

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

q 71.76 508.2 256.44 s69.92 re W n BT/TT0 1 Tf 173.2

P. 65(b) and Local Rule 7.1(d) the interests of justice require that this Order be granted without prior notice to Defendants. Thus there is good cause for relieving Plaintiff of the duty to provide Defendants with prior notice of its Motion for a Temporary Restraining Order.

F. Good cause exists for issuing this Order, appointing a temporary receiver over the Receivership Entities freezing Defendants' assets, permitting Plaintiff and the Receiver immediate access to Defendants' business premises, permitting Plaintiff and the Receiver to take expedited discovery

G. Weighing the equities and considering Plaintiff's likelihood of ultimate success on the merits, a temporary restraining order with an asset freeze, the appointment of a temporary receiver, immediate access to business premises, expedited discovery, and other equitable relief is in the public interest.

H. This Court has authority to issue this Order pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b); Fed. Civ. P. 65; and the All Writs Act, 28 U.S.C. § 1651.

I. Plaintiff is an independent agency of the United States. No security is required of any agency of the United States for issuance of a temporary restraining order. Fed. R. Civ. P. 65(c).

DEFINITIONS

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

A. "Asset" includes any legal or equitable interest in, right to, or claim to, any property, wherever located and by whomever held, and all proceeds, product, offspring, rents, or

Simple Insurance, Simple Insurance Plans, Simple Auto, Simple Home, Simple Home Plans, Simple Care, Simple Life, and National Dental Savings; Health Center Management; LLC Innovative Customer Care LLC; Simple Insurance Leads LLC, also doing business as Health Insurance Services; and Senior Benefits One LLC and each of their subsidiaries, affiliates, successors, and assigns.

C. “Defendant(s)” means Corporate Defendant(s) and Individual Defendant(s), individually, collectively, or in any combination.

D. “Document” is synonymous in meaning and equal in scope to the usage of “document” and “electronically stored information” in Fed. R. Civ. P. 34(a), and includes writings, drawings, graphs, charts, photographs, sound and video recordings, images, Internet sites, web pages, websites, electronic correspondence, including email and instant messages, contracts, accounting data, advertisements, FTP Logs, Server Access Logs, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, computer records, customer or sales databases and any other electronically stored information, including Documents located on remote servers or cloud computing systems, other data or data compilations from which information can be obtained directly or, if necessary, after translation into a reasonably usable form. A draft or identical copy is a separate document within the meaning of the term.

E. “Electronic Data Host” means any person or entity in the business of storing, hosting, or otherwise maintaining electronically stored information. This includes any entity hosting a website or server, and any entity providing “cloud based” electronic storage.

F. “Individual Defendant” means Steven J. Dorfman.

G. "Receiver" means the temporary receiver appointed in Section 10 of this Order and any deputy receivers that shall be named by the temporary receiver.

H. "Receivership Entities" means Corporate Defendants as well as any other entity that has conducted any business related to Defendants' advertising, marketing, promoting, offering for sale, or sale of limited benefit plans and medical discount memberships including by transferring, commingling, or receiving Assets derived from any activity that is the subject of the Complaint in this matter and that the Receiver determines is controlled or owned by Defendant

ORDER

I. PROHIBITED MISREPRESENTATIONS

IT IS THEREFORE ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising marketing, promoting, or offering for sale of any goods or services, are temporarily restrained and enjoined from misrepresenting or assisting others in misrepresenting, expressly or by implication, any material fact, including

- A. That Defendants' limited benefit plans and medical discount memberships are comprehensive health insurance, or the equivalent of such insurance
- B. Defendants' limited benefit plans and medical discount memberships are qualified health insurance plans under the Affordable Care Act
- C. Defendants are experts on, or providers of, government sponsored health insurance policies, such as those offered pursuant to Medicare and the Affordable Care Act
- D. Defendants are affiliated with AARP or the Blue Cross Blue Shield Association or

or (c) has held, controlled, or maintained custody of any such Document or account at any time since the date of entry of this Order shall:

A. Hold, preserve and retain within its control and prohibit the withdrawal, removal, alteration, assignment, transfer, pledge, encumbrance, disbursement, dissipation, relinquishment,

D. Provide Plaintiff's counsel and the Receiver within five business days of a request from Plaintiff's counsel or the Receiver with copies of all records or other Documents pertaining to such account or Asset, including originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, 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.

Provided, however, that

Each

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

B. Take all steps necessary to provide Plaintiff's counsel and Receiver access to all Documents and records that may be held by third parties located outside of the territorial United States including signing the Consent to Release of Financial Records appended to this Order as Attachment D;

C. Transfer to the territory of the United States any all Documents and Assets located in foreign countries which are: (1) titled in the name, individually or jointly, of any Defendant; (2) held by any person or entity for the benefit of any Defendant

A. Sending any communication

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

X. REPORT OF NEW BUSINESS ACTIVITY

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, 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 temporarily

A. Assume full control of Receivership Entities by removing, as the Receiver deems necessary or advisable, any director, ~~off~~, independent contractor, employee, attorney, or agent of any Receivership Entity from control of, management of, or participation in, the affairs of the Receivership Entity;

B. Take exclusive custody, control, and possession of all Assets and Documents of or in the possession, custody, or under the control of, any Receivership Entity, wherever situated including Assets the Receiver has a reasonable basis to believe purchased using funds from any Receivership Entity's corporate accounts, including, but not limited to:

1. Items purchased with the following wire transfers from a Receivership Entity's bank accounts ~~at~~ Aminoff and Co LLC:

- a) June 1, 2015 transfer of \$24,500;
- b) April 20, 2016 transfer of \$43,500;
- c) January 26, 2017 transfer of \$500,000;
- d) January 27, 2017 transfer of \$160,000;
- e) January 27, 2017 transfer of \$7,500;
- f) December 7, 2017 transfer of \$63,000;
- g) February 22, 2018 transfer of \$155,000; and
- h) March 15, 2018 transfer of \$95,000.

2. Items purchased with a Receivership Entity's American Express card in the following transactions:

- a) March 20, 2016, \$6,813.45 at Cartier;
- b) December 19, 2016, \$15,789.90 at Cartier;
- c) December 19, 2016, \$3,428.36 at ~~BT~~ BTfd Jewels;

- d) September 15, 2017, \$45,948 at Cartier;
- e) December 21, 2017, \$23,582 at Cartier;
- f) January 29, 2018, \$3,959 at Harry Winston; and
- g) March 17, 2018, \$1,440 at Tiffany.

3. Any vehicle purchased with funds from a Receivership Entity or titled to a Receivership Entity including without limitation, the following vehicles

- a) 2012 Lamborghini Aventador, VIN #ZHWUC1ZD7CLA00451;
 - b) 2013 Land Rover Range Rover, VIN #SALGV2EF1DA100321;
- and
- c) 2015 RollsRoyce Wraith, VIN #SCA665C54FUX85225.

C. Conserve, hold, manage, and prevent the loss of all Assets of the Receivership Entities and perform all acts necessary or advisable to preserve the value of those Assets. The Receiver shall assume control over the income and profits therefrom and all money now or hereafter due or owing to the Receivership Entities. The Receiver shall have full power to sue for, collect and receive all Assets of the Receivership Entities of other persons or entities whose interests are now under the direction, possession, custody, or control of, the Receivership Entities. Provided, however, that the Receiver shall not attempt to collect any amount from a consumer if the Receiver believes the consumer's debt to the Receivership Entities resulted from the deceptive acts or practices or other violations of law alleged in the Complaint in this matter, without prior Court approval;

D. Obtain, conserve, hold, manage, and prevent the loss of all Documents of the Receivership Entities and perform all acts necessary or advisable to preserve such Documents. The Receiver shall: divert mail; preserve all Documents of the Receivership Entities

accessible via electronic means (such as online access to financial accounts and access to electronic documents held onsite or by Electronic Data Hosts), change usernames, passwords or other log-in credentials; take possession of all electronic Documents of the Receivership Entities stored onsite or remotely; take whatever steps necessary to preserve such Documents; and obtain the assistance of the FTC's Digital Forensic Unit for the purpose of obtaining electronic documents stored onsite or remotely.

E. Choose, engage, and employ attorneys, accountants, appraisers, and other independent contractors and technical experts as the Receiver deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order;

F. Make payments and disbursements from the receivership estate that are necessary or advisable for carrying out the directions of, or exercising the authority granted by, this Order, and to incur, or authorize the making of, such agreements as may be necessary and advisable in discharging his or her duties as Receiver. The Receiver shall apply to the Court for prior approval of any payment of any debt or obligation incurred by the Receivership Entities on the date of entry of this Order, except payments that the Receiver deems necessary or advisable to secure Assets of the Receivership Entities such as rental payments;

G. Take all steps necessary to secure and take exclusive custody of each location from which the Receivership Entities operate their businesses. Such steps may include, as the Receiver deems necessary or advisable: (1) securing the location by changing the locks and alarm codes and disconnecting any internet access or other means of access to the computers, servers, internal networks, or other records maintained at that location; and (2) requiring any persons present at the location to leave the premises, to provide the Receiver with proof of identification, and/or to demonstrate to the satisfaction of the Receiver that such persons are not

removing from the premises Documents or Assets of the Receivership Entities enforcement personnel, including police or sheriffs, may assist the Receiver in implementing these provisions in order to keep the peace and maintain security. If requested Receiver, the United States Marshal will provide appropriate and necessary assistance to the Receiver to implement this Order and is authorized to use any necessary and reasonable force to do so;

H. Take all steps necessary to prevent the modification, destruction, or erasure of any web page or website registered to and operated, in whole or in part, by Defendants, and to provide access to all such web page or websites to Plaintiff representatives, agents, and assistants, as well as Defendants and their representatives

I. Enter into and cancel contracts and purchase insurance as advisable or necessary;

J. Prevent the inequitable distribution of Assets and determine, adjust, and protect the interests of consumers who have transacted business with the Receivership Entities

K. Make an accounting, as soon as practicable, of Assets and financial condition of the receivership and file the accounting with the Court and deliver copies thereof to all parties;

L. Institute, compromise, adjust, appear, intervene in, defend, dispose of, or otherwise become party to any legal action in state, federal or foreign courts or arbitration proceedings as the Receiver deems necessary and advisable to preserve or recover the Assets of the Receivership Entities or to carry out the Receiver's mandate under this Order, including actions challenging fraudulent or voidable transfers and including any claims the Receivership Entities may have in law or equity against any third party

M. Issue subpoenas to obtain Documents and records pertaining to the receivership and conduct discovery in this action on behalf of the receivership, in addition to obtaining other discovery as set forth in this Order

N. Open one or more bank accounts at designated depositories ~~for~~ of the Receivership ~~Entities~~. The Receiver shall deposit all funds of the Receivership ~~Entities~~ in such designated accounts and shall make all payments and disbursements from the receivership estate from such accounts. The Receiver shall serve copies of monthly account statements on all parties;

O. Maintain accurate records of all receipts and expenditures incurred as Receiver;

P. Allow Plaintiff's representatives, agents, and assistants, as well as Defendants and their representatives, reasonable access to the premises of the Receivership ~~Entities~~ or any other premises where the Receivership ~~Entities~~ conduct business. The purpose of this access shall be to inspect and copy any and all books, records, Documents, ~~and~~ other property owned by, or in the possession of, the Receivership ~~Entities~~ or agents. The Receiver shall have the discretion to determine the time, manner, and reasonable conditions of such access;

Q. Allow Plaintiff's representatives, agents, and assistants, as well as Defendants and their representatives reasonable access to all Documents in the possession, custody, or control of the Receivership ~~Entities~~

R. Cooperate with reasonable requests for information or assistance from any state or federal civil or criminal law enforcement agency

S. Suspend business operations of the Receiver ~~Entity~~ if in the judgment of the Receiver such operations cannot be continued legally and profitably;

T. If the Receiver identifies a nonparty entity as a Receivership ~~Entity~~, promptly notify the entity as well as the parties, and inform the entity that it can challenge the Receiver's determination by filing a motion with the Court. Provided, however, that the Receiver may delay

providing such notice until the Receiver has established control of the nonparty entity and its assets and records, if the Receiver determines that notice to the entity or the parties before the Receiver establishes control over the entity may result in the destruction of records, dissipation of assets, or any other obstruction of the Receiver's control of the entity

U. If in the Receiver's judgment the business operations cannot be continued legally and profitably, take all steps necessary to ensure that any of the Receivership Entities' pages or websites relating to the activities alleged in the Complaint cannot be accessed by the public, or are modified for consumer education and/or informational purposes, and take all steps necessary to ensure that any telephone numbers associated with the Receivership Entities cannot be accessed by the public, or are answered solely to provide consumer education or information regarding the status of operations and

V. File with the Court, on or before the date set in Section XXV of this Order for the hearing to show causa, report outlining (1) the steps taken by the Receiver to implement the terms of the Order; (2) the value of all assets and sum of all liabilities of the Receivership Entities; (3) the steps the Receiver intends to take to ensure compliance with the Order.

Receivership Entities and immediately transfer or deliver to the Receiver possession, custody, and control of, the following:

- A. All Assets held by or for the benefit of the Receivership Entities;
- B. All Documents or pertaining to the Receivership Entities

XVI. NON-INTERFERENCE WITH THE RECEIVER
IT IS FURTHER ORDERED that Defendants

A. Filing or assisting in ~~the~~ filing of a petition for relief under the Bankruptcy Code,

officers as they deem necessary to effect service and to implement peacefully the provisions of this Section;

C. Plaintiff and the Receiver, and their representatives, agents, contractors, and

director, employee, agent, independent contractor, client, attorney, spouse, subsidiary, division, and representative of any Defendant, and shall, within ten days from the date of entry of this Order, provide Plaintiff's counsel and the Receiver with a sworn statement that this provision of the Order has been satisfied, which statement shall include the names, physical addresses, phone number, and email addresses of each such person or entity who received a copy of the Order. Furthermore, Defendants shall not take any action that would encourage officers, agents, members, directors, employees, salespersons, independent contractors, attorneys, subsidiaries, affiliates, successors, assigns or other persons or entities in active concert or participation with them to disregard this Order or believe that they are not bound by its provisions.

XXII. EXPEDITED DISCOVERY

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

A. Plaintiff and the Receiver may take the deposition of parties and non-parties. Forty-eight hours of notice shall be sufficient notice for such depositions. The limitations and conditions set forth in Fed R. Civ. P. 30(a)(2)(B) and 31(a)(2)(B) regarding subsequent depositions of an individual shall not apply to depositions taken pursuant to this Section. Any such deposition taken pursuant to this Section shall not be counted towards the deposition limit

later than

Provided, however, that service shall be performed by personal or overnight delivery, facsimile or email, and Documents shall be delivered so that they shall be received by the other parties no later than 5:00 p.m. (Central Time) on the appropriate dates provided in this Section.

XXVII. DURATION OF THE ORDER

IT IS FURTHER ORDERED that this Order shall expire fourteen days from the date of entry noted below, unless, within such time, the Order is extended for an additional period pursuant to Fed. R. Civ. P. 65(b)(2).

XXVIII. RETENTION OF JURISDICTION

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

DONE AND ORDERED in Chambers at Miami, Florida, this 31st day of October, 2018,
at 10:00 a a

