

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

FEDERAL TRADE COMMISSION, :

Plaintiffs, :

v. :

CLIFTON TELECARD ALLIANCE :
ONE, LLC d/b/a CLIFTON TELECARD :
ALLIANCE and CTA, INC. and :

MUSTAFA QATTOS, individually and :
as an officer of CLIFTON TELECARD :
ALLIANCE ONE, LLC d/b/a CLIFTON :
TELECARD ALLIANCE and :
CTA, INC. :

Defendants. :

Civil Action No. 08-cv- 1480 (PGS)

**TEMPORARY RESTRAINING
ORDER AND ORDER TO SHOW
CAUSE**

SHERIDAN, U.S.D.J.

Plaintiff, the Federal Trade Commission ("FTC" or the "Commission"), pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), has filed a Complaint for Injunctive and Other Equitable Relief, and has moved for a Temporary Restraining Order and for an Order to Show Cause why a preliminary injunction should not be granted pursuant to Rule 65 of the Federal Rules of Civil Procedure.

FINDINGS

The Court has considered the pleadings, exhibits, and memoranda filed in support of the Commission's motion, and Defendants' responses thereto, and makes the following preliminary findings exclusively for the purposes of this case and without prejudice to the parties' ability to establish contrary findings as this litigation proceeds:

1. This Court has jurisdiction over the subject matter of this case, and there is good cause to believe that it will have jurisdiction over all parties hereto;

2. There is good cause to believe that Defendants Clifton Telecard Alliance One LLC, d/b/a Clifton Telecard Affiance and CTA, Inc. and Mustafa Qattous, individually and as an officer of Clifton Telecard Alliance One LLC, d/b/a Clifton Telecard Affiance and CTA, Inc. ("CTA"), have engaged and are likely to engage in acts or practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and that the Commission is therefore likely to prevail on the merits of this action;

3. There is good cause to believe that: (1) CTA advertises to consumers that purchasers of CTA's prepaid calling cards will receive a specified number of minutes of talk time to specific countries from its prepaid calling cards, but in fact, purchasers receive substantially fewer minutes than Defendants promise; (2) CTA fails to disclose or disclose adequately to consumers that fees will reduce the value of its prepaid calling cards, which in turn will reduce the number of minutes of talk time provided by its calling cards; and (3) fails to disclose or disclose adequately to consumers that the value of CTA's prepaid calling cards will be reduced when a purchaser attempts to place a call that is not connected.

4. There is good cause to believe that Defendants will continue to engage in such unlawful actions if they are not immediately restrained from doing so by Order of this Court;

5. Weighing the equities and considering the Commission's likelihood of ultimate success, it is in the public interest that the Court enter a Temporary Restraining Order which: (1) enjoins Defendants from making misrepresentations and from failing to disclose or disclose adequately fees and charges; (2) appoints temporary co-monitors; (3) requires Defendants to preserve their business records; and (4) provides other equitable relief;

