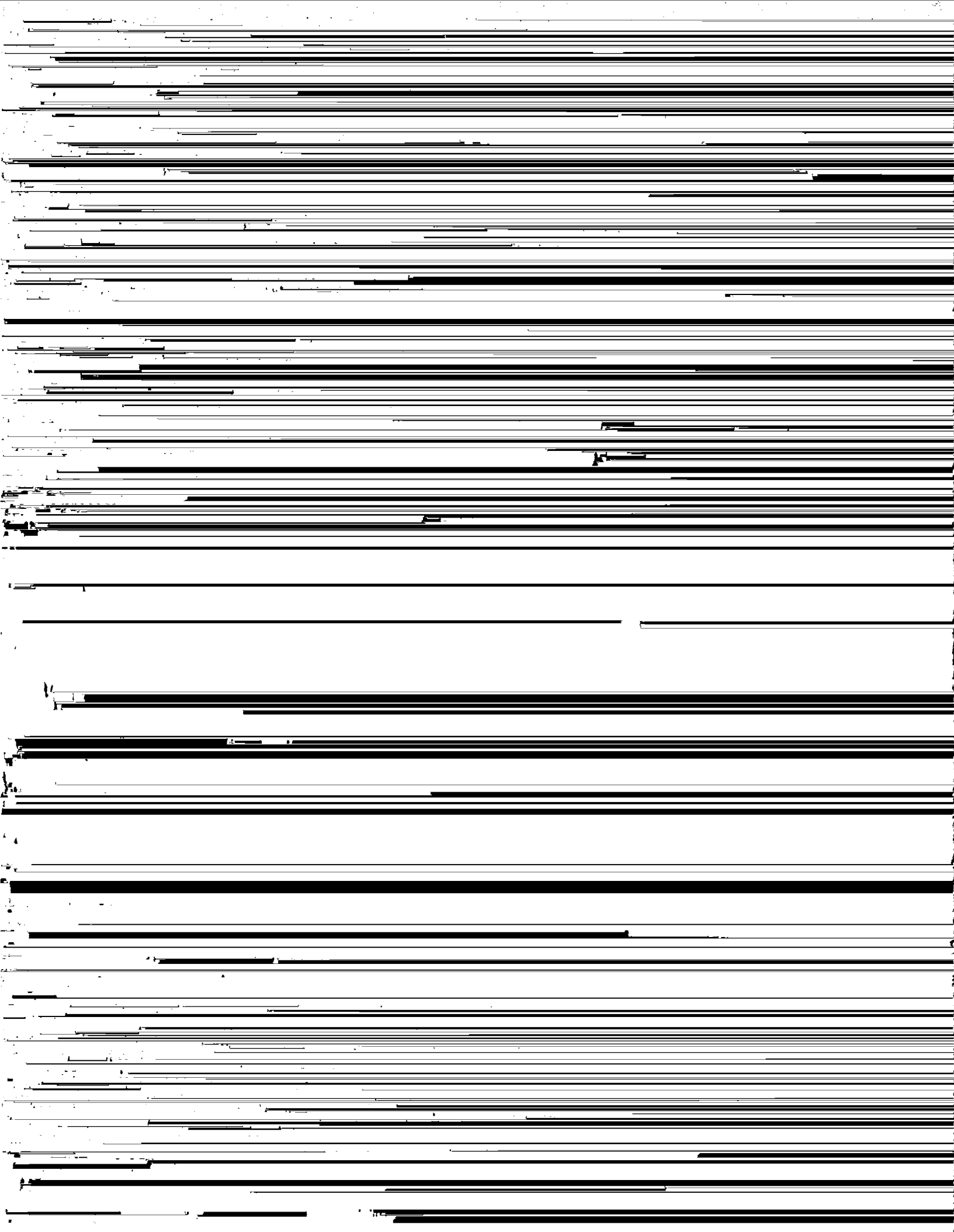
45. The Debtor's activities described in Paragraphs 12 through 38 above constitute false representations or actual fraud. Consequently, the Debtor's debt to the FTC pursuant to the Stipulated Judgment is one for money, property, or services obtained by fraud.

actual fraud, and is not dischargeable. 11 U.S.C. § 523(a)(2)(A).

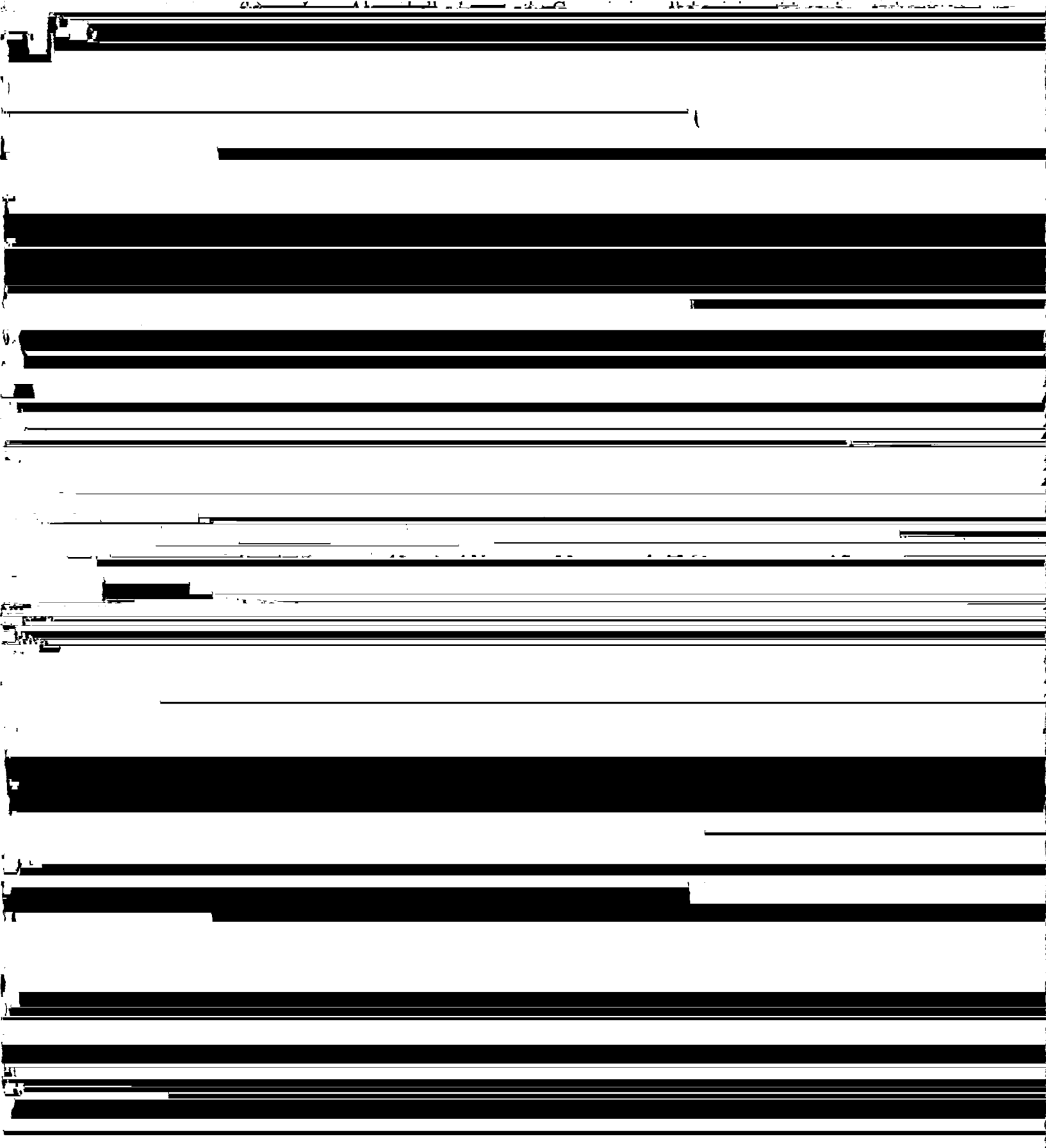
46. As reflected in the agreed judgment submitted herewith, the Debtor has consented to the non-dischargeability of the Stipulated Judgment owed by the Debtor to the FTC.







unsecured claims, pursuant to Section 726 of the Bankruptcy Code and in accordance with the priorities of the Bankruptcy Code.



unsecured claims, pursuant to Section 726 of the Bankruptcy Code and in accordance with the priorities of the Bankruptcy Code.

(h) [redacted] Jesse Alner shall release to the Commission all dominion, title and control

Telephone: (954) 981-4411

Facsimile: (954) 966-6250

Attorney for Defendant/Debtor

*K. Michelle Roden*

Brad Winter, Esq.

K. Michelle Roden, Esq.

Federal Trade Commission

Dated: 11/24/03

600 Pennsylvania Avenue, NW  
Washington, DC 20580  
Telephone: (202) 326-2597; 3172  
Facsimile: (202) 326-3395

Attorneys for the FTC

**ORDER**

Based on the foregoing,

IT IS SO ORDERED this \_\_\_\_\_ day of \_\_\_\_\_ 2003, by the United States

Bankruptcy Court for the Southern District of Florida.

\_\_\_\_\_  
A. JAY CRISTOL  
United States Bankruptcy Judge

cc: Brad Winter, Esq.  
K. Michelle Roden, Esq.  
Federal Trade Commission  
600 Pennsylvania Ave NW

