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September 16, 2024

Via ECF
Honorable Julien Xavier Neals, U.S.D.J.
United States District Court of New Jersey
Martin Luther King, Jr. Federal Building
50 Walnut Street
Courtroom 5D
Newark, New Jersey 07102

Re: Federal Trade Commission
v. TheFBAMachine, Inc., *et al.*
Civil Action No. 24-6635 (JXN)(LDW)

Dear Judge Neals:

As Your Honor is aware, Anthony Sodono, III, Esq. is the Temporary Receiver ("Temporary Receiver") appointed in the above-captioned matter, commenced by the Federal Trade Commission ("FTC") on June 3, 2024 as against TheFBAMachine Inc., Passive Scaling Inc., Sales.Support New Jersey Inc., 1HR Deliveries Inc., Hourly Relief Inc., 3PL Logistics Automation Inc., FBA Support NJ Corp., Daily Distro LLC, and Closter Green Corp d/b/a Wraith & Co. and Bratislav Rozen a.k.a. Steven Rozenfeld and Steven Rozen ("Mr. Rozenfeld"), individually and as an officer of TheFBAMachine Inc., Passive Scaling Inc., Sales.Support New Jersey Inc., 1HR Deliveries Inc., Hourly Relief Inc., 3PL Logistics Automation Inc., FBA Support NJ Corp., Daily Distro LLC, and Closter Green Corp d/b/a Wraith & Co. (collectively, the "Receivership Entities"), and as amended on June 14, 2024 to name Amanda Rozenfeld a/k/a Amanda Peremen and Amanada Peremen.

Both the Temporary Restraining Order [ECF 5] entered by Your Honor on June 3, 2024, and the Stipulated Preliminary Injunction (as corrected) entered on August 8, 2024 [ECF 54], provide for the stay of any and all litigation involving the Receivership Entities. As of the time of the filing of the FTC's Complaint, there was a matter pending in the Circuit Court of the 6th Judicial Circuit in and For Pinellas County, Florida captioned *James David Wegener vs. Passive Scaling, Inc.*, Docket No. 23-008716-CI (the "Florida Litigation").

The Temporary Receiver immediately advised the parties and the Court to the Florida Litigation of the stay imposed in this proceeding. On behalf of the Temporary Receiver, I appeared at a status conference on June 24, 2024. At that time, the Honorable Thomas Ramsberger questioned the authority of this Court to impose a stay on the Florida Litigation based upon an existing mandate by the Florida Supreme Court, which prohibits certain actions being stayed. While noting his respect for this Court, Judge Ramsberger repeatedly questioned how a New Jersey

federal court can enjoin an action in his Court. On July 15, 2024, a Joint Motion for Stay was filed with counsel to Mr. Wegener, which was heard by the Florida Court on September 4, 2024. The same questions regarding the applicability of the stay were raised by Judge Ramsberger at that time. Judge Ramsberger has requested for the Temporary Receiver to file a notice with the Florida Court outlining and attaching the applicable case law in support of the stay. The next status conference before the Court in the Florida Litigation is scheduled for September 30, 2024. We intend to comply with Judge Ramsberger's request before the hearing on September 30, 2024, however, we write to inform Your Honor of the status of this issue should Your Honor want to address it at the September 18, 2024 hearing before the Court on the Motion for Contempt pending against Mr. Rozenfeld, or at some other time.

We thank the Court for its consideration.

Respectfully submitted,

/s/ Sari B. Placona

Sari B. Placona

cc: Frances Kern, Esq. (via ECF)
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