

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Case No. 3:22-cv-00487-TJC-MCR

MICHAEL RANDO, VALERIE
RANDO, PROSPERITY TRAINING
TECHNOLOGY LLC, ELITE
CUSTOMER SERVICES, LLC,
DIGITAL BUSINESS SCALING
LLC, FIRST COAST
MATCHMAKERS INC.,
FIRST COAST MATCHMAKERS
LLC, FINANCIAL CONSULTING
MANAGEMENT GROUP LLC,
RESOURCE MANAGEMENT
INVESTMENTS, LLC,

Defendants.

**MOTION FOR ORDER TO REQUIRE COMPLIANCE WITH
TEMPORARY RESTRAINING ORDER**

Comes now, Receiver Maria M. Yip, through undersigned counsel, and pursuant to Paragraph XV of the Court's May 3, 2022 Order, and files this Motion for Order to Require Compliance with the Temporary Restraining Order. In support of the motion, the Receiver submits the attached Declaration of Non-Compliance ("Yip Declaration")(Exhibit 1), and states as follows:

1. Defendants Michael Rando (a/k/a Mike Singles) and Valerie Rando (a/k/a Valerie Payton, Val Rando, and Val Singles) (collectively “the Randos”) are individual Defendants in this case who managed and controlled corporate defendants (and Receivership Entities) Prosperity Training Technology LLC (d/b/a The Credit Game, The Credit Game University, and Elite Deletions), Digital Business Scaling LLC, First Coast Matchmakers Inc. (d/b/a Wholesale Tradelines), First Coast Matchmakers LLC, and Financial Consulting Management Group LLC.

2. On May 4, 2022, this Court entered an *Ex Parte* Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“TRO”)(Doc. 12).

3. The TRO appointed Maria M. Yip as Temporary Receiver and charged her with the duties and responsibilities set forth in the TRO.

4. Paragraph XV of the TRO Order requires “the Defendants . . . to fully cooperate with and assist the Receiver in taking and maintaining possession, custody, or control of the Assets and Documents of the Receivership Entities and immediately transfer or deliver to the Receiver possession, custody, and control of, the following:

B. All Documents or Assets associated with credits, debits, or charges made on behalf of any Receivership Entity, wherever

situated, including reserve funds held by payment processors, credit card processors, merchant banks, acquiring banks, independent sales organizations, third party processors, payment gateways, insurance companies, or other entities;

C. All Documents of or pertaining to the Receivership Entities, including all communications occurring via electronic mail, electronic messaging service, or encrypted messaging service (including but not limited to Signal or WhatsApp);

D. All computers, electronic devices, mobile devices and machines used to conduct the business of the Receivership Entities, even if such computers, electronic devices, mobile devices, and machines are also used for non-business purposes;

F. All keys, codes, user names and passwords necessary to gain or to secure access to any Assets or Documents of or pertaining to the Receivership Entities, including access to their business premises, means of communication, accounts, computer systems (onsite and remote), Electronic Data Hosts, encrypted messaging services, or other property.”¹

¹ Para. XVII of the TRO similarly requires “that Defendants . . . shall fully cooperate with and assist the Receiver. This cooperation and assistance shall include . . . providing information to the Receiver that the Receiver deems necessary to exercise the authority and

5. The end of Paragraph XV states: “In the event that any person or entity fails to deliver or transfer any Asset or Document, or otherwise fails to comply with any provision of this Section, the Receiver may file an Affidavit of Non-Compliance regarding the failure and a motion seeking compliance of a contempt citation.”

6. The Randos used multiple email addresses for business purposes, including, but not limited to, mikesingles@gmail.com and val.10xlife@gmail.com (“Email Accounts at Issue”). Although the Randos have provided user names and passwords for a number of other email accounts, they have refused to transfer control over the Email Accounts at Issue, claiming that these email accounts are also used for personal purposes. *See* Yip Declaration at ¶5.

7. However, the Randos have admitted that they did use the Email Accounts at Issue for various business purposes. One example is the organizational chart, attached hereto as Exhibit A to the Yip Declaration, which clearly shows that the Email Accounts at Issue were the operative email addresses for the Randos at Defendant Prosperity Training Technology a/k/a Credit Game University (“Prosperity”). *See* Yip Declaration at ¶6.

discharge the duties of the Receiver . . . ; providing any keys, codes, user names and passwords required to access any computers, electronic devices, mobile devices, and machines (onsite or remotely) and any cloud account (including specific method to access account) or electronic file in any medium;

8. Additionally, in June 2020, Prosperity submitted to the Florida Secretary of State a change of registered agent from Valerie Rando to Michael Rando. *See* Yip Declaration at ¶7. In that submission, Mr. Rando provided the State of Florida the mikesingles@gmail.com address for the business. *See* Yip Declaration at Exhibit B.

8. To date, the Receiver has uncovered the following business accounts that use the Email Accounts at Issue:

a. mikesingles@gmail.com:

WebinarJam
Ontraport
Siteground
Keap
Hyros
Vimeo
EZ TEXT
SoTellus (Reviews)
Wordpress (Creditgameu.com)
Wetransfer - File sharing

b. val.10xlife@gmail.com:

Deliverability Dashboard
Ahrefs (SEO & keyword research)
EmailListVerify (for cleaning email list)
Siteground
Click Funnels
Wedeliver.email

See Yip Declaration at ¶8.

8. When the Randos knowingly and voluntarily chose to use the Email Accounts at Issue for both business and personal uses, they did so at their own peril. As the Receiver has the rights to these business email accounts, the Randos cannot now hide behind their personal use of these email accounts.

9. The Receiver has attempted to negotiate with the Randos to gain control over the Email Accounts at issue, confirming that the Receiver's forensic IT vendor, E-Hounds, would segregate any emails that are potentially protected by the attorney-client and spousal privileges. Also, the Receiver offered to restrict the timeframe for the emails to no earlier than May 4, 2017 – five years prior to the Randos being served with papers in this case. However, the Randos have chosen not to provide the Receiver control over these accounts. See Yip Declaration at ¶9.

10. The Receiver and the Receivership Estate have potentially been harmed by the Randos' failure to cooperate and abide by the terms of the TRO. For example, counsel for the Randos made undersigned counsel aware of chargebacks being taken and the Randos' concern for depletion of assets. When asked how Mr. Rando was aware of the chargebacks, he provided the Receiver, on May 19, 2022, the login and password for Defendant Prosperity's account with Goat Payments. More than two weeks after being ordered to immediately

provide this type of information, Mr. Rando finally came forward with this information. *See* Yip Declaration at ¶¶10-11.

11. The Goat Payments website showed certain reporting of chargebacks and a reserve account of \$300,000. Goat had not been served a copy of the TRO by the Defendants nor had the Defendants revealed the reserve account to the Receiver or mentioned it in the financial disclosure forms required under the TRO. *See* Yip Declaration at ¶11.

12. When pressed, Mr. Rando, through counsel, stated that he was receiving email notifications regarding the chargebacks. These email notifications were going to his mikesingles@gmail.com account. Because the Receiver did not have access to this email account and had not been told of the existence of the Goat Payments account, the Receivership Estate may have been depleted by certain chargeback activity. The Receiver is still investigating.

13. This is but one example of information that would have been known to the Receiver if only the Randos had complied with the TRO.

14. It is unknown what other vendors, affiliates and associates could be discovered by the Receiver's team if given control over these Email Accounts at Issue. These could include accounts that may be generating revenues for the Receivership Entities but at this time are unknown to the Receiver. *See* Yip Declaration at ¶12. Revenues in connection with these accounts may have been

diverted accounts known to the Receiver. But it is clear that the Receiver has been stymied for over two critical weeks in her investigation by the Randos' failure to cooperate.

ARGUMENT

The Court's power to supervise an equity receivership and to determine the appropriate actions to be taken in the administration of the receivership is extremely broad. *See S.E.C. v. Elliott*, 953 F.2d 1560, 1566 (11th Cir. 1992); *see also S.E.C. v. Hardy*, 803 F.2d 1034, 1038 (9th Cir. 1986); *Fed. Trade Comm'n v. MOBE Ltd.*, Case No. 6:18-CV-862-ORL-37DCI, 2021 WL 50335, at *1 (M.D. Fla. Jan. 6, 2021); *Fed. Trade Comm'n v. E.M. Sys. & Servs., LLC*, Case No. 8:15-cv-1417-T-23EAJ, 2016 WL 11110381, at *2 (M.D. Fla. Mar. 4, 2016). The Court's wide discretion derives from the inherent powers of an equity court to fashion relief. *See Elliott*, 953 F.2d at 1566; *See also S.E.C. v. Safety Finance Service, Inc.*, 674 F.2d 368, 372 (5th Cir. 1982); *MOBE Ltd.*, 2021 WL 50335, at *1; *E.M. Sys. & Servs., LLC*, 2016 WL 11110381, at *2.

A court imposing a receivership assumes custody and control of all assets and property of the receivership, and it has broad equitable authority to issue all orders necessary for the proper administration of the receivership estate. *See S.E.C. v. Credit Bancorp Ltd.*, 290 F.3d 80, 82-83 (2d Cir. 2002); *S.E.C. v. Wencke*, 622 F.2d 1363, 1370 (9th Cir. 1980). The court may enter such orders as may be appropriate and necessary for a receiver to fulfill his duty to preserve

and maintain the property and funds within the receivership estate. *See Official Comm. of Unsecured Creditors of Worldcom, Inc. v. S.E.C.*, 467 F.3d 73, 81 (2d Cir. 2006); *see also Atl. Trust Co. v. Chapman*, 208 U.S. 360, 371 (1908) (“It is the court itself which has the care of the property in dispute. The receiver is but the creature of the court; he has no powers except such as are conferred upon him by the order of his appointment and the course and practice of the court.”).

Any action taken by a district court in the exercise of its discretion is subject to great deference by appellate courts. *See United States v. Branch Coal*, 390 F.2d 7, 10 (3d Cir. 1969); *see also Bendall v. Lancer Mgmt. Grp., LLC*, 523 Fed.Appx. 554, 557 (11th Cir. 2013) (“[A]ny action by a trial court in supervising an equity receivership is committed to his sound discretion and will not be disturbed unless there is a clear showing of abuse.”) (internal citation and quotation omitted); *S.E.C. v. Pension Fund of Am. L.C.*, 377 Fed.Appx. 957, 961 (11th Cir. 2010) (same); *MOBE Ltd.*, 2021 WL 50335, at *1; *E.M. Sys. & Servs., LLC*, 2016 WL 11110381, at *2 (same). Such discretion is especially important considering that one of the ultimate purposes of a receiver’s appointment is to provide a method of gathering, preserving, and ultimately liquidating assets to return funds to creditors. *See S.E.C. v. Safety Fin. Serv., Inc.*, 674 F.2d 368, 373 (5th Cir. 1982) (court overseeing equity receivership enjoys “wide discretionary power” related to its “concern for

orderly administration”) (citations omitted).

Wherefore, the Receiver respectfully requests that pursuant to the Court’s TRO, specifically Paragraph XV, and the Court’s discretionary power to supervise an equity receivership, that the Court order the Randos to comply with the TRO and provide the Receiver the information necessary to gain control over the Email Accounts at Issue.

LOCAL RULE 3.01(G) CERTIFICATION

Counsel for the Receiver has conferred with counsel for the FTC who does not object to the relief sought. Further, undersigned counsel has conferred with counsel for the Randos and they do object to the relief sought.

Respectfully submitted,

/s/ Katherine C. Donlon

Katherine C. Donlon FBN 0066941

kdonlon@jclaw.com

JOHNSON, CASSIDY, NEWLON

& DeCORT P.A.

2802 N. Howard Avenue

Tampa, FL 33607

Tel.: (813) 291-3300

Fax: (813) 235-0462

Attorney for Receiver Maria Yip

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 20, 2022, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notice of electronic filing to all counsel of record.

/s/ Katherine C. Donlon
Attorney

EXHIBIT 1

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Case No. 3:22-cv-00487-TJC-MCR

MICHAEL RANDO, VALERIE
RANDO, PROSPERITY TRAINING
TECHNOLOGY LLC, ELITE
CUSTOMER SERVICES, LLC,
DIGITAL BUSINESS SCALING
LLC, FIRST COAST
MATCHMAKERS INC.,
FIRST COAST MATCHMAKERS
LLC, FINANCIAL CONSULTING
MANAGEMENT GROUP LLC,
RESOURCE MANAGEMENT
INVESTMENTS, LLC,

Defendants.

DECLARATION OF NON-COMPLIANCE BY
RECEIVER MARIA M. YIP

I HEREBY DECLARE AS FOLLOWS:

1. My name is Maria M. Yip. I am over the age of 18, have personal knowledge of the facts stated herein and am otherwise competent to execute this Declaration.

2. I am the Court-Appointed Receiver in this case over the Corporate

Defendants (“Receivership Entities”) as ordered by this Court on May 3, 2022.
(Doc. 12)

3. Since my appointment as Receiver, my team and I have taken possession of the premises occupied by the Defendants and have worked diligently to gain access to the assets and documents of the Receivership Entities.

4. However, pursuant to Paragraph XV of the Court’s *Ex Parte* Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“TRO”)(Doc. 12), I, as the Receiver file this Declaration of Non-Compliance regarding the refusal by individual Defendants Michael and Valerie Rando to provide access and control over their email accounts, mikesingles@gmail.com and val.10xlife@gmail.com (“Email Accounts at Issue”).

5. The Randos use multiple email addresses for business purposes, including, but not limited to, the Email Accounts at Issue. Although they have provided user names and passwords for a number of other email accounts, they have refused to transfer control over the Email Accounts at Issue, claiming that these email accounts are also used for personal purposes.

6. The Email Accounts at Issue are used for various business purposes. One example is the organizational chart, attached hereto as Exhibit A, which clearly shows that the Email Accounts at Issue were the operative email addresses for the Randos at Defendant Prosperity Training Technology a/k/a Credit Game University (“Prosperity”).

7. Additionally, in June 2020, Prosperity submitted to the Florida Secretary of State a change of registered agent from Valerie Rando to Michael Rando. In that submission, Mr. Rando provided the State of Florida the mikesingles@gmail.com address for the business. *See* Exhibit B.

8. To date, our team has uncovered the following business accounts that use the Email Accounts at Issue:

a. mikesingles@gmail.com:

WebinarJam
Ontraport
Siteground
Keap
Hyros
Vimeo
EZ TEXT
SoTellus (Reviews)
Wordpress (Creditgameu.com)
Wetransfer - File sharing

b. val.10xlife@gmail.com:

Deliverability Dashboard
Ahrefs (SEO & keyword research)

EmailListVerify (for cleaning email list)
Siteground
Click Funnels
Wedeliver.email

9. I, through my counsel, have attempted to negotiate with the Randos to gain control over the Email Accounts at issue, confirming that the Receiver's forensic IT vendor, E-Hounds, would segregate any emails that are potentially protected by the attorney-client and spousal privileges. Also, I offered to restrict the timeframe for the emails to no earlier than May 4, 2017 – five years prior to the Randos being served with papers in this case.

10. The Receivership Estate has potentially been harmed by the Randos' failure to cooperate and abide by the terms of the TRO. For example, over two weeks after the entry of the TRO, the Randos provided login information for Prosperity's account with Goat Payments. This came to light because Mr. Rando had been receiving emails at the mikesingles@gmail.com email address regarding chargebacks. Had I and my team had access to the Email Accounts at Issue, we would have found this account and potentially others which impact Receivership Entities.

11. Once I and my team became aware the account at Goat Payments, we accessed the website which showed certain reporting of chargebacks and a reserve account of \$300,000. Goat had not been served a copy of the TRO by

the Defendants nor had the Defendants revealed the reserve account or mentioned it in the financial disclosure forms required under the TRO.

12. It is unknown what other vendors, affiliates and associates could be discovered by my team once we gain control over the Email Accounts at Issue. These could include accounts that may be generating revenues for the Receivership Entities but at this time are unknown to our team.

VERIFICATION

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on this 20th day of May, 2022.

/s/ Maria M. Yip

Maria M. Yip, Receiver

EXHIBIT A



PROSPERITY TRAINING TECHNOLOGY LLC

Org Chart

- **Owner & Ceo**
 - Mike Rando - mikesingles@gmail.com

- **General Manager**
 - **Reports to Mike Rando**
 - Brock Birtolo - Brock@creditgameu.com / brockcfm@gmail.com

- **Sales Manager**
 - **Reports to Brock Birtolo**
 - Garry Pope - garry.creditgameu@gmail.com
 - Dale Barashes - dale.creditgameu@gmail.com

- **Customer Service Manager**
 - **Reports to Brock Birtolo**
 -

- **Marketing Director**
 - **Reports to Mike Rando**
 - Valerie Rando - val.10xlife@gmail.com

- **Marketing**
 - **Reports to Valerie Rando**
 - Millennial Visionaries (Dewey) - whitemayne93@gmail.com
 - Jennifer Ciero - Jen@creditgameu.com / jen.creditgameu@gmail.com

- **Administrative Assistant**

- **Reports to Brock Birtolo**
 - Michael Strain - Brockfcfm@gmail.com
- **Recruiter**
 - **Reports to Brock Birtolo**
 - Jennifer Ciero - Jen@creditgameu.com / jen.creditgameu@gmail.com
- **Customer Support**
 - **Reports to Brock Birtolo**
 - Susan Amato - Susan.creditgameu@gmail.com
 - Ethan Wilson - Ethan@creditgameu.com
 - John Rando - johnsuccess@creditgameu.com
- **Sales Representatives**
 - **Reports to Brock Birtolo**
 - Jared Koerner - Jared@creditgameu.com
 - Devon Kajy - Devon@creditgameu.com
 - Michael Justiniano - Michaelj.creditgameu@gmail.com
 - Timothy Grace - Timothy.creditgameu@gmail.com
 - Aaron Joyner - Aaron.creditgameu.com
 - Brandon Williams - Brandonw.creditgameu@gmail.com
 - Dallan Hawn - Dallan.creditgameu@gmail.com
 - LaQuan Washington - Quan.creditgameu@gmail.com
 - Michael Vernon - Vernon.creditgameu@gmail.com
 - Alexander Peters - Alexander.creditgameu@gmail.com
 - Jeffrey Harvel - Jeff.creditgameu@gmail.com
 - Kevin Lounsbury - Kevin.creditgameu@gmail.com

EXHIBIT B

L20 000053379

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

PICK-UP WAIT MAIL

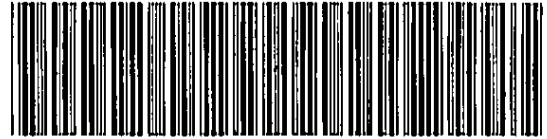
(Business Entity Name)

(Document Number)

Certified Copies _____ Certificates of Status _____

Special Instructions to Filing Officer:

Office Use Only



400347182504

06/30/20--01038--007 **25.00

FILED
2020 JUN 30 PM 1:02
SECRETARY OF STATE
TALLAHASSEE, FL

D. BRUCE
AUG 16 2020

COVER LETTER

TO: Registration Section
Division of Corporations

SUBJECT: PROSPERITY TRAINING TECHNOLOGY LLC
Name of Limited Liability Company

Dear Sir or Madam:

The enclosed Registered Agent/Registered Office Change and fee(s) are submitted for filing.

Please return all correspondence concerning this matter to the following:

Michael Rando
Name of Person

Prosperity Training Technology LLC
Firm/Company

14286 Beach Blvd, Ste 19-207
Address

Jacksonville, FL 32250
City/State and Zip Code

mikesingles@gmail.com
E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call:

Michael Rando at (904) 864 8528
Name of Person Area Code & Daytime Telephone Number

Mailing Address:
Registration Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Street Address:
Registration Section
Division of Corporations
The Centre of Tallahassee
2415 N. Monroe Street, Suite 810
Tallahassee, FL 32303

Enclosed is a check for the following amount:

- \$25 Filing Fee \$55 Filing Fee & Certified Copy

FILED
2020 JUN 30 PM 1:02
SECRETARY OF STATE
TALLAHASSEE, FL

STATEMENT OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT OR BOTH FOR LIMITED LIABILITY COMPANY

Pursuant to the provisions of sections 605.0114 or 605.0116, Florida Statutes, the undersigned limited liability company submits the following statement in order to change its registered office or registered agent, or both, in the State of Florida.

1. Name of the limited liability company: PROSPERITY TRAINING TECHNOLOGY LLC

2. (a) PROSPERITY TRAINING TECHNOLOGY LLC (b) PROSPERITY TRAINING TECHNOLOGY LLC

Principal office address of limited liability company:
(Note: MUST BE STREET ADDRESS)

Mailing address of limited liability company:
(Note: MAY BE POST OFFICE BOX)

14286 Beach Blvd Ste 19-207

14286 Beach Blvd Ste 19-207

Jacksonville, FL 32250

Jacksonville, FL 32250

February 17, 2020

1.20000053379

3. Date of filing/registration in Florida

4. Document number

5. (a) Valerie Rando
Registered Agent and Registered Office shown on the records of the Florida Dept. of State:

Valerie Rando

Registered Office Address *(MUST BE FLORIDA STREET ADDRESS)*

14286 Beach Blvd, Ste 19-207

Jacksonville, FL 32250

(b) Michael Rando
Enter name of NEW Registered Agent and/or NEW Registered Office address:

Michael Rando


NEW Registered Office Address:

14286 Beach Blvd, Ste 19-207

Jacksonville, FL 32250

FILED
2020 JUN 30 PM 1:02
SECRETARY OF STATE
TALLAHASSEE, FL

If the limited liability company is not organized under the laws of the State of Florida, it is hereby confirmed that after the change or changes are made, the Florida street address of the registered office and the business office of the registered agent will be identical. Or, in the case of a Florida limited liability company, it is hereby confirmed that the change(s) was/were authorized by an affirmative vote of the members of the limited liability company or as otherwise provided in the articles of organization or the operating agreement of the limited liability company.



Valerie Rando

Signature of a member or authorized representative of a member

Printed or typed name of signer

I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 605, F.S. Or, if this document is being filed to merely reflect a change in the registered office address, I hereby confirm that the limited liability company has been notified in writing of this change.


Signature of Registered Agent