

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 0:17-60907-CIV-MORENO

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

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**RECEIVER’S SECOND MOTION TO EXTEND RECEIVERSHIP  
AND FOR ORDER OF REAPPOINTMENT**

Jonathan E. Perlman, Esq., the court-appointed Receiver (the “Receiver”), files his Second Motion to Extend Receivership and for Order of Reappointment (“Motion”). In support of his Motion, the Receiver states:

1. On May 8, 2017, the Federal Trade Commission and the Office of the Attorney General, State of Florida, Department of Legal Affairs (collectively, the “Plaintiffs”), commenced this action by filing a complaint for permanent injunction and other relief (the “Complaint”), and a motion for a temporary restraining order and other equitable relief against Jeremy Lee Marcus, Craig Davis Smith, Yisbet Segrea (collectively, the “Individual Defendants”); the named corporate defendants; and the named relief defendants (the Individual Defendants, named corporate defendants and relief defendants may be referred to herein collectively, as the “Defendants”). Plaintiffs alleged that the Individual and corporate defendants violated Sections 5(a) of the FTC Act, 15 U.S.C. § 45(a), the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016), Fla. Stat. § 501.201 *et seq.* and the Telemarketing Act, 15 U.S.C. §§ 6101-6108. [ECF No. 1, “Compl.”].

2. On May 9, 2017, this Court granted the Plaintiffs' application for a temporary restraining order with asset freeze against Defendants and entered an Order freezing assets belonging to any of the Individual Defendants and corporate defendants (the "TRO"). [ECF No. 13]. In connection with the TRO, the Court appointed Jonathan E. Perlman as temporary receiver over the Receivership Defendants identified in the Complaint. [*Id.*].

3. On May 17, 2017, the Court entered the Preliminary Injunction (the "PI") [ECF No. 21] which appointed Jonathan E. Perlman as permanent receiver and directed him to assume full control of the Receivership Entities and their affiliates, subsidiaries, divisions, and sales operations. The PI further directed the Receiver to take exclusive custody, control, and possession of all assets and documents of, or in the possession, custody, or under the control of, the Receivership Defendants, wherever situated. Under the PI, the Receiver shall have "full power to divert mail and to sue for, collect, receive, take in possession, hold, and manage all assets and documents of the Receivership Defendants and other persons or entities whose interests are now held by or under the direction, possession, custody, or control of the Receivership Defendants." The PI further directed the Receiver to investigate potential actions to preserve or recover the assets of the Receivership Defendants, including against third parties, and institute such actions where the Receiver deems prudent.

4. On April 23, 2019, this Court entered a Stipulated Order for Permanent Injunction and Monetary Judgment against Jeremy Lee Marcus ("Stipulated Judgment"). [ECF No. 231]. The Stipulated Judgment continued the Receivership and permitted requesting extending it for good cause. [*Id.*].

5. Subsequently, this Court entered a final default judgment on September 7, 2018, expressly continuing the receivership and ordering that the "Receiver shall continue to possess all rights and obligations set forth in the Preliminary Injunction Order" appointing the Receiver as

Permanent Receiver, plus “the following powers exercised in the Receiver’s discretion without further order of the Court:”

8. To investigate the manner in which the affairs of the Corporate Defendants were conducted and institute such actions and legal proceedings, for the benefit of the Corporate Defendants, creditors and consumers as the Receiver deems necessary against third parties, including but not limited to, claims seeking imposition of constructive trusts, disgorgement of profits, recovery and/or avoidance of fraudulent transfers (including under Florida Statute § 726.101, et seq.), claims in contract, law, tort and equity.

[ECF No. 293].

6. The Receivership is set to terminate on March 31, 2020. There exists good cause to extend the Receivership.

7. The Receiver is still in the process of liquidating receivership assets, including an operating coal mine, a real-estate development in Beecher, Illinois, a home, a foreclosure action in North Carolina, and a real-estate parcel. The Receiver is under contract to sell the home and vacant lot after a successful auction. In addition, the Illinois real-estate development is set for auction in April 2020. In connection with the Receiver’s attempts to liquidate the estate’s complicated interests in a Kentucky coal mine, the Receiver is involved in various litigations in Kentucky, while trying to sell the estate’s interests to a third party. Based upon the failure of non-party Titan Funding, LLC to comply with prior orders of this Court, the Receiver’s attempts to sell the estate’s interests have been delayed and is the subject of additional litigation before this Court.

8. The Receiver has initiated third-party litigation, which is ongoing. The Receiver’s action against American Express is set for trial in September 2020. In addition, the Receiver has made demands upon other third parties.

9. The Receiver anticipates completely liquidating the remaining real property in the estate within the next 60-90 days.

10. The Receiver requests that the deadline for the Receiver to conclude administration of the Receivership be extended by an additional period of 180 days, through September 30, 2020. The Receiver makes this request without prejudice to completing his administration of the Receivership within a shorter period of time, or requesting additional time to complete the administration of the Receivership.

11. Additionally, by way of this Motion, the Receiver seeks an order of reappointment over all of the entities in the receivership estate to ensure that the Receiver can pursue claims and assets his investigation has identified, pursuant to 28 U.S.C. § 754 and 28 U.S.C. § 1692. Previously, upon the discovery of new receivership assets, this Court granted the Receiver's request for reappointment. [ECF No. 222].

12. 28 U.S.C. § 754 and 28 U.S.C. § 1692 provide that a receiver must file an order of appointment with the underlying Complaint in each federal district where such assets are located within 10 days for the appointing Court to acquire *in rem* jurisdiction over the assets, subject matter jurisdiction over such claims, and personal jurisdiction over any person against whom the Receiver has a claim. *Sallah v. Nat'l Strategic Corp., LLC*, No. 16-80611-CIV-KAM, 2017 WL 4681331, at \*3 (S.D. Fla. Oct. 18, 2017) (citing *S.E.C. v. Bilzerian*, 378 F.3d 1100, 1104 (D.C. Cir. 2004) and cases cited therein) (holding that “[o]nce the requirements of § 754 are met, the authorized service confers personal jurisdiction”).

13. In connection with the Receiver's on-going investigation into potential third party litigation claims, the Receiver recently discovered potential assets or claims that would warrant his reappointment. Where, as here, the Receiver's investigation has identified claims or assets after the initial 10 days of his appointment, the receiver may request issuance of an “Order of Reappointment” and then file the Reappointment Order and Complaint in the districts where the newly discovered assets or claims are located. Reappointment thus resets § 754's ten-day clock.

*SEC v. Vision Comm'n. Inc.*, 74 F.3d 287, 291 (D.C. Cir. 1996); *Terry v. Walker*, 369 F. Supp. 2d 818, 820-21 (W.D. Va. 2005); *SEC v. Equity Serv., Corp.*, 632 F.2d 1092, 1095 (3d Cir. 1980); *Warfield v. Arpe*, No. 3:05-CV-1457-R, 2007 WL 549467, at \*12 (N.D. Tex. Feb. 22, 2007).

14. Accordingly, the Receiver requests an order of reappointment so that he may file the PI and Complaint in additional districts consistent with §754 and § 1692.

15. The Receiver has consulted with the Federal Trade Commission and the Office of the Attorney General, State of Florida, Department of Legal Affairs, and is authorized to represent that the Plaintiffs have no objection to the relief requested herein.

16. This is the Receiver's second request to extend the Receivership and for order of reappointment. It is made in good faith and for the benefit of the Receivership.

WHEREFORE, the Receiver, Jonathan E. Perlman, Esq., respectfully requests the Court to reappoint the Receiver and grant the Receiver through September 30, 2020 to complete his administration of the Receivership and for such other relief as the Court may deem just and proper.

Respectfully submitted this 30<sup>th</sup> day of March 2020.

/s/Jonathan E. Perlman. Esq.  
Jonathan E. Perlman, Esq., Receiver, and  
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**CERTIFICATE OF SERVICE**

I hereby certify that on this 30th day of March 2020, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document has been served this day on all counsel of record and entities, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

/s/Jonathan E. Perlman

Jonathan E. Perlman

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**ORDER GRANTING RECEIVER'S SECOND MOTION TO EXTEND RECEIVERSHIP  
AND FOR ORDER OF REAPPOINTMENT**

**THIS CAUSE** came before the Court upon Jonathan E. Perlman, Esq.'s, the court-appointed Receiver (the "Receiver") for the Receivership Entities,<sup>1</sup> Second Motion to Extend Receivership and for Order of Reappointment (the "Motion"), filed on March 30, 2020. Being fully advised, it is

**ORDERED AND ADJUDGED** that the Motion is **GRANTED**. The Receiver is hereby reappointed and the deadline for the Receiver to complete his administration of the Receivership is extended through September 30, 2020.

DONE and ORDERED at Miami-Dade County, Florida this \_\_\_ day \_\_\_\_\_, 2020.

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<sup>1</sup> Receivership Entities are Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions, 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services, 321Loans, Inc., f/k/a 321 Loans, Inc. d/b/a 321Financial, Inc., Instahelp America, Inc. f/k/a Helping America Team, Inc. d/b/a Helping America Group, Breeze Financial Solutions, Inc. d/b/a Credit Health Plan and Credit Maximizing Program, US Legal Club, LLC, Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. d/b/a Guardian Legal Center, Guardian LG, LLC d/b/a Guardian Legal Group, American Credit Security, LLC f/k/a America Credit Shield, LLC, Paralegal Support Group LLC f/k/a Paralegal Support LLC, Associated Administrative Services, LLC d/b/a Jobfax, Cockburn & Associate LLC, JLMJP Pompano, LLC, Halfpay International, LLC, Halfpay NV, LLC, HP Properties Group, Inc., HP Media, Inc., Omni Management Partners, LLC, Nantucket Cove of Illinois, LLC, Discount Marketing USA, S.A., Viking Management Services, LLC, White Light Media LLC, Blue42, LLC, National Arms, LLC, and 110 Gloucester St., LLC, and their divisions, subsidiaries, affiliates, predecessors, successors, and assigns. [ECF Nos. 21, 102, 222, 286].

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**FEDERICO A. MORENO**  
**UNITED STATES DISTRICT JUDGE**

cc: All counsel of record