

Plaintiff, the Federal Trade Commission (“FTC”), has filed its Complaint for a permanent injunction and other relief in this matter, pursuant to Sections 5(a) and 13(b) of the FTC Act, 15 U.S.C. §§ 45(a) and 53(b), and applied for an *ex parte* temporary restraining order with asset freeze and other equitable relief, and an order to show cause why a preliminary injunction should not issue pursuant to Fed. R. Civ. P. 65.

FINDINGS OF FACT

The Court, having considered the Complaint, the *ex parte* application for a temporary restraining order, declarations, exhibits, and the memorandum of law filed in support thereof, and being otherwise advised, finds that:

1. This Court has jurisdiction of the subject matter of this case, and there is good cause to believe it will have jurisdiction over all parties hereto.
2. Venue properly lies in this Court under 15 U.S.C. § 53(b) and 28 U.S.C. § 1391(b) and (c).
3. There is good cause to believe that the Defendants Louis Salatto and Global U.S. Resources, also doing business as American Publishing, American Publications, American Power Publications, ESM Group, and East Shore Marketing Group (collectively “Defendants”) have engaged in and are likely to continue to engage in acts and practices that violate Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and that the FTC is likely to prevail on the merits of this action.
4. There is a reasonable likelihood that the Defendants will violate Section 5 of the FTC Act, 15 U.S.C. § 45, in the future unless the Defendants are restrained and enjoined by order of this Court.

5. There is good cause to believe that immediate and irreparable damage to the Court's ability to grant effective final relief for consumers in the form of permanent injunctive relief, rescission of contracts, monetary restitution, or disgorgement will occur from the destruction, transfer, or other disposition or concealment by the Defendants of assets or records, if the Defendants are provided with advance notice of this Order, and that therefore, in accordance with Fed. R. Civ. P. 65(b), the interests of justice require this order be granted without prior notice to Defendants. There is good cause for relieving the FTC of the duty to provide Defendants with prior notice of the FTC's application.
6. No security is required of any agency of the United States for issuance of a temporary restraining order. Fed. R. Civ. P. 65(c).
7. Weighing the equities and considering the FTC's likelihood of ultimate success on the merits, a temporary restraining order with an asset freeze and other equitable relief is in the public interest.

Accordingly, the FTC's "Motion for an *ex parte* Temporary Restraining Order with Asset Freeze and other Equitable Relief and Order to Show Cause Why a Preliminary Injunction Should Not Issue" is **GRANTED** as follows:

DEFINITIONS

For purposes of this Temporary Restraining Order ("Order"), the following definitions shall apply:

1. "**Asset**" means any legal or equitable interest in, right to, or claim to, any real and personal property including, but not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, premises, mail or other deliveries,

inventory, checks, notes, accounts, credits, contracts, receivables, shares of stock, lists of consumer names, funds, and all cash, wherever located.

2. **“Individual Defendant”** means Louis R. Salatto.
3. **“Business Defendant”** means Global U.S. Resources, also doing business as American Publishing, American Publications, American Power Publications, ESM Group, and East Shore Marketing Group, and its successors and assigns.
4. **“Defendants”** means the Individual Defendants and the Business Defendant, individually, collectively, or in any combination.
5. **“Work-at-home Opportunity”** means any program, plan, product, or service, that claims to enable a participant or purchaser to earn money or consideration while working primarily from the participant’s or purchaser’s home.
6. **“Document”** is synonymous in meaning and equal in scope to the usage of the term in Fed. R. Civ. P. 34(a) and includes:
 - A. The original or a true copy of any written, typed, printed, electronically stored, transcribed, taped, recorded, filmed, punched, or graphic matter or other data compilations of any kind, including, but not limited to, letters, email or other correspondence, messages, memoranda, interoffice communications, notes, reports, summaries, manuals, magnetic tapes or discs, tabulations, books, records, checks, invoices, work papers, journals, ledgers, statements, returns, reports, schedules, or files; and
 - B. Any electronically stored information on any desktop personal computer and workstations, laptops, notebooks, and other portable computers, whether assigned

to individuals or in pools of computers available for shared use; and home computers used for work-related purposes; servers; backup disks and tapes, archive disks and tapes, and other forms of offline storage, whether stored onsite with the computer used to generate them, stored offsite in another company facility, or stored offsite by a third-party; and computers and related offline storage used by Defendants' participating associates, which may include persons who are not employees of the company or who do not work on company premises.

7. **"Financial institution"** means any bank, savings and loan institution, credit union, financial depository, brokerage house, broker-dealer, commodity trading company, precious metal dealer, escrow agent, money market or mutual fund, storage company, trustee or any other person, partnership, corporation, or other legal entity maintaining or having control of any records, accounts or other assets, owned directly or indirectly, of record or beneficially, by any Defendant, including accounts or assets which any Defendant may control by virtue of being a signatory on said accounts.
8. **"Person"** or **"persons"** means a natural person, an organization or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.
9. **"Plaintiff"** or **"FTC"** means the Federal Trade Commission.
10. The term **"and"** and **"or"** shall be construed conjunctively or disjunctively as necessary, and to make the applicable phrase or sentence inclusive rather than exclusive.

I.

PROHIBITED BUSINESS PRACTICES

IT IS THEREFORE ORDERED that Defendants and their officers, agents, employees, and corporations, whether acting directly or through any trust, limited liability company, corporation, subsidiary, division or other device, are hereby temporarily restrained and enjoined from:

- A. Advertising, marketing, promoting, offering for sale, or selling any Work-at-home Opportunity;
- B. Assisting others engaged in advertising, marketing, promoting, offering for sale, or selling any Work-at-home Opportunity; and
- C. Making or assisting in the making of, expressly or by implication, orally or in writing, any false or misleading statement or representation of material fact, in connection with the sale of any good or service.

II.

ASSET FREEZE

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, and corporations, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, limited liability company, corporation, subsidiary, division or other device, including, but not limited to, fictitious business names, are hereby temporarily restrained and enjoined from:

- A. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, spending, withdrawing, gifting, conveying,

granting a lien or security interest or other interest in, or otherwise disposing of any funds, real or personal property, accounts, contracts, consumer lists, shares of stock, or other assets, wherever located, whether within the United States or within a jurisdiction outside the United States, that are:

1. Owned or controlled by any Defendant, in whole or in part, including, but not limited to, any assets held by, for, or in the name of any Defendant at any bank or savings and loan institution or credit card processing agent, or with any broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, merchant account processor, check processor, or other financial institution, depository of any kind, or business entity;
2. Held for the benefit of any Defendant;
3. In the actual or constructive possession of any Defendant; or
4. Owned, controlled by, or in the actual or constructive possession of, any corporation, partnership, limited liability company, or other entity directly or indirectly owned, managed, or controlled by any Defendant, including but not limited to, any assets held by or for, or subject to access by, any Defendant, at any bank or savings and loan institution, or with any broker-dealer, escrow agent, title company, commodity trading company, precious metals dealer, or other financial institution or depository of any kind;

B. Opening or causing to be opened any safe deposit boxes, titled, individually or jointly, in the name of any Defendant, or subject to access by any Defendant;

C. Cashing any checks or depositing any payments received from customers of the Defendants;

D. Incurring charges or cash advances on any credit or debit card issued in the name, individually or jointly, of any Defendant, or any corporation, partnership, limited liability company, or other entity directly or indirectly owned or controlled by any Defendant;

E. Obtaining a personal or secured loan encumbering the assets of any Defendant;

F. Incurring liens or other encumbrances on real property, personal property or other assets of any Defendant in the name of any Defendant, individually or jointly; and

G. Collecting, opening, or causing to be collected or opened any mail received by or on behalf of the Business Defendant at any address, including, but not limited to, the following P.O. Boxes in New Haven, Connecticut: P.O. Box 9476 and P.O. Box 9483.

The assets affected by this Section shall include both existing assets and assets acquired after the date this Order was entered.

III.

FINANCIAL REPORTS

IT IS FURTHER ORDERED that the Individual Defendant, within three (3) business days of service of this Order, shall prepare and deliver to Counsel for the FTC:

A. Completed financial statements on the forms attached to this Order as **Attachment A** (“Financial Statement of Individual Defendant”) for himself individually, and **Attachment B** (“Financial Statement of Corporate Defendant”) for each business entity (whether or not incorporated) under which the Individual Defendant conducts business or of which the

Individual Defendant is an owner or officer. The financial statements shall be accurate as of the date of entry of this Order; and

B. All federal tax returns filed by the Individual Defendant and Corporate Defendant since January 1, 2008.

IV.

DUTIES OF ASSET HOLDERS

IT IS FURTHER ORDERED that, pending determination of the FTC's request for a preliminary injunction, any financial or brokerage institution, merchant bank, credit card processing company, payment processor, business entity, or any person served with a copy of this Order that (a) holds, controls, or maintains custody of any account or asset of any Defendant, (b) holds, controls, or maintains custody of any account or asset titled in the name of any Defendant, either individually or jointly, or held for the benefit of any Defendant, or (c) has held, controlled, or maintained custody of any such account or asset at any time since January 1, 2007, shall:

A. Prohibit the Defendants from transferring, selling, concealing, pledging, hypothecating, assigning, spending, withdrawing, disbursing, conveying, gifting, dissipating, liquidating, converting, encumbering, loaning, granting a lien or security interest or other interest in, or otherwise disposing of any such account or asset except as directed by further order of the Court;

B. Deny the Defendants access to any safety deposit box that is titled in the name of any of the Defendants, either individually or jointly; or otherwise subject to access by any of the Defendants, either individually or jointly;

C. Provide counsel for the FTC, within three (3) business days of notice of this Order, a sworn statement setting forth:

1. The identification number and description of each such account or asset titled in the name, individually or jointly, of the Defendants, or held on behalf of, or for the benefit of, any Defendant;
2. The balance of each such account, or a description of the nature and value of such asset, as of the close of business on the day prior to and on the day on which notification of this Order is actually and or constructively received, and, if the account or other asset has been closed or removed, the date closed or removed, the balance or value removed, and the name of the person or entity to whom such account or other asset was transferred; and
3. The identification of any safe deposit box titled in the name of, or subject to access by any Defendant, either individually or jointly; and

D. Upon the request of the FTC, provide counsel for the FTC within three (3) business days with copies of all records or other documentation pertaining to any account or asset of any Defendant, including, but not limited to, originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs.

V.

REPATRIATION OF ASSETS AND DOCUMENTS

IT IS FURTHER ORDERED that the Defendants shall:

A. Within three (3) business days following the service of this Order, take such steps as are necessary to transfer to the territory of the United States all documents and assets that are located outside of such territory and are held by or for the benefit of the Defendants or are under their direct or indirect control, jointly, severally, or individually;

B. Within three (3) business days following the service of this Order, provide counsel for the FTC with a full accounting of all documents and assets that are located outside of such territory and are held by or for the benefit of the Defendants or are under their direct or indirect control, whether jointly, severally, or individually;

C. Within three (3) business days following the service of this Order, provide counsel for the FTC access to all records of accounts or assets of any Defendant held by financial institutions located outside the territorial United States by signing and delivering to counsel the Consent to Release of Financial Records attached to this Order as **Attachment C**; and

D. Hold and retain all documents and assets transferred pursuant to Subsection A above, and prevent any transfer, disposition, or dissipation whatsoever of any such assets or funds.

VI.

INTERFERENCE WITH REPATRIATION

IT IS FURTHER ORDERED that the Defendants are hereby temporarily restrained and enjoined from taking any action, directly or indirectly, which may result in the encumbrance or dissipation of the Defendants' foreign assets or in the hindrance of the repatriation required by Section V of this Order, including, but not limited to:

A. Sending any statement, letter, facsimile, e-mail or wire transmission, telephoning or engaging in any other act, directly or indirectly, that results in a determination by a foreign trustee or other entity that a “duress” event has occurred under the terms of a foreign trust agreement, until such time that all assets have been fully repatriated pursuant to Section V of this Order; and

B. Notifying any trustee, protector or other agent of any foreign trust or other related entities of either the existence of this Order, or of the fact that repatriation is required pursuant to a Court Order, until such time that all assets have been fully repatriated pursuant to Section V of this Order.

VII.

PRESERVATION OF RECORDS

IT IS FURTHER ORDERED that the Defendants and their officers, agents, employees, and corporations, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, limited liability company, corporation, subsidiary, division or other device, including, but not limited to, fictitious business names, are hereby temporarily restrained and enjoined from:

- A. Destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any documents or records that relate to the business practices, or business or personal finances, of Defendants, or any other entity directly or indirectly under the control of Defendants; and
- B. Failing to create and maintain books, records, and accounts which, in reasonable detail, accurately, fairly, and completely reflect the incomes, assets,

disbursements, transactions and use of monies by any Defendant or any other entity directly or indirectly under the control of Defendants.

VIII.

CONSUMER CREDIT REPORTS

IT IS FURTHER ORDERED that the FTC may obtain credit reports concerning the Individual Defendant pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681 b(a)(1), and that upon written request by counsel for the FTC, any credit reporting agency from which such report is requested shall provide it to counsel for the FTC.

IX.

MONITORING

IT IS FURTHER ORDERED that agents or representatives of the FTC may contact Defendants or Defendants' agents or representatives acting in concert with the Defendants directly and anonymously for the purpose of monitoring compliance with Section I of this Order, and may tape record any oral communications that occur in the course of such contacts.

X.

PROHIBITION ON RELEASE OF CUSTOMER INFORMATION OR CUSTOMER LISTS

IT IS FURTHER ORDERED that Defendants and their officers, agents, employees, and corporations, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any trust, limited liability company, corporation, subsidiary, division or other device, including, but not

limited to, fictitious business names are hereby temporarily restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, credit card number, bank account number, e-mail address, Social Security number or other identifying information of any person who paid money to any of the Defendants for a Work-at-home Opportunity or who were contacted or are on a list to be contacted by any of the Defendants.

Provided, however, that Defendants may disclose such identifying information to a law enforcement agency or as required by any law, regulation, or court order.

XI.

NOTIFICATION OF BUSINESS ACTIVITIES

IT IS FURTHER ORDERED that the Individual Defendant is hereby temporarily restrained and enjoined from directly or indirectly creating, operating, or exercising any control over any business entity, including any partnership, limited partnership, joint venture, sole proprietorship or corporation, without first serving on counsel for the FTC a written statement disclosing the following:

1. The name of the business entity;
2. The address and telephone number of the business entity;
3. The names of the business entity's officers, directors, principals, managers and employees; and
4. A detailed description of the business entity's intended or actual activities.

XII.

EXPEDITED DISCOVERY

IT IS FURTHER ORDERED that, notwithstanding the provisions of Federal Rules of Civil Procedure 26(d) and (f) and 30(a)(2)(C), and pursuant to Federal Rules of Civil Procedure 30(a), 34, and 45, the FTC is granted leave, at any time after service of this Order, to conduct limited discovery for the purpose of discovering the (1) nature, location, status, and extent of Defendants' assets; (2) nature and location of documents reflecting the business transactions of Defendants; and (3) Defendants' compliance with this Order. Counsel for the FTC may proceed as follows:

A. Take the deposition of any person or entity, on at least three (3) calendar days notice. Depositions may be taken Monday through Saturday and may be taken by telephone or other electronic means;

B. Serve upon any Defendant requests for production of documents or inspection that require production or inspection within five (5) business days of service; and may serve subpoenas upon non-parties that direct production or inspection within five (5) business days of service; and

C. Any discovery taken pursuant to this Order is in addition to, and is not subject to, the presumptive limits on discovery set forth in the Federal Rules of Civil Procedure and Local Rules of this Court. If a Defendant fails to appear for a properly noticed deposition or fails to comply with a request for production or inspection, the Defendants may be prohibited from introducing evidence at the hearing on the FTC's request for a preliminary injunction.

Deposition transcripts that have not been signed may be used for the purpose of the hearing on the Order to Show Cause Why a Preliminary Injunction Should Not Issue.

XIII.

DISTRIBUTION OF ORDER BY DEFENDANTS

IT IS FURTHER ORDERED that Defendants shall immediately provide a copy of this Order to each of their employees, directors, officers, subsidiaries, affiliates, divisions, sales entities, successors, assigns, independent contractors, attorneys, representatives, all persons in active concert or participation with Defendants, and any person who has solicited customers for Defendants' Work-at-home Opportunity or provided any service in connection with Defendants' marketing and sale of any good or service. Within five (5) business days from the date of entry of this Order, Defendants shall provide the counsel for the FTC with a sworn statement identifying the names, addresses, and telephone numbers of each person or entity that Defendants have served with a copy of the Order.

XIV.

USE OF ALIASES

IT IS FURTHER ORDERED that the Defendants are hereby enjoined from using any fictitious, false, or assumed title or name, other than their own proper name, or otherwise misrepresenting their true identities in the course of business dealings or in publicly filed documents.

XV.

**SERVICE ON DEFENDANTS AND FINANCIAL INSTITUTIONS
OR OTHER THIRD-PARTY ENTITIES OR PERSONS**

IT IS FURTHER ORDERED that copies of this Order may be served by any means, including receipted facsimile transmission, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets of any Defendant, or that may otherwise be subject to any provision of this Order. Service upon any branch or office of any financial institution or entity shall effect service upon the entire financial institution or entity.

Pursuant to Federal Rule of Civil Procedure 4(c), copies of this Order and the initial pleadings and papers filed in this matter, including the Complaint and Summonses, may be served upon Defendants by (I) employees and agents of the FTC, (ii) employees and agents of any state or other federal law enforcement agency, and (iii) employees or agents of any process server retained by the FTC.

XVI.

DETENTION OF U.S. MAIL ADDRESSED TO BUSINESS DEFENDANT

IT IS FURTHER ORDERED that all mail received for delivery to the name of the Business Defendant at the Post Office Boxes 9476 or 9483 in New Haven, Connecticut shall be detained by the United States Postal Service pending determination of the FTC's request for a preliminary injunction.

XVII.

CORRESPONDENCE WITH PLAINTIFF

IT IS FURTHER ORDERED that, for the purposes of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

Darren Lubetzky
Federal Trade Commission
Northeast Region
One Bowling Green, Suite 318
New York, NY 10004
Email: dlubetzky@ftc.gov
Phone: (212) 607-2829
Facsimile: (212) 607-2832.

XVIII.

PRELIMINARY INJUNCTION

IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 65(b), that Defendants shall appear before this Court on the 24th day of September, 2010, at ten o'clock a.m., at the United States courthouse located at 450 Main Street Hartford Annex, Court- room 2, to show cause, if there is any, why this Court should not enter a preliminary injunction, pending final ruling on the Complaint against the Defendants, enjoining the Defendants from further violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), continuing the freeze of their assets, and imposing such additional relief as may be appropriate.

XIX.

**MOTION FOR LIVE TESTIMONY AND PLEADINGS
FOR THE PRELIMINARY INJUNCTION HEARING**

IT IS FURTHER ORDERED, that the issuance of a preliminary injunction pursuant to Fed. R. Civ. P. 65 enjoining the Defendants during the pendency of this action shall be determined on the pleadings, declarations, memoranda, and other exhibits filed by the parties and on oral argument.

A. Any party who desires to present live testimony at the hearing shall file a motion requesting leave to present live testimony, and serve such motion on all opposing parties, not later than three (3) business days prior to the preliminary injunction hearing. Such motion shall set forth (1) the name, address, and telephone number of each proposed witness, (2) a detailed summary or affidavit revealing the substance of each proposed witness' expected testimony, and (3) an explanation of why taking the live testimony would be helpful to the Court. Any papers opposing a timely motion to present live testimony or to present live testimony in response to another party's timely motion to present live testimony shall be filed with this Court and served on the other parties at least two (2) business days prior to the preliminary injunction hearing.

B. The Defendants shall file with the Court and serve counsel for the FTC any answering pleadings, memoranda, declarations or other evidence no later than four (4) business days prior to the preliminary injunction hearing. The FTC may file responsive or supplemental pleadings, memoranda, declarations or other evidence with the Court and serve the same on Defendants no later than (1) business day prior to the preliminary injunction hearing.

Provided, however, that service for all documents in Subsections A and B above shall be performed by personal or overnight delivery, facsimile or electronic mail, and documents shall be delivered so that they shall be received by the other parties no later than 5:00 p.m. on the appropriate days provided in this Section.

XX.

DURATION OF TEMPORARY RESTRAINING ORDER

IT IS FURTHER ORDERED that this Temporary Restraining Order shall expire on September 27, 2010, at six o'clock p.m., unless within such time, the Order, for good cause shown, is extended for an additional period not to exceed fourteen (14) days, or unless it is further extended pursuant to Fed. R. Civ. P. 65 or by stipulation of counsel.

XXI.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes.

SO ORDERED, this 13th day of September, 2010, at six o'clock p.m.



(Bryant, J.)

UNITED STATES DISTRICT COURT JUDGE