

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Clifton Telecard Alliance One LLC, et
al.,

Defendants.

2:08-cv-01480-PGS-ES

**STIPULATED FINAL ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO DEFENDANTS CLIFTON TELECARD
ALLIANCE ONE LLC AND MUSTAFA QATTOUS**

On March 25, 2008, plaintiff, the Federal Trade Commission (“FTC” or the “Commission”), filed its complaint against the defendants Clifton Telecard Alliance One LLC, d/b/a Clifton Telecard Alliance and CTA, Inc., and Mustafa Qattous, individually and as an officer of Clifton Telecard Alliance One LLC, d/b/a Clifton Telecard Alliance and CTA, Inc. for injunctive and other equitable relief pursuant to Sections 5(a) and 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 45(a), 53(b). On March 28, 2008, after a hearing, the Court issued a Temporary Restraining Order (“TRO”). The Court modified this TRO on April 1, 2008. The Commission and the defendants Clifton Telecard Alliance One LLC and Mustafa Qattous hereby stipulate to the entry of, and request the Court to enter, this Stipulated Final Order for Permanent Injunction and Monetary Judgment

as to the defendants Clifton Telecard Alliance One LLC and Mustafa Qattous (“Order”), to resolve all matters of dispute between them in this action.

IT IS THEREFORE STIPULATED, AGREED, AND ORDERED as follows:

1. This Court has jurisdiction over the subject matter of this case, and it has jurisdiction over all parties hereto pursuant to 15 U.S.C. §§ 45(a), 53(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345;
2. Venue is proper as to all parties in the District of New Jersey pursuant to 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b) and (c);
3. The activities alleged in the complaint are in or affecting “commerce” as that term is defined in Section 4 of the FTC Act, 15 U.S.C. § 44;
4. The facts that the FTC has stated in its complaint, if true, would state a claim upon which relief may be granted under Sections 5(a) and 13(b) of the FTC Act, 15 U.S.C. §§ 45(a) and 53(b);
5. Clifton Telecard Alliance One LLC and Mustafa Qattous have entered into this Order freely and without coercion, and they acknowledge that they have read the provisions of this Order and are prepared to abide by them;

6. The undersigned, individually and by and through their counsel, as applicable, have agreed that the entry of this Order resolves all matters of dispute between them arising from the Complaint in this action, up to the date of entry of this Order. This Order, however, shall have no preclusive effect as to any action brought by any other state or federal law enforcement agency;
7. Clifton Telecard Alliance One LLC and Mustafa Qattous waive all rights to seek appellate review or otherwise challenge or contest the validity of this Order and waive and release any claim they may have against the Commission, its employees, representatives, or agents;
8. Clifton Telecard Alliance One LLC and Mustafa Qattous agree that this Order does not entitle them to seek or to obtain attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996), and they further waive any rights to attorneys' fees that may arise under said provision of law;
9. This Order does not constitute an admission by the defendants that the law has been violated as alleged in the complaint, or that the facts as alleged in the complaint, other than the jurisdictional facts, are true;

10. This Order is remedial in nature and no portion of any payments paid herein shall be deemed or construed as payment of a fine, damages, penalty, or punitive assessment; and
11. Entry of this Order is in the public interest.

ORDER

DEFINITIONS

For the purpose of this Order, the following definitions shall apply:

1. **“Defendants”** means, individually, collectively or in any combination, Clifton Telecard Alliance One LLC, its successors and assigns, and Mustafa Qattous.
2. **“Individual Defendant”** means Mustafa Qattous.
3. **“Corporate Defendant”** means Clifton Telecard Alliance One LLC, as well as its successors and assigns.
4. **“Document”** is synonymous in meaning and equal in scope to the usage of the term in the Federal Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts, Internet sites, Web pages, Web sites, electronically-stored information, including e-mail and instant messages, photographs, audio and video recordings, contracts, accounting data, advertisements (including, but not limited to, advertisements placed on the

World Wide Web), FTP Logs, Server Access Logs, USENET Newsgroup postings, Web pages, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, computer records, and other data stored in any medium from which information can be obtained and translated. A draft or non-identical copy is a separate document within the meaning of the term.

5. **“Clear and prominent”** shall mean as follows:

A. In a print advertisement, promotional material (including all Point of Sale Materials), or instructional manuals, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears.

B. In an advertisement communicated through an electronic medium (such as television, video, radio, and interactive media such as the Internet and online services), the disclosure shall be presented simultaneously in both the audio and video portions of the advertisement. Provided, however, that in any advertisement presented solely through video or audio means, the disclosure may be made through the same means in

which the relevant claim is presented. The audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. The video disclosure shall be of a size and shade, and shall appear on the screen for a duration sufficient for an ordinary consumer to read and comprehend it. In addition to the foregoing, in interactive media the disclosure shall also be unavoidable and shall be presented prior to the consumer incurring any financial obligation.

C. On the Prepaid Calling Card and its packaging the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears.

D. The disclosure shall be in understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall be used in any advertisement or on any label.

6. **“Material”** means any information or fact which is likely to affect a consumer’s choice of, or conduct regarding, a product or service.
7. **“PIN”** means a unique personal identification number assigned to a Prepaid Calling Card to access the value of the Prepaid Calling Card.

8. **“Point of Sale Material”** means any poster, sign, bulletin, advertisement, “take one” card, hanger, or other promotional material that is displayed at a location where a Prepaid Calling Card is sold; such locations include, but are not limited to, stores, kiosks, and vending machines, as well as online points of sale.
9. **“Prepaid Calling Card”** means a card or other means that can be used to make one or more telephone calls, often at specified rates, that is paid for prior to placing the telephone call.

CONDUCT PROHIBITIONS

I

IT IS HEREBY ORDERED that the defendants, directly or indirectly through any subsidiary, agent, or other device, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, in connection with the marketing, advertising, promotion, distribution, offer for sale, or sale of Prepaid Calling Cards, are hereby permanently restrained and enjoined from falsely representing, expressly or by implication, the number of talk minutes a consumer can obtain by using a Prepaid Calling Card.

II

IT IS FURTHER ORDERED that the defendants, directly or indirectly through any subsidiary, agent, or other device, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, in connection with the marketing, advertising, promotion, distribution, offer for sale, or sale of Prepaid Calling Cards and in connection with every representation, expressly or by implication, regarding the specific value of a Prepaid Calling Card, the specific rates applicable for a Prepaid Calling Card or the number of minutes of talk time a consumer can obtain by using a Prepaid Calling Card, are hereby permanently restrained and enjoined from failing to make a clear and prominent disclosure of all material limitations including, but not limited to disclosing, if applicable:

- A. That the number of advertised minutes of talk time is only available for single call use;
- B. The existence and amount of all maintenance fees, weekly fees, monthly fees, connection fees, payphone fees, cell phone fees, access number fees, and any other fees and charges that will be assessed, and when and under what circumstances such fees and charges will apply when using a Prepaid Calling Card;

- C. That the prepaid Calling Card may be reduced in value even if a consumer places a call that is not connected;
- D. Any limit on the period of time during which: (1) the number of advertised minutes of talk time is available; or (2) the specified per minute rates of talk time are available; and
- E. The expiration date of the Prepaid Calling Card.

MONETARY JUDGMENT

III

IT IS FURTHER ORDERED that:

- A. Judgment in the amount of \$24,445,252 is hereby entered jointly and severally against the defendants.
- B. Within five (5) days after entry of this Order, the defendants shall pay \$1,300,000 to the FTC by wire transfer in accordance with directions provided by the Commission.
- C. Upon the payment of \$1,300,000 to the Commission by the defendants, pursuant to Subparagraph B, the remainder of the judgment against the defendants shall be suspended subject to the conditions set forth in Subparagraphs E-G.

- D. All funds paid to the Federal Trade Commission pursuant to the Order shall be deposited into an account administered by the Commission or its agent to be used for equitable relief, including but not limited to consumer redress, and any attendant expenses for the administration of such equitable relief. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the defendants' practices alleged in the complaint. Any funds not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. The defendants shall have no right to challenge the Commission's choice of remedies under this Paragraph. The defendants shall have no right to contest the manner of distribution chosen by the Commission.
- E. The Commission's agreement to this Order is expressly premised upon the truthfulness, accuracy and completeness of the defendants' sworn financial statements and supporting documents submitted to the Commission on or about May 27, 2008, June 4, 2008, and September 16, 2008, as well as all subsequent addenda thereto, all of which the

defendants stipulate are truthful, accurate, and complete. The defendants and the Commission stipulate that these financial disclosures include material information upon which the Commission relied in negotiating and agreeing to this Order. The defendants and the Commission stipulate that the Commission has relied on the truthfulness, accuracy, and completeness of these financial disclosures in agreeing to the terms of this Order and that the Commission would not have entered into this Order but for the truthfulness, accuracy, and completeness of these financial disclosures.

- F. If, upon motion by the Commission, this Court finds that the defendants have failed to disclose any material asset or materially misstated the value of any asset in the financial statement and related documents described above, or has made any other material misstatement or omission in the financial statements and related documents described above, then this Order shall be reopened and suspension of the judgment shall be lifted for the purpose of requiring payment of monetary relief in the amount of the judgment set forth in Subparagraph A of this Paragraph, less the sum of any amounts paid to the Commission pursuant to Subparagraph B of this Paragraph.

Provided, however, that in all other respects this Order shall remain in full force and effect, unless otherwise ordered by the Court.

- G. Upon such reinstatement of the monetary judgment, the Court shall make an express determination that the monetary judgment shall be immediately due and payable. The Commission shall be entitled to interest on the judgment, computed from the day of entry of this Order, at the rate prescribed by 18 U.S.C. § 1961, as amended. The Commission shall be permitted to execute on the judgment immediately after the suspension is lifted and engage in discovery in aid of execution.
- H. Defendants relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law. Defendants shall make no claim to or demand return of the funds, directly or indirectly, through counsel or otherwise.
- I. Defendants agree that the facts as alleged in the Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Commission to enforce its rights to any payment or money judgment pursuant to this Final Order, including but not limited to a

nondischargeability complaint in any bankruptcy case. Defendants further stipulate and agree that the facts alleged in the Complaint establish all elements necessary to sustain an action pursuant to, and that this Order shall have collateral estoppel effect for purposes of, Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S. C. § 523(a)(2)(A).

- J. Proceedings instituted under this Paragraph are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

COMPLETION OF TEMPORARY MONITORSHIPS

IV

IT IS FURTHER ORDERED that the Temporary Monitors, Honorable William G. Bassler and W. Cary Edwards, are directed to, within seven (7) days of this Order, unless good cause is shown to extend beyond seven (7) days, file and serve on the parties a request for fees and expenses. Upon submission of this request or upon this Court's Order for final payment from the assets of the Corporate Defendant, whichever is later, the temporary monitorships shall terminate.

COMPLIANCE MONITORING

V

IT IS FURTHER ORDERED that, for purposes of monitoring and investigating compliance with any provision of this Order,

- A. Within twenty (20) days of receipt of written notice from a representative of the Commission, Clifton Telecard Alliance One LLC and Mustafa Qattous each shall submit additional written reports, sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in such defendants' possession or direct or indirect control to inspect the business operation;
- B. In addition, the Commission is authorized to monitor compliance with this Order by all other lawful means, including, but not limited to, the following:
 1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36, and 45;

2. posing as consumers and suppliers to Clifton Telecard Alliance One LLC or Mustafa Qattous, Clifton Telecard Alliance One LLC or Mustafa Qattous' employees, or any other entity managed or controlled in whole or in part by Clifton Telecard Alliance One LLC or Mustafa Qattous, without the necessity of identification or prior notice; and
- C. Clifton Telecard Alliance One LLC and Mustafa Qattous shall not interfere with representatives of the Commission interviewing any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order. The person interviewed may have counsel present.

Provided, however, that nothing in this Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

MONITORING BY THE DEFENDANTS

VI

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, the defendants, whether acting directly or indirectly through any subsidiary, agent, or other device, and their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, in connection with the marketing, advertising, promotion, distribution, offer for sale, or sale of Prepaid Calling Cards, are hereby permanently restrained and enjoined from failing to:

- A. No later than September 1, 2009, or 90 days after entry of the Order, whichever comes later, obtain contact information from any distributor who purchases Prepaid Calling Cards directly from them. In the case of a natural person, the defendants shall obtain the distributor's first and last name, physical address, and telephone number. In the case of other business entities, the defendants shall obtain the first and last name, physical address, and telephone number of the natural person who owns, manages, or controls the distributor.
- B. Within 10 days after entry of this Order, direct its distributors to promptly offer new Point of Sale materials when provided by the

defendants to their retail accounts and to direct their retail accounts to remove expired Point of Sale materials.

C. No later than September 1, 2009, or 90 days after entry of this Order, whichever comes later, establish, implement, and thereafter maintain a procedure for distributing new Point of Sale Materials and Prepaid Calling Cards that comply with the provisions of this Order (“compliant materials”) to all distributors, subdistributors, and retailers before the prior compliant materials expire, and for discarding expired compliant materials.

1. No less than two (2) weeks prior to the expiration date of any material limitations or advertised guaranteed rates, the defendants shall contact the applicable telecommunications carrier (“carrier”) in writing to determine whether the limitations and rates will be extended for an additional period of time or to obtain new material limitations and guaranteed rates; and
2. Within one (1) week after receipt of the information above from the carrier, the defendants shall send to each of its distributors, subdistributors, and retailers new compliant materials reflecting

new material limitations and/or expiration date, or any new guaranteed rates advertised by defendants.

- D. No later than September 1, 2009, or 90 days after entry of this Order, whichever comes later, establish, implement, and thereafter maintain a procedure for ensuring: (1) that all retailers display in a visible manner new compliant materials at the time they receive them from the defendants, distributors, or subdistributors; and (2) that all retailers discard expired compliant materials at the time they receive the new compliant materials.
- E. Terminate, immediately, any distributor that the defendants reasonably conclude has failed to promptly offer new Point of Sale Materials to its retail accounts or to direct its retail accounts to remove expired Point of Sale materials.
- F. No later than September 1, 2009, or 90 days after entry of this Order, whichever comes later, establish, implement, and thereafter maintain a procedure for routinely monitoring all per minute rates, fees, and charges from carriers to ensure they are accurate throughout the time period they are in effect, including, but not limited to:

1. obtaining the per minute rate in writing from the carrier prior to the dissemination of any compliant materials and the date up to which the per minute rate will be in effect;
 2. testing a random sample of prepaid calling cards to confirm that: (a) minutes advertised are actually delivered; and (b) any applicable fees and charges are consistent with fees and charges provided in compliant materials and keep a record of any such discrepancies; and
 3. obtaining any changes to the per minute rates, fees, and charges and the time period those changes are in effect.
- G. Take reasonable steps to remedy the failure of any carrier to provide accurate, sufficient, or timely information necessary for the defendants to comply with the monitoring provisions of this Order. Such steps may include, but are not limited to, terminating the relationship with any carrier defendants reasonably conclude will not correct such failure.
- H. No later than September 1, 2009, or 90 days after entry of this Order, whichever comes later, establish, implement, and thereafter maintain a

procedure for ensuring that compliant materials and website representations: (1) reflect the accurate per minute rate, and all fees and charges for the given time period; and (2) contain clear and prominent disclosures.

- I. Ensure that a toll-free customer service telephone number, including but not limited to the carrier's toll free customer service number or a toll-free number operated by CTA, appears on all CTA prepaid calling cards printed after September 1, 2009, or 90 days after entry of this Order, whichever comes later.
- J. Notify the applicable carrier in writing of any complaints the defendants receive, through any source, regarding the failure of a Prepaid Calling Card to provide the minutes advertised, with a request that the carrier provide the defendants with an explanation.
- K. Require the carrier to provide copies or other written notice of any complaints the carrier receives, through any source, regarding the failure of a Prepaid Calling Card exclusively sold, distributed, or offered for sale by the defendants (or those non-exclusive cards for which the carrier has reason to believe that CTA distributed the

specific card) to provide the minutes advertised, with a request that the carrier provide any explanation.

COMPLIANCE REPORTING BY THE DEFENDANTS

VII

IT IS FURTHER ORDERED that, in order that compliance with the provisions of this Order may be monitored:

- A. For a period of four (4) years from the date of entry of this Order,
 1. Mustafa Qattous shall notify the Commission of the following:
 - a. Any changes in residence, mailing addresses, and telephone numbers of the Individual Defendant within ten (10) days of the date of such change;
 - b. Any changes in employment status (including self-employment) of the Individual Defendant and any change in the ownership of the Individual Defendant in any business entity which is engaged in activity within the scope of this order, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that the Individual Defendant is affiliated with, employed by, creates or forms, or

performs services for; a statement of the nature of the business; and a statement of the Individual Defendant's duties and responsibilities in connection with the business or employment; and

- c. Any changes in the Individual Defendant's name or use of any aliases or fictitious names; and
2. Defendants Clifton Telecard Alliance One LLC and Mustafa Qattous shall notify the Commission of any changes in corporate structure of Clifton Telecard Alliance One LLC, or any business entity that the Corporate Defendant or Individual Defendant directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Order, including, but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the filing of a bankruptcy petition; or a change in the corporate name or address, at least thirty (30) days prior to such change, *provided* that, with

respect to any proposed change in the corporation about which the defendant(s) learns less than thirty (30) days prior to the date such action is to take place, the defendant(s) shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Order, Clifton Telecard Alliance One LLC and Mustafa Qattous each shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Order. This report shall include, but not be limited to:

1. For the Individual Defendant:
 - a. The then-current residence address, mailing addresses, and telephone numbers of the Individual Defendant;
 - b. The then-current employment and business addresses and telephone numbers of the Individual Defendant, a description of the business activities of each such employer or business, and the title and responsibilities of

- the Individual Defendant for each such employer or business; and
- c. Any other changes required to be reported under subparagraph A of this Paragraph.
2. For all the Corporate and Individual defendants:
- a. A copy of each acknowledgment of receipt of this Order obtained by each defendant pursuant to Paragraph IX of this Order; and
- b. Any other changes required to be reported under subparagraph A of this Paragraph.
- C. For the purposes of this Order, the defendants shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Associate Director, Division of Enforcement
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580
Re: FTC v. Clifton Telecard Alliance One LLC, et al. Civil Action
No. 2:08-01480

- D. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate with the undersigned lawyers for the defendants.

RECORD KEEPING PROVISIONS

VIII

IT IS FURTHER ORDERED that, for a period of seven (7) years from the date of entry of this Order, defendants Clifton Telecard Alliance One LLC and Mustafa Qattous, for any business that such defendant directly or indirectly controls, or in which such defendant has a majority ownership interest, which is directly or indirectly engaged in the business of advertising, promoting, marketing, offering for sale, or selling any Prepaid Calling Card product or service, and their subsidiaries, affiliates, successors, and assigns are hereby restrained and enjoined from failing to create and retain the following records:

- A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- B. Personnel records accurately reflecting: the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job

- title or position; the date upon which the person commenced work;
and the date and reason for the person's termination, if applicable;
- C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, to the extent such information is obtained in the ordinary course of business;
- D. Complaints and refund requests (whether received directly, indirectly or through any third party) and any responses to those complaints or requests;
- E. Copies of all advertisements or other marketing or promotional materials, including, but not limited to, Point of Sale Materials, web sites, instant messages, e-mail messages, Internet "pop up" advertisements, and Internet banner advertisements;
- F. Received copies of all rate decks, call logs, and any documents that reflect the advertised number of minutes and actual delivered number of minutes for each Prepaid Calling Card; and
- G. All records and documents necessary to demonstrate full compliance with each provision of this Order, including, but not limited to, copies of acknowledgments of receipt of this Order, required by Paragraph

IX, and all reports submitted to the FTC pursuant to Paragraph **VII** of this Order.

DISTRIBUTION OF ORDER BY THE DEFENDANTS

IX

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, the defendants shall deliver copies of the Order as directed below:

- A. Corporate Defendant: Clifton Telecard Alliance One LLC must deliver a copy of this Order to all of its principals, officers, directors, and managers. The Corporate Defendant also must deliver copies of this Order to all of its employees, agents, affiliates, sub-affiliates, carriers, and representatives who engage in conduct related to the subject matter of this Order. For current personnel, delivery shall be within five (5) days of service of this Order upon the defendant. For new personnel, delivery shall occur prior to the new personnel assuming their responsibilities.
- B. Individual Defendant as Control Person: For any business engaged in conduct related to the subject matter of this Order that Defendant Mustafa Qattous directly or indirectly controls, or in which such

Individual Defendant has a majority ownership interest, the Individual Defendant must deliver a copy of this Order to all principals, officers, directors, and managers of that business. The Individual Defendant must also deliver copies of this Order to all employees, agents, affiliates, sub-affiliates, carriers, and representatives of that business who engage in conduct related to the subject matter of this Order. For current personnel, delivery shall be made within five (5) days of service of this Order upon the Individual Defendant. For new personnel, delivery shall occur prior to the new personnel assuming their responsibilities.

- C. Individual Defendant as Employee or Non-Control Person: For any business which the Individual Defendant is not a controlling person of the business but otherwise engages in conduct that is related to the subject matter of this Order, the Individual Defendant must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.
- D. Defendants Clifton Telecard Alliance One LLC and Mustafa Qattous must secure a signed and dated statement acknowledging receipt of

the Order, within thirty (30) days of delivery, from all persons receiving a copy of the Order pursuant to this Paragraph.

ACKNOWLEDGMENT OF RECEIPT OF ORDER

BY THE DEFENDANTS

X

IT IS FURTHER ORDERED that each defendant, within five (5) business days of receipt of this Order as entered by the Court, must submit to the Commission a truthful sworn statement acknowledging receipt of this Order.

RETENTION OF JURISDICTION

XI

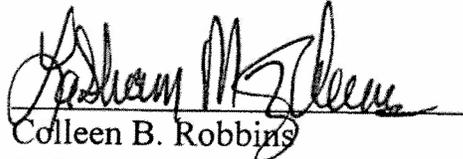
IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED, this 18 day of June, 2009,
at Newark, New Jersey.



The Honorable Peter G. Sheridan
United States District Judge
District of New Jersey

Stipulated and agreed to by:

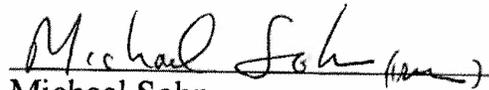


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*For Plaintiff Federal Trade
Commission*



Mustafa Qattous, Individually and as
CEO of **Clifton Telecard Alliance
One LLC**

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Defendant



Michael Sohn

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For Defendant Mustafa Qattous