

D/F

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**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Diamond Phone Card, Inc.;

Nasreen Gilani, individually and as an officer of
Diamond Phone Card, Inc.;

Samsuddin Panjwani, individually and as a
manager of Diamond Phone Card, Inc., ; and

Faiez Farishta, individually and as a manager of
Diamond Phone Card, Inc.

Defendants.

CV-09-3257 (NGG) (VVP)

**STIPULATED FINAL ORDER FOR PERMANENT INJUNCTION AND
MONETARY JUDGMENT AS TO DEFENDANTS DIAMOND PHONE CARD, INC.,
NASREEN GILANI, SAMSUDDIN PANJWANI, AND FAIEZ FARISHTA**

Plaintiff, the Federal Trade Commission ("FTC" or the "Commission"), has filed a
Complaint against the defendants Diamond Phone Card, Inc. ("Diamond"), Nasreen Gilani
("Gilani"), individually and as an officer of Diamond, Samsuddin Panjwani ("Panjwani"),
individually and as a manager of Diamond, and Faiez Farishta, individually and as a manager of

Diamond, seeking injunctive and other equitable relief in this matter pursuant to Sections 5 and 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 45(a), 53(b). The Commission and Defendants Diamond, Gilani, Panjwani, and Farishta have agreed to settlement of this action without adjudication of any issue of fact or law and hereby stipulate to the entry of, and request the Court to enter, this Stipulated Final Order for Permanent Injunction and Monetary Judgment as to Defendants Diamond Phone Card, Inc., Nasreen Gilani, Samsuddin Panjwani, and Faiez Farishta ("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 of 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 Eastern District of New York 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. Defendants Diamond, Gilani, Panjwani, and Farishta have entered into this Order freely and without coercion, and they each 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 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. Defendants Diamond, Gilani, Panjwani, and Farishta 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. Defendants Diamond, Gilani, Panjwani, and Farishta agree that this Order does not entitle them individually or collectively to seek or to obtain 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 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
10. Entry of this Order is in the public interest.

ORDER

DEFINITIONS

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

1. **"Individual Defendants"** means Nasreen Gilani, Samsuddin Panjwani, and Faiez Farishta.
2. **"Corporate Defendant"** means Diamond Phone Card, Inc., and its successors and

assigns.

3. **“Defendants”** means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.
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 writing, 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 manual, 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 (including, but not limited to, 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. 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, promotional material, Prepaid Calling Card, or its packaging.

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, hang-tag, tear-away, 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 that is or are paid for prior to placing the telephone call.

10. "Talk Minutes" means the number of calling minutes actually delivered by a Prepaid Calling Card to a particular destination.

CONDUCT PROHIBITIONS

I.

IT IS HEREBY ORDERED that Defendants, directly or indirectly through any parent, subsidiary, distributor, affiliate, 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 making any material misrepresentation, either expressly or by implication, including, but not limited to, a misrepresentation concerning the Talk Minutes and/or applicable per minute rates.

II.

IT IS FURTHER ORDERED that Defendants, directly or indirectly through any parent, subsidiary, affiliate, distributor, 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, must clearly and prominently disclose all material limitations in any advertisement, promotional material, instructional manual, packaging, or Prepaid Calling Card if such advertisement, promotional material, instructional manual, packaging, or Prepaid Calling Card contains any express or implied representation regarding (i) the specific value (e.g., \$2) of a Prepaid Calling Card; (ii) the Talk Minutes and/or applicable per minute rates, or (iii) any fee

or charge or the absence thereof (e.g., "No Connection Fees"). Such material limitations include, but are not limited to, the following, if applicable:

- A. That the number of advertised Talk Minutes and/or per minute rates are only available on a single call;
- B. The existence and amount of all fees or charges of any type, including, but not limited to, maintenance fees, weekly fees, monthly fees, connection fees, hang-up fees, payphone fees, cell phone fees, access number fees, and when and under what circumstances such fees or charges will apply when using a Prepaid Calling Card;
- C. Any limit on the period of time during which the number of advertised Talk Minutes and/or per minute rates are available; and
- D. When a Prepaid Calling Card expires.

All disclosures required by this Section to be made in any advertisement, promotional material, instructional manual, packaging, or Prepaid Calling Card shall be made in the same language as that principally used in such advertisement, promotional material, instructional manual, packaging, or Prepaid Calling Card.

MONETARY JUDGMENT

III.

IT IS FURTHER ORDERED that:

- A. Judgment in the amount of five hundred thousand dollars (\$500,000) is hereby entered jointly and severally against Defendants.
- B. Within three business days of the execution of this Order by Defendants, Defendants shall cause the amount in Subsection III.A to be transferred to the

Commission, which shall hold the entire sum for no purpose other than payment to the Commission upon entry of this Order by the Court.

- C. After entry of the Order by the Court, all funds paid to the FTC 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 Defendants' practices alleged in the complaint. Any funds not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Paragraph. Defendants shall have no right to contest the manner of distribution chosen by the Commission.
- D. 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.
- E. 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 Order, including but not limited to a non-dischargeability 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 the purposes of, Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A).

- F. Proceedings instituted under this Section 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.
- G. In accordance with 31 U.S.C. § 7701, Defendants are hereby required to furnish to the Commission their respective taxpayer identifying numbers (Social Security numbers or employer identification numbers), and these numbers may be used for purposes of collecting and reporting on any delinquent amount arising out of such Defendant's relationship with the government. Defendants Gilani, Panjwani, and Farishta also agree to provide the Commission with clear, legible, and full-size photocopies of all valid driver's licenses which they possess, which will be used solely for collection, reporting, and compliance purposes.

COMPLIANCE MONITORING

IV.

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

- A. Within ten (10) days of receipt of written notice from a representative of the Commission, Defendants each shall submit additional written reports, which are true and accurate and sworn to under penalty of perjury; produce documents for

inspection and copying; appear for deposition; and provide entry during normal business hours to any business location in each such Defendant's possession or direct or indirect control to inspect the business operation;

B. In addition, the Commission is authorized to use all other lawful means, including but not limited to:

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, 45, and 69;
2. posing as consumers and suppliers to Defendants, their employees, or any other entity managed or controlled in whole or in part by any Defendant, without the necessity of identification or prior notice; and

C. Defendants each shall permit representatives of the Commission to interview 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 DEFENDANTS

V.

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry of this Order, Defendants, in connection with the marketing, advertising, promotion, distribution,

offer for sale, or sale of Prepaid Calling Cards, are hereby restrained and enjoined from failing to:

- A. Obtain contact information from all distributors, sub-distributors, or retailers who purchase Prepaid Calling Cards directly from Defendants. In the case of a natural person, Defendants shall obtain the first and last name, physical address, and telephone number of any such distributor, sub-distributor, or retailer. In the case of a business entity, Defendants shall obtain the first and last name, physical address, and telephone number of the natural person who owns, manages, or controls the distributor, sub-distributor, or retailer;
- B. Direct all distributors or sub-distributors who purchase Prepaid Calling Cards directly from Defendants to: (i) promptly provide Point-of-Sale Materials that comply with the terms and conditions of this Order, when such materials are provided by Defendants, to their sub-distributors or retail accounts; and (ii) instruct their sub-distributors or retail accounts to remove expired Point-of-Sale Materials on a prompt and timely basis, or, in the case of sub-distributors, to direct the sub-distributors to instruct their retail accounts to remove expired Point-of-Sale Materials on a prompt and timely basis;
- C. Direct all retailers who purchase Prepaid Calling Cards directly from Defendants to remove expired Point-of-Sale Materials on a prompt and timely basis;
- D. Establish, implement, and thereafter maintain a procedure for disseminating new Point-of-Sale Materials and Prepaid Calling Cards that comply with the provisions of this Order ("Compliant Materials") to all distributors, sub-distributors, and retailers of Defendants' Prepaid Calling Cards before the prior

Compliant Materials expire;

- E. Establish, implement, and thereafter maintain a procedure for directing that all retailers of Defendants' Prepaid Calling Cards (1) display in a visible and conspicuous manner new Compliant Materials at the time they receive them; and (2) discard expired Compliant Materials at the time they receive the new Compliant Materials;
- F. Terminate, immediately, any direct distributor or sub-distributor of Defendants' Prepaid Calling Cards that Defendants reasonably conclude has failed to (1) promptly offer Point-of-Sale Materials that comply with the terms and conditions of this Order to such distributor's sub-distributors or retail accounts, (2) direct such distributor's retail accounts to remove expired Point-of-Sale Materials, or (3) direct the sub-distributors of such distributor to direct the sub-distributor's retail accounts to remove expired Point-of-Sale Materials;
- G. Terminate, immediately, any retailer that purchases Prepaid Calling Cards directly from Defendants where Defendants reasonably conclude that such retailer has failed to promptly discard expired Point-of-Sale Materials.
- H. Establish, implement, and thereafter maintain a procedure for routinely monitoring the Talk Minutes and/or per minute rates, fees, and/or charges provided by and/or assessed by the applicable telecommunications carriers ("Carriers") to ensure that such Talk Minutes and/or per minute rates, and fees and/or charges are accurately disclosed to consumers on Prepaid Calling Cards or promotional material for such cards throughout the time period they are in effect, including, but not limited to:

1. obtaining in writing from the applicable Carrier the number of Talk Minutes and/or per minute rates and fees and/or charges prior to the dissemination of any Compliant Materials and the date up to which the number of Talk Minutes, per minute rates, and fees and/or charges will be in effect;
 2. testing a random sample of Prepaid Calling Cards to confirm that: (a) the number of Talk Minutes and/or per minute rates represented to consumers are actually delivered; and (b) any fees and/or charges imposed on consumers are identical to the fees and charges represented to consumers;
 3. obtaining and analyzing a random sample of call detail records from the Carrier to confirm that: (a) the number of Talk Minutes and/or per minute rates represented to consumers are actually delivered; and (b) any fees and/or charges imposed on consumers are identical to the fees and charges represented to consumers; and
 4. obtaining in writing from the Carrier any changes to the number of Talk Minutes and/or per minute rates, fees, or charges and the time period those changes are in effect; and
 5. maintaining complete and accurate written records of all of the foregoing, including any records of discrepancies between the number of Talk Minutes and/or per minute rates, and fees or charges represented to consumers and what is actually delivered and/or assessed by the Carrier.
1. Take reasonable steps to remedy the failure of any Carrier to provide accurate, sufficient, or timely information necessary for Defendants to comply with the

monitoring provisions of this Order, including, but not limited to, terminating the relationship with any such Carrier;

- J. Establish, implement, and thereafter maintain a procedure for ensuring that Compliant Materials and website representations: (1) reflect the accurate number of Talk Minutes and/or per minute rates, and all fees and/or charges; and (2) contain clear and prominent disclosures of all Material Limitations;
- K. Notify the Carrier in writing of any complaints Defendants receive, through any source, regarding the (1) alleged failure of a Prepaid Calling Card to provide the advertised number of Talk Minutes and/or per minute rates or (2) imposition on a consumer of allegedly undisclosed or inadequately disclosed fees or charges;
- L. Require the Carrier to provide copies or other written notice of any complaints the Carrier receives, through any source, regarding the (1) alleged failure of a Prepaid Calling Card to provide the advertised number of Talk Minutes and/or per minute rates or (2) imposition on a consumer of undisclosed or inadequately disclosed fees or charges; and
- M. Require the Carrier to provide a written explanation in response to all such complaints.

COMPLIANCE REPORTING

VI.

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

- A. For a period of five (5) years from the date of entry of this Order,
 - 1. Each Individual Defendant shall notify the Commission of the following:

- a. Any changes in such Defendant's residence, mailing addresses, and telephone numbers within ten (10) days of the date of such change;
 - b. Any changes in such Defendant's employment status (including self-employment) and any change in such Defendant's ownership in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that such Defendant is affiliated with, employed by, creates or forms, or performs services for; a detailed description of the nature of the business; and a detailed description of such Defendant's duties and responsibilities in connection with the business or employment; and
 - c. Any changes in such Defendant's name or use of any aliases or fictitious names;
2. Defendants shall notify the Commission of any changes in the structure of the Corporate Defendant, or any business entity that any Defendant directly or indirectly control, or has an ownership interest in, that may affect compliance obligations arising under this Order, including but not limited to: incorporation or other organization; a dissolution, assignment, sale, merger, or other action; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; or a change in the business name or address, at least thirty (30) days prior to such change, *provided that*, with respect to any proposed

change in the business entity about which a Defendant learns less than thirty (30) days prior to the date such action is to take place, such Defendant 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, and annually thereafter for a period of five (5) years, Defendants each shall provide a written report to the FTC, which is true and accurate and 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 each Individual Defendant:

- a. such Defendant's then-current residence address, mailing addresses, and telephone numbers;
- b. such Defendant's then-current employment status (including self-employment), including the name, addresses, and telephone numbers of each business that such Defendant is affiliated with, employed by, or performs services for; a detailed description of the nature of the business; and a detailed description of such Defendant's duties and responsibilities in connection with the business or employment; and
- c. Any other changes required to be reported under Subsection A of this Section.

2. For all Defendants:

- a. A copy of each acknowledgment of receipt of this Order obtained pursuant to the Section titled "Distribution of Order;" and
- b. Any other changes required to be reported under Subsection A of this Section.

C. Each Defendant shall notify the Commission of the filing of a bankruptcy petition by such Defendant within fifteen (15) days of filing.

D. For the purposes of this Order, Defendants shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier all reports and notifications required by this Order to the Commission, to the following address:

Associate Director for Enforcement
Federal Trade Commission
600 Pennsylvania Ave. NW, Room NJ-2122
Washington, DC 20580
Re: FTC v. Diamond Phone Card, Inc., et al. Civil Action No. 09-3257
(E.D.N.Y.)

Provided that, in lieu of overnight courier, Defendants may send such reports or notifications by first-class mail, but only if Defendants contemporaneously send an electronic version of such report or notification to the Commission at: DEBref@ftc.gov.

E. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate directly with each Defendant.

RECORD KEEPING PROVISIONS

VII.

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, Defendants, in connection with the marketing, advertising, promotion, distribution, offer for sale, or sale of Prepaid Calling Cards, and their agents, employees, officers, and corporations, 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 sales scripts, training materials, and advertisements or other promotional materials, including but not limited to, Point-of-Sale Materials, newspaper advertisements, radio or television advertisements, websites, e-mail

messages, instant messages, Internet "pop up" advertisements, and Internet banner advertisements. The foregoing documents must be maintained in the size and color in which they were created, disseminated, or used;

- F. Exemplars of all types, brands, and versions of Prepaid Calling Cards sold (both the front and back of the card, as well as any "hang tag" or "tear-off" portion of such cards), in the size and color and in which each card was sold;
- G. Copies of all rate decks, call logs and other documents that reflect the advertised Talk Minutes and/or per minute rates, any advertised fees and charges, and the number of Talk Minutes and/or per minute rates and fees and charges actually delivered or imposed on consumers, for each Prepaid Calling Card sold. Defendants shall take reasonable steps to obtain such information from their carriers;
- H. Documents sufficient to disclose the date on which the documents required to be maintained under sub-paragraphs E, F, and G of this Section were issued or created; and
- I. 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 the Sections titled "Distribution of Order" and "Acknowledgment of Receipt of Order" and all reports submitted to the FTC pursuant to the Section titled "Compliance Reporting."

DISTRIBUTION OF ORDER BY THE DEFENDANTS

VIII.

IT IS FURTHER ORDERED that, for a period of five (5) years from the date of entry

of this Order, Defendants shall deliver copies of the Order as directed below:

- A. Corporate Defendant: The Corporate Defendant must deliver a copy of this Order to (1) all of its principals, officers, directors, and managers; (2) all of its employees, agents, affiliates, sub-affiliates, and representatives who engage in conduct related to the subject matter of this Order; (3) all of its telecommunications carriers; (4) all of its distributors, sub-distributors, or retailers who purchase Prepaid Calling Cards directly from the defendants; and (5) any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting." For current personnel, delivery shall be within five (5) days of service of this Order upon Diamond. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.
- B. Individual Defendant as Control Person: For any business that an Individual Defendant controls, directly or indirectly, or in which such Defendant has a majority ownership interest, such Defendant must deliver a copy of this Order to (1) all of its principals, officers, directors, and managers; (2) all of its employees, agents, affiliates, sub-affiliates, and representatives who engage in conduct related to the subject matter of this Order; (3) all of its telecommunications carriers; (4) all of its distributors, sub-distributors, or retailers who purchase Prepaid Calling Cards directly from the defendants; and (5) any business entity resulting from any change in structure set forth in Subsection A.2 of the Section

titled "Compliance Reporting." For current personnel, delivery shall be made within five (5) days of service of this Order upon such Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in structure set forth in Subsection A.2 of the Section titled "Compliance Reporting," delivery shall be at least ten (10) days prior to the change in structure.

- C. Individual Defendant as employee or non-control Person: For any business where an Individual Defendant is not a controlling person of the business but otherwise engages in conduct related to the subject matter of this Order, such Defendant must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.
- D. Defendants must secure a signed and dated statement acknowledging receipt of the Order, within thirty days of delivery, from all persons receiving a copy of the Order pursuant to this Section.

ACKNOWLEDGMENT OF RECEIPT OF ORDER

IX.

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

X.

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

Stipulated and agreed to by:

FOR THE DEFENDANTS:

Nasreen

Nasreen Gilani, individually,
and as an officer of Diamond
Phone Card, Inc.

4/27/10

Samsuddin

Samsuddin Panjwani, individually,
and as a manager of Diamond
Phone Card, Inc.

4/27/10

Fatez

Fatez Farishta, individually,
and as a manager of Diamond
Phone Card, Inc.

4/27/10

Eric Schneider

Eric Schneider
Attorney for the Defendants

4/27/10

FOR THE PLAINTIFF:

Tracey Thomas

Janis Claire Kestenbaum
Tracey Thomas
Attorneys for Plaintiff Federal Trade Commission

Dated: 5/11/10

SO ORDERED, this 12 day of MAY, 2010, at Brooklyn, New York.

s/Nicholas G. Garaufis

Nicholas G. Garaufis
The Honorable Nicholas G. Garaufis
United States District Judge
Eastern District of New York