

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

Consumer Financial Protection Bureau,

Plaintiff,

v.

Morgan Drexen, Inc., and  
Walter Ledda, individually, and as  
owner, officer, or manager of Morgan  
Drexen, Inc.,

Defendants.

Case No. SACV 13-01267-JLS (JEMx)

**ORDER TEMPORARILY FREEZING  
MORGAN DREXEN INC.'S ASSETS  
PENDING RESOLUTION OF THIS  
LITIGATION**

1 Pursuant to Local Rule 7-19, and as set forth below, the Court hereby  
2 GRANTS in part the *Ex Parte* Application for an Order Temporarily Freezing  
3 Defendants' Assets Pending Resolution of this Litigation filed by Plaintiff  
4 Consumer Financial Protection Bureau (the "Bureau"). (Doc. 285.)  
5

6 **FINDINGS OF FACT**

7 1. On April 21, 2015, this Court entered a default judgment against  
8 Defendant Morgan Drexen, Inc. and ordered supplemental briefing as to the  
9 personal liability of Defendant Walter Ledda and whether a default judgment  
10 should be entered against him as well. (Order, Doc. 284.)

11 2. There is good cause to believe that immediate and irreparable damage  
12 to the Court's ability to grant effective final relief for consumers in the form of  
13 monetary restitution and disgorgement or compensation for unjust enrichment will  
14 occur from the transfer, dissipation, or concealment by Morgan Drexen of its assets  
15 unless Morgan Drexen is restrained and enjoined by Order of this Court.

16 3. Weighing the equities and considering the default judgment imposed  
17 on Morgan Drexen, the Bureau's likelihood of ultimate success on the merits, the  
18 likelihood of irreparable harm in the absence of relief, that the balance of the  
19 hardships favors the Bureau, and that an Order freezing Morgan Drexen's assets is  
20 in the public interest, the Court finds that equitable relief is necessary to ensure  
21 effective final relief.

22 4. No security is required of any agency of the United States. Fed. R.  
23 Civ. P. 65(c); and

24 5. The Bureau has complied with all notice requirements of Local Rule  
25 7-19.1.  
26  
27  
28

1 **ORDER**

2 **I. DEFINITIONS**

- 3 • For the purposes of this Order, the following definitions shall apply:
- 4 a. “Assets” means any legal or equitable interest in, right to or claim
- 5 to any real, personal, or intellectual property owned or controlled
- 6 by, or held, in whole or in part, directly or indirectly, by Morgan
- 7 Drexen, wherever located, whether in the United States or abroad,
- 8 including, but not limited to, chattel, foods, instruments,
- 9 equipment, fixtures, general intangibles, effects, leaseholds,
- 10 contract, mail or other deliveries, shares of stock, commodities,
- 11 futures, inventory, checks, notes, accounts, credits, receivables (as
- 12 those terms are defined in the Uniform Commercial Code), funds,
- 13 cash, guaranteed investment contracts, and trusts, and shall include
- 14 both existing assets and assets acquired after the date of entry of
- 15 this Order;
- 16 b. “Financial Institution” means any bank, savings and loan
- 17 institution, credit union, any other institution that lends money, or
- 18 any financial depository of any kind, including, but not limited to,
- 19 any brokerage house, trustee, broker-dealer, escrow agent, title
- 20 company, commodity trading company, or precious metal dealer.
- 21 c. The words “and” and “or” shall be understood to have both
- 22 conjunctive and disjunctive meanings as necessary to make the
- 23 applicable phrase or sentence inclusive rather than exclusive.

24 **II. ASSET FREEZE**

25 **IT IS ORDERED** that Morgan Drexen and its successors, assigns, officers,

26 agents, servants, employees, independent contractors, and attorneys, and all

27

1 persons directly or indirectly under the control of any of them, including any  
2 Financial Institution, and all other persons in active concert or participation with  
3 any of them who receive actual notice of this Order by personal service, facsimile,  
4 email, or otherwise, are hereby restrained and enjoined pending the resolution of  
5 this litigation, except as specifically provided for in Section V. of this Order, from  
6 directly or indirectly:

7 A. Selling, liquidating, assigning, transferring, converting, loaning,  
8 hypothecating, disbursing, gifting, conveying, encumbering, pledging,  
9 concealing, dissipating, spending, withdrawing, or otherwise  
10 disposing of any Asset that is in the actual or constructive possession  
11 of Morgan Drexen or any corporation, partnership, trust or other entity  
12 directly or indirectly owned or controlled by Morgan Drexen; and

13 B. Incurring charges or cash advances on any credit card, stored  
14 value card, debit card or charge card issued in the name of Morgan  
15 Drexen or any other entity directly or indirectly owned, managed, or  
16 controlled by Morgan Drexen.

17 Notwithstanding this Order:

18 A. Morgan Drexen may be permitted to expend reasonable monthly  
19 business expenses after the Parties comply with Section V. herein and if the  
20 Court issues an additional order;

21 B. Attorney trust accounts that are related to actions in which Morgan  
22 Drexen is a defendant and that contain funds paid by consumers shall not be  
23 subject to the Asset Freeze. Morgan Drexen, as a Defendant in the present  
24 case, is entitled to pay reasonable attorneys' fees through resolution of this  
25 case.

26 **IT IS FURTHER ORDERED** that the Assets affected by this Section shall  
27 include: (a) all Assets of Morgan Drexen as of the time this Order is entered, and  
28

1 (b) those Assets obtained or received after entry of this Order. This Section does  
2 not prohibit the Repatriation of Foreign Assets, as specifically required in Section  
3 VI. of this Order.

4  
5 **III. RETENTION OF ASSETS AND RECORDS BY FINANCIAL**  
6 **INSTITUTIONS AND OTHER THIRD PARTIES**

7 **IT IS FURTHER ORDERED** that, except as otherwise ordered by this  
8 Court, any Financial Institution, brokerage institution, business entity, electronic  
9 data host, Internet or “e-currency” payment processor, or person served with a  
10 copy of this Order, or who otherwise has actual or constructive knowledge of this  
11 Order, that holds or maintains custody of any account, document, or Asset that is  
12 owned or controlled by Morgan Drexen or any corporation, partnership, trust or  
13 other entity directly or indirectly owned or controlled by Morgan Drexen at any  
14 time since October 27, 2010, shall:

15 A. Hold, preserve, and retain within such person’s control, and prohibit  
16 the withdrawal, removal, alteration, assignment, transfer, pledge,  
17 hypothecation, encumbrance, disbursement, dissipation, conversion, sale,  
18 liquidation, or other disposal of such account, document, or Asset in the  
19 actual or constructive possession of such person, unless otherwise directed  
20 by further order of the Court; except that attorney trust accounts containing  
21 funds paid by consumers shall not be subject to this provision.

22 B. Provide to counsel for the Bureau, within ten (10) business days, a  
23 sworn statement setting forth:

24 1. the identification of each account or Asset titled in the name, or  
25 held on behalf of or for the benefit of, subject to withdrawal by,  
26 subject to access or use by, or under the signatory power of Morgan  
27  
28

1 Drexen or other party subject to Section II. of this Order, whether in  
2 whole or in part;

3 2. the balance of each such account, or a description of the nature  
4 and value of such Asset, as of the close of business on the day on  
5 which this Order is served;

6 3. the identification of any safe deposit box, commercial mail box,  
7 or storage facility belonging to, for the use or benefit of, controlled  
8 by, or titled in the name of Morgan Drexen, or subject to access by  
9 Morgan Drexen or other party subject to Section II. above, whether in  
10 whole or in part; and

11 4. if the account, safe deposit box, or other Asset has been closed  
12 or removed, the date closed or removed, the balance on said date, and  
13 the name or the person or entity to whom such account or other Asset  
14 was remitted.

15 C. Provide to counsel for the Bureau, within ten (10) business days after  
16 being served with a request, copies of all documents pertaining to such  
17 account or Asset, including but not limited to originals or copies of account  
18 applications, account statements, signature cards, checks, drafts, deposit  
19 tickets, transfers to and from the accounts, all other debit and credit  
20 instruments or slips, currency transaction reports, 1099 forms, and safe  
21 deposit box logs; provided that such institution or custodian may charge a  
22 reasonable fee; and

23 D. The accounts subject to this provision include: (a) all Assets of  
24 Morgan Drexen deposited as of the time this Order is entered, and (b) those  
25 Assets deposited after entry of this Order. This Section does not prohibit the  
26 Repatriation of Foreign Assets, as specifically required in Section VI. of this  
27 Order.

1 E. The Bureau is granted leave, pursuant to Fed. R. Civ. P. 45, to  
2 subpoena documents immediately from any financial or brokerage  
3 institution, business entity, electronic data host, or person served with a copy  
4 of this Order that holds, controls, or maintains custody of any account,  
5 document, or Asset of, on behalf of, in the name of, for the benefit of,  
6 subject to withdrawal by, subject to access or use by, or under the signatory  
7 power of Morgan Drexen or other party subject to Section II. of this Order,  
8 or has held, controlled, or maintained any such account, document, or Asset  
9 at any time since October 27, 2010, and such Financial Institution, or  
10 brokerage institution, business entity, electronic data host or person shall  
11 respond to such subpoena within ten (10) business days after service.  
12

#### 13 **IV. FINANCIAL STATEMENTS AND ACCOUNTING**

14 **IT IS FURTHER ORDERED** that Morgan Drexen, within ten (10)  
15 business days of service of this Order, shall prepare and deliver to counsel for the  
16 Bureau:

17 A. A completed financial statement accurate as of the date of service of  
18 this Order upon Morgan Drexen (unless otherwise agreed upon with Bureau  
19 counsel) in the form of Attachment B to this Order captioned “Financial  
20 Statement of Corporate Defendant.”

21 B. A list of all officers and directors of Morgan Drexen, Inc. and all other  
22 individuals or entities with authority to direct the operations of Morgan  
23 Drexen or withdraw money from the account of Morgan Drexen.

24 C. Documentation regarding any assets that Morgan Drexen or other  
25 party subject to Section II of this Order has dissipated in the last 90 days,  
26 other than as payment for ordinary business expenses.  
27  
28

1 **V. BRIEFING ON THE SUBJECT OF REASONABLE BUSINESS AND**  
2 **LIVING EXPENSES**

3 **IT IS FURTHER ORDERED** that, within ten (10) business days of  
4 Morgan Drexen's compliance with the Section IV. of this Order, the parties may  
5 provide the Court with a joint brief concerning whether and to what extent Morgan  
6 Drexen should be permitted to expend reasonable monthly expenses.

7  
8 **VI. REPATRIATION OF FOREIGN ASSETS**

9 **IT IS FURTHER ORDERED** that, within ten (10) business days following  
10 the service of this Order, Morgan Drexen shall:

11 A. Provide counsel for the Bureau with a full accounting of all Assets,  
12 accounts, and documents outside of the territory of the United States that are  
13 held either: (1) by Morgan Drexen; (2) for its benefit; (3) in trust by or for  
14 Morgan Drexen; or (4) under Morgan Drexen's direct or indirect control;

15 B. Transfer to the territory of the United States all Assets, accounts, and  
16 documents in foreign countries held either: (1) by Morgan Drexen; (2) for its  
17 benefit; (3) in trust by or for Morgan Drexen; or (4) under its direct or  
18 indirect control;

19 C. All repatriated Assets, accounts, and documents are subject to Section  
20 II. of this Order; and

21 D. Provide the Bureau access to all records of accounts or Assets of  
22 Morgan Drexen held by Financial Institutions located outside the territorial  
23 United States by signing the Consent to Release of Financial Records  
24 attached to this Order as Attachment C.

25  
26 **VII. NONINTERFERENCE WITH REPATRIATION**  
27  
28



1           **IT IS FURTHER ORDERED** that Morgan Drexen and its successors,  
2 assigns, officers, agents, servants, employees, independent contractors, and  
3 attorneys, and those persons in active concert or participation with any of them  
4 who receive actual notice of this Order by personal service or otherwise, whether  
5 acting directly or through any corporation, subsidiary, division, or other device, are  
6 hereby restrained and enjoined from taking any action, directly or indirectly, which  
7 may result in the encumbrance or dissipation of foreign Assets, or in the hindrance  
8 of the repatriation required by the preceding Section VI. of this Order, including,  
9 but not limited to:

10           A.     Sending any statement, letter, fax, email or wire transmission, or  
11 telephoning or engaging in any other act, directly or indirectly, that results in  
12 a determination by a foreign trustee or other entity that a “duress” event has  
13 occurred under the terms of a foreign trust agreement until such time that all  
14 Assets have been fully repatriated pursuant to Section VI. of this Order; or

15           B.     Notifying any trustee, protector, or other agent of any foreign trust or  
16 other related entities of either the existence of this Order, or of the fact that  
17 repatriation is required pursuant to a court order, until such time that all  
18 Assets have been fully repatriated pursuant to Section VI. of this Order.

19  
20           **VIII. MORGAN DREXEN’S DUTY TO DISTRIBUTE ORDER**

21           **IT IS FURTHER ORDERED** that Morgan Drexen shall immediately  
22 provide a copy of this Order to each affiliate, subsidiary, division, sales entity,  
23 successor, assign, officer, director, employee, independent contractor, client  
24 company, electronic data host, agent, attorney, spouse, and representative of  
25 Morgan Drexen and shall, within ten (10) calendar days from the date of entry of  
26 this Order, provide counsel for the Bureau with a sworn statement that: (a)  
27 confirms that Morgan Drexen has provided copies of the Order as required by this  
28

1 Section and (b) lists the names and addresses of each entity or person to whom  
2 Morgan Drexen provided a copy of the Order. Furthermore, Morgan Drexen shall  
3 not take any action that would encourage officers, agents, directors, employees,  
4 salespersons, independent contractors, attorneys, subsidiaries, affiliates,  
5 successors, assigns, or other persons or entities in active concert or participation  
6 with Morgan Drexen to disregard this Order or believe that they are not bound by  
7 its provisions.

8  
9 **IX. EVIDENCE OF THIS ORDER**

10 **IT IS FURTHER ORDERED** that copies of this Order may be served by  
11 facsimile transmission, email, personal or overnight delivery, or U.S. Mail, by  
12 agents and employees of the Bureau or any state or federal law enforcement  
13 agency or by private process server, upon any Financial Institution or other entity  
14 or person that may have possession, custody, or control of any documents or  
15 Assets of Morgan Drexen, or that may otherwise be subject to any provision of this  
16 Order. Service upon any branch or office of any Financial Institution shall have the  
17 effect of service upon the entire Financial Institution.

18  
19 **X. RETENTION OF JURISDICTION**

20 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of  
21 this matter for all purposes of construction, modification, and enforcement of this  
22 Order.

23  
24 **IT IS SO ORDERED.**

25  
26 Dated: April 30, 2015

27 JOSEPHINE L. STATON  
28 JOSEPHINE L. STATON  
UNITED STATES DISTRICT JUDGE

CONSUMER FINANCIAL PROTECTION BUREAU  
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 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.
- 3 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.
- 4 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.
- 5 Type or print legibly.
- 6 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 in any:

- (a) "matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully – (1) falsifies, conceals or covers up by any trick, scheme, or device a material fact; (2) makes any false, fictitious or fraudulent statement or representation; or (3) 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) "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) "(...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 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. \_\_\_\_\_

ATTACHMENT B

**Item 4. Principal Stockholders**

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

Name	Address	% Owned
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Item 5. Board Members**

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

Name	Address	% Owned	Term (From/Until)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**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).

Name	Address	% Owned
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Item 7. Businesses Related to Corporation**

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

Name	Address	Business Activities	% Owned
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

**Item 8. Businesses Related to Individuals**

ATTACHMENT B

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.

Individual's Name	Business Name	Address	Business Activities	% Owned
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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).

Name	Address	Relationship	Business Activities
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Item 10. Outside Accountants**

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

Name	Firm Name	Address	CPA/PA?
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**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.

Name	Address	Telephone Number	Position(s) Held
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

ATTACHMENT B

**Item 12. Attorneys**

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

Name	Firm Name	Address
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Item 13. Pending Lawsuits Filed By 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 \_\_\_\_\_

ATTACHMENT B

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

**Item 14. Current Lawsuits Filed Against 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 \_\_\_\_\_

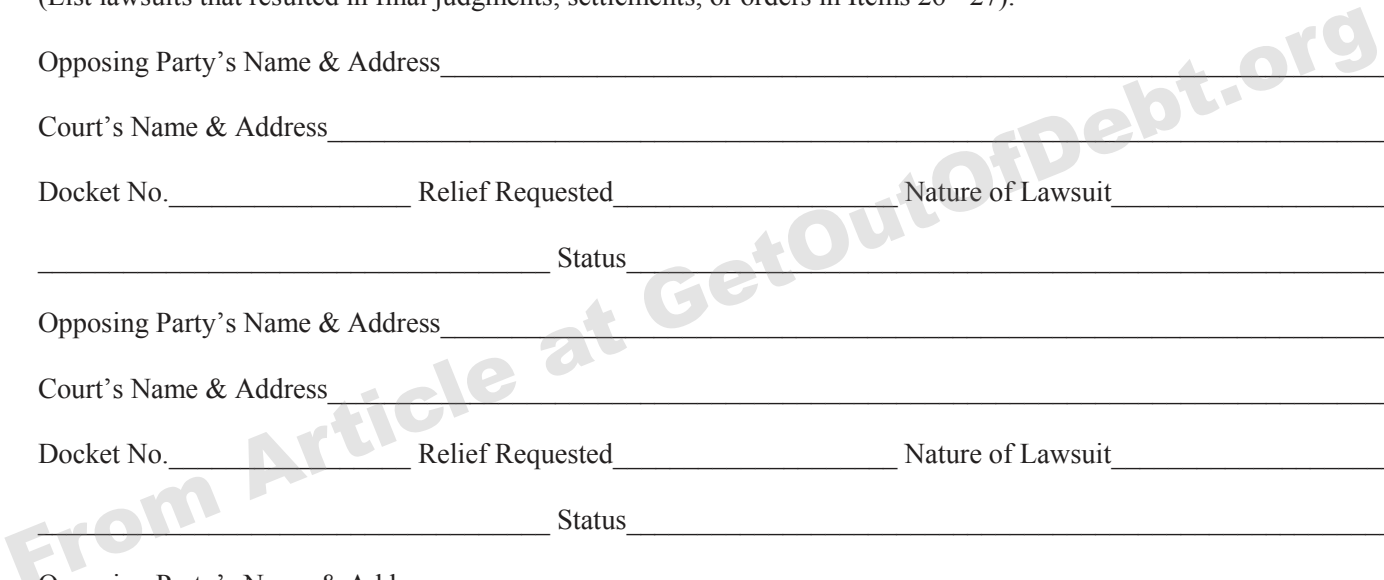
Court's Name & Address \_\_\_\_\_

Docket No. \_\_\_\_\_ Relief Requested \_\_\_\_\_ Nature of Lawsuit \_\_\_\_\_

\_\_\_\_\_ Status \_\_\_\_\_

Opposing Party's Name & Address \_\_\_\_\_

Court's Name & Address \_\_\_\_\_





ATTACHMENT B

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.

Owner's Name	Name and Address of Depository Institution	Box No.
_____	_____	_____
_____	_____	_____
_____	_____	_____

**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.

Federal/State/Both	Tax Year	Tax Due Federal	Tax Paid Federal	Tax Due State	Tax Paid State	Preparer's Name

**Item 18. Financial Statements**

List all financial statements that were prepared for the corporation's last three complete fiscal years and for the current

ATTACHMENT B

fiscal year-to-date. *Attach copies of all statements, providing audited statements if available.*

Year	Balance Sheet	Profit and Loss Statement	Cash Flow Statement	Changes in Owner's Equity	Audited?

**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.

	Current Year-to-Date	1 Year Ago	2 Years Ago	3 Years Ago
<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 \$ \_\_\_\_\_

Name & Address of Financial Institution	Signator(s) on Account	Account No.	Current Balance
			\$
			\$
			\$

**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.

ATTACHMENT B

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.

Property Category	Property Location	Acquisition Cost	Current Value
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____

ATTACHMENT B

_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____

**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.

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

**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. _____

ATTACHMENT B

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.

ATTACHMENT B

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

**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.

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

**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.

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

**Item 32. Documents Attached to Financial Statement**

List all documents that are being submitted with the financial statement.

Item No. Document Relates To	Description of Document
_____	_____
_____	_____

I am submitting this financial statement with the understanding that it may affect action by the Consumer Financial Protection Bureau 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

\_\_\_\_\_  
Corporate Position

From Article at GetOutOfDebt.com

ATTACHMENT C

## CONSENT TO RELEASE FINANCIAL RECORDS

I, \_\_\_\_\_, of \_\_\_\_\_  
(City, State), do hereby direct any bank, savings and loan association, credit union, depository institution, finance company, commercial lending company, 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 delivery copies of all documents of every nature in its possession or control which relate to the said accounts to any attorney of the Consumer Financial Protection Bureau, and to give evidence relevant thereto, in the matter of the Consumer Financial Protection Bureau v. Morgan Drexen, Inc. and Walter Ledda, now pending in the United States District Court for the Central District of California, 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



ATTACHMENT C

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: \_\_\_\_\_

From Article at [GetOutOfDebt.org](http://GetOutOfDebt.org)