

NO JS-6

Priority
 Send
 Enter
 Closed
 JS-5/JS-6
 JS-2/JS-3
 Scan Only

ENTERED
 FEB 28 2001
 CLERK, U.S. DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA
 SANTA ANA OFFICE
 BY *[Signature]* DEPUTY

FILED
 CLERK, U.S. DISTRICT COURT
 FEB 15 2001
 CENTRAL DISTRICT OF CALIFORNIA
 BY *[Signature]* DEPUTY

UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA
 SOUTHERN DIVISION

FEDERAL TRADE COMMISSION,)
)
)
 Plaintiff,)
)
 v.)
)
 AMP PUBLICATIONS, INC.;)
 COMPUTER & WEB PUBLICATIONS,)
 INC.; RANJIT NARAYAN dba)
 NATIONWIDE PUBLICATIONS,)
 INC.; ANA KEILTY dba KEILTY)
 ENTERPRISES,)
)
 Defendants.)

SA CV 00-112 AHS (ANx)

CORRECTED ORDER FOR PERMANENT
 INJUNCTION AND FINAL JUDGMENT
 AGAINST AMP PUBLICATIONS, INC.
 AND RANJIT NARAYAN

Docketed
 Copies / NTC Sent
 JS - 5 / JS - 6
 JS - 2 / JS - 3
 CLSD

Plaintiff, the Federal Trade Commission ("FTC" or
 "Commission"), commenced this action by filing its Complaint for
 injunctive and other equitable relief pursuant to Section 13(b)
 of the Federal Trade Commission Act ("FTC Act")

ENTER ON ICMS
 FEB 28 2001

1 53(b), charging that Defendants engaged in deceptive acts or
2 practices in violation of Section 5 of the FTC Act ("FTC Act"),
3 15 U.S.C. § 45, in connection with the sale and the offering for
4 sale of Work-At-Home Opportunities.

5 The Commission now seeks default judgment against defendants
6 AMP Publications, Inc., a California corporation, and Ranjit
7 Narayan, individually, as an officer of the corporations, and
8 doing business as Nationwide Publications, Inc. ("Default
9 Defendants") pursuant to Federal Rule of Civil Procedure 55(b).
10 The Commission's application for default judgment is hereby
11 granted, and it is therefore ORDERED, ADJUDGED AND DECREED as
12 follows:

13 FINDINGS

14 1. This Court has jurisdiction over the subject matter and
15 all parties hereto.

16 2. Venue is proper as to all parties in the Central
17 District of California.

18 3. The activities of Defendants are in or affecting
19 commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

20 4. The Commission's Complaint states a claim upon which
21 relief may be granted against Defendants under Sections 5(a) and
22 13(b) of the FTC Act, 15 U.S.C. §§ 45(a) and 53(b).

23 5. Default Defendants, directly or through their
24 telemarketers, have made false or misleading statements to induce
25 the purchase of a Work-At-Home program that include but are not
26 limited to the following:

27 a. the potential earnings a purchaser can receive if
28 they purchase such product or service;

1 Defendant, or held for the benefit of any Defendant, including,
2 but not limited to, "goods," "instruments," "equipment,"
3 "fixtures," "general intangibles," "inventory," "checks," or
4 "notes," (as these terms are defined in the Uniform Commercial
5 Code), lines of credit and all cash, chattels, leaseholds,
6 contracts, mail or other deliveries, share of stock, lists of
7 consumer names, accounts, credits, premises, or receivables,
8 wherever located.

9 4. "Telemarketing" means the advertising, offering for sale,
10 or sale of any good or service to any person by means of
11 telephone sales presentations, either exclusively or in
12 conjunction with the use of other advertising.

13 5. "Work-At-Home Opportunity" means any program, plan,
14 product, or service that enables a participant or purchaser to
15 earn money while working from home.

16 I. PROHIBITED BUSINESS ACTIVITIES

17 IT IS THEREFORE ORDERED that, in connection with the
18 advertising, Telemarketing, offering for sale, licensing,
19 contracting, sale or other promotion, in or affecting commerce,
20 of any Work-At-Home Opportunity, employment opportunity, income-
21 generating product or service, or any other products or services,
22 Default Defendants, their successors, assigns, officers, agents,
23 servants, employees, and those persons in active concert or
24 participation with them who receive actual notice of this Order
25 by personal service or otherwise, are hereby permanently
26 restrained and enjoined from making, or materially assisting in
27 the making of, any statement or representation of material fact
28 that is false or misleading, whether directly or by implication,

1 orally or in writing, including, but not limited to, any or all
2 of the following:

3 A. Any false or misleading representation that:

4 1. individuals who purchase the product or service
5 will earn \$20,000-\$75,000 per year, \$30,000 per year working
6 part-time, \$1,000 per week, or will be able to charge \$20-\$50 per
7 hour;

8 2. Defendants will arrange for purchasers to receive
9 work from companies with whom Defendants have established
10 relationships; or

11 3. Defendants will provide refunds to purchasers who
12 are unsatisfied with the product or service within ninety (90)
13 days, upon request, without other restrictions or conditions.

14 B. Any false or misleading representation about:

15 1. the potential earnings a purchaser can receive if
16 they purchase such product or service;

17 2. the likelihood that a purchaser will obtain
18 employment based on purchasing such product or service; or

19 3. the terms of any guarantee or promise to refund
20 amounts paid by purchasers to Defendants.

21 II. PERMANENT BAN

22 IT IS FURTHER ORDERED that from the date of entry of this
23 Order, Default Defendants, whether directly or indirectly, or
24 through any corporation, business entity or person under their
25 control, are hereby permanently restrained and enjoined from
26 engaging or participating in the advertising, marketing,
27 promotion, offering for sale, or sale of any Work-At-Home
28 Opportunity.

1 III. MONETARY JUDGMENT AND REDRESS

2 IT IS FURTHER ORDERED that:

3 A. Default Defendants, jointly and severally, shall pay
4 consumer redress in the amount of, \$4,981,944.74, pursuant to
5 Section 13(b) of the FTC Act, 15 U.S.C. § 53(b). This redress
6 amount shall become immediately due and payable by Defendants
7 upon entry of this Order, and interest computed at the rate
8 prescribed under 28 U.S.C. § 1961, as amended, shall immediately
9 begin to accrue on the unpaid balance.

10 B. These payments shall be made in U.S. funds by certified
11 or cashier's check, made payable to the Federal Trade Commission,
12 and delivered to the Regional Director, Federal Trade Commission,
13 55 E. Monroe, Suite 1860, Chicago, Illinois 60603. These funds
14 will be used to provide redress to consumers injured by
15 Defendants' violation of the FTC Act. If Plaintiff determines,
16 in its sole discretion, that redress is wholly or partially
17 impracticable, any funds not so used shall be paid into the U.S.
18 Treasury as disgorgement. Default Defendants may be notified as
19 to how funds are disbursed, but shall have no right to contest
20 the manner of distribution chosen by Plaintiff.

21 In accordance with 31 U.S.C. § 7701, Default Defendants are
22 hereby required, unless they have done so already, to furnish to
23 the FTC their respective taxpayer identifying numbers (social
24 security numbers or employer identification numbers), which shall
25 be used for purposes of collecting and reporting on any
26 delinquent amount arising out of such persons' relationship with
27 the government.
28

1 IV. CUSTOMER LISTS

2 IT IS FURTHER ORDERED that Default Defendants, their
3 successors, assigns, officers, agents, servants, employees, and
4 those persons in active concert or participation with them who
5 receive actual notice of this Order by personal service or
6 otherwise are hereby permanently restrained and enjoined from
7 selling, renting, leasing, transferring, or otherwise disclosing
8 the name, address, telephone number, credit card number, bank
9 account number, e-mail address, or other identifying information
10 of any person who paid any money to any Defendant, at any time
11 prior to entry of this Order, in connection with the advertising,
12 promotion, Telemarketing, offering for sale, or sale of any Work-
13 At-Home Opportunity, employment opportunity, or income-generating
14 product or service; Provided, however, that Default Defendants
15 may disclose such identifying information to a law enforcement
16 agency, or as required by any law, regulation, or court order.

17 V. RECEIVERSHIP

18 IT IS FURTHER ORDERED that the appointment of Robb Evans and
19 Associates as receiver ("Receiver") for the business activities
20 of AMP Publications and Nationwide Publications, Inc. pursuant to
21 this Court's Preliminary Injunction Order entered on February 15,
22 2000, is hereby continued, and shall remain in full force and
23 effect during the collection of the judgment and until the filing
24 of the Receiver's final report and the Court's approval of the
25 same.

26 VI. ASSET FREEZE

27 IT IS FURTHER ORDERED that, except for funds necessary for
28 payment of the sums provided in Section III of this Order, the

1 assets of Default Defendants shall remain frozen until they have
2 made full payment of the sums provided for in Section III of this
3 Order.

4 **VII. ACKNOWLEDGMENT OF RECEIPT OF ORDER**

5 **IT IS FURTHER ORDERED** that, within five (5) business days of
6 receipt of this Order as entered by the Court, Default Defendants
7 shall submit to the Commission a truthful sworn statement, in the
8 form shown on Appendix A, that shall acknowledge receipt of this
9 Order.

10 **VIII. DISTRIBUTION OF ORDER**

11 **IT IS FURTHER ORDERED** that, for a period of ten (10) years
12 from the date of entry of this Order, Default Defendants shall:

13 A. Provide a copy of this Order to, and obtain a signed
14 and dated acknowledgment of receipt of same from, each officer
15 and director, each individual serving in a management capacity,
16 all personnel involved in responding to consumer complaints or
17 inquiries, and all sales personnel, whether designated as
18 employees, consultants, independent contractors or otherwise,
19 within five (5) business days after receipt of this Order, and
20 thereafter immediately upon employing any such person, for any
21 business that any Default Defendant directly or indirectly
22 manages, controls, or has a majority ownership interest in, that
23 is engaged in the sale or distribution of any Work-At-Home
24 Opportunity, employment opportunity, or income-generating product
25 or service, or materially assists others engaged in these
26 activities; and

27 B. Maintain for a period of three (3) years after
28 creation, and upon reasonable notice make available to

1 representatives of the Commission, the original signed and dated
2 acknowledgments of receipt of copies of this Order, as required
3 in Paragraph A of this Section.

4 IX. COMPLIANCE REPORTING

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

7 A. For a period of ten (10) years after the date of entry
8 of this Order, Default Defendants shall notify the Commission in
9 writing of the following:

10 1. Any changes in the residence, mailing addresses and
11 telephone numbers of Ranjit Narayan within ten (10) days of the
12 date of such change;

13 2. Any changes in the employment status (including
14 self-employment) of Ranjit Narayan, within ten (10) days of such
15 change. Such notice shall include the name and address of each
16 business that Ranjit Narayan is affiliated with or employed by, a
17 statement of the nature of the business, and a statement of
18 Ranjit Narayan's duties and responsibilities in connection with
19 the business or employment;

20 3. Any proposed change in the structure of any
21 Corporate Defendant, or any business entity that Ranjit Narayan
22 directly or indirectly manages, controls or has a majority
23 ownership interest in, such as creation, incorporation,
24 dissolution (including the dissolution of any subsidiaries),
25 assignment, proposed filing of a bankruptcy petition, or sale or
26 merger resulting in the emergence of a successor corporation, or
27 any other change in that entity, including a change in the
28 corporate name or address, that may affect any compliance

1 obligation arising out of this Order, at least thirty (30) days
2 prior to the effective date of any such change; provided,
3 however, that with respect to any proposed change in the
4 structure of any Corporate Defendant or any business entity that
5 Ranjit Narayan directly or indirectly manages, controls or has a
6 majority ownership interest in, about which Ranjit Narayan learns
7 less than thirty (30) days prior to the date such action is to
8 take place, Ranjit Narayan shall notify the Commission as soon as
9 is practicable after learning of such proposed change;

10 B. One hundred eighty (180) days after the date of entry of
11 this Order, Default Defendants shall provide a written report to
12 the Commission, sworn to under penalty of perjury, setting forth
13 in detail the manner and form in which Default Defendants have
14 complied and are complying with this Order. This report shall
15 include but not be limited to:

16 1. Ranjit Narayan's then current residence address,
17 mailing addresses and telephone numbers;

18 2. Ranjit Narayan's then current employment and
19 business addresses and telephone numbers, a description of the
20 business activities of each such employer or business, and Ranjit
21 Narayan's title and responsibilities for each such employer or
22 business;

23 3. A copy of each acknowledgment of receipt of this
24 Order obtained by Default Defendants pursuant to Section VIII;
25 and

26 4. A statement describing the manner in which Default
27 Defendants have complied and are complying with Sections I, II,
28 X, and XI of this Order;

1 C. Upon written request by a representative of the
2 Commission, but not to exceed one request every three (3) months,
3 Default Defendants shall submit additional written reports (under
4 oath, if requested) and produce documents on fifteen (15) days'
5 written notice with respect to any conduct that is subject to
6 this Order;

7 D. For the purposes of this Order, Default Defendants
8 shall, unless otherwise directed by a representative of the
9 Commission, identify all written notifications to the FTC as
10 provided in reference to FTC v. AMP Publications, Inc. et al.,
11 SACV-00-112-AHS-ANx and mail them to:

12 Regional Director
13 Midwest Regional Office
14 Federal Trade Commission
15 55 East Monroe Street, Suite 1860
16 Chicago, IL 60603

17 E. For the purposes of this Section, "employment" includes
18 the performance of services as an employee, consultant, or
19 independent contractor; and "employers" include any individual or
20 entity for whom Ranjit Narayan performs services as an employee,
21 consultant, or independent contractor; and

22 F. For purposes of the compliance reporting required by
23 this Section, the Commission is authorized to communicate
24 directly with Default Defendants.

25 X. MONITORING COMPLIANCE OF SALES PERSONNEL

26 IT IS FURTHER ORDERED that, in connection with any business
27 that any Default Defendant directly or indirectly manages,
28 controls or has a majority ownership interest in, that is engaged

1 in the sale or distribution of any Work-At-Home Opportunity,
2 employment opportunity, or income-generating product or service,
3 or materially assists others engaged in these activities, Default
4 Defendants, their successors, assigns, officers, agents,
5 servants, employees, and those persons in active concert or
6 participation with them who receive actual notice of this Order
7 by personal service or otherwise, are hereby permanently
8 restrained and enjoined from:

9 A. Failing to take reasonable steps sufficient to monitor
10 and ensure that all employees and independent contractors engaged
11 in sales or other customer service functions comply with Sections
12 I and II of this Order. Such steps shall include adequate
13 monitoring of sales presentations or other calls with customers,
14 and shall also include, at a minimum, the following:

15 1. Listening to the oral representations made by
16 persons engaged in sales or other customer service functions;

17 2. Establishing a procedure for receiving and
18 responding to consumer complaints; and

19 3. Ascertaining the number and nature of consumer
20 complaints regarding transactions in which each employee or
21 independent contractor is involved;

22 B. Failing promptly to investigate fully any consumer
23 complaint received by any business to which this Section applies;
24 and

25 C. Failing to discipline any sales person whom any Default
26 Defendant, their successors, assigns, officers, agents, servants,
27 employees, or those persons in active concert or participation
28 with them who receive actual notice of this Order by personal

1 service or otherwise determines is not complying with this Order;
2 and failing to terminate any sales person whom any Default
3 Defendant their successors, assigns, officers, agents, servants,
4 employees, or those persons in active concert or participation
5 with them who receive actual notice of this Order by personal
6 service or otherwise determines is not complying with this Order,
7 where such sales person was previously disciplined for failure to
8 comply with this Order;

9 Provided, however, that this Section does not authorize or
10 require a Defendant to take any action that violates any federal,
11 state, or local law.

12 XI. RECORDKEEPING PROVISIONS

13 IT IS FURTHER ORDERED that, for a period of ten (10) years
14 from the date of entry of this Order, in connection with any
15 business that any Default Defendant directly or indirectly
16 manages, controls or has a majority ownership interest in, that
17 is engaged in the sale or distribution of any Work-At-Home
18 Opportunity, employment opportunity, or income-generating product
19 or service, or materially assists others engaged in these
20 activities, Default Defendants, their successors, assigns,
21 officers, agents, servants, employees, and those persons in
22 active concert or participation with them who receive actual
23 notice of this Order by personal service or otherwise are hereby
24 restrained and enjoined from failing to create and maintain for a
25 period of three (3) years following the date of their creation,
26 unless otherwise specified:

27 A. Books, records and accounts that, in reasonable detail,
28 accurately and fairly reflect the cost of goods or services sold,

1 revenues generated, and the disbursement of such revenues;

2 B. Records containing the name, address, telephone number
3 and social security number of each person employed by any Default
4 Defendant in any capacity, including as an independent
5 contractor, that person's job title or position, the date upon
6 which the person commenced work, and the date and reason for the
7 person's termination, if applicable; provided, however, that the
8 businesses subject to this requirement shall retain such records
9 during the employment of any person, and for a period of two (2)
10 years after the date of their termination;

11 C. Records containing the name, address, telephone number,
12 quantity of goods or services purchased, and a description of the
13 goods or services purchased and the amount paid therefor, for all
14 consumers to whom the business has sold, invoiced, or shipped any
15 goods or services;

16 D. Records that reflect, for every written or oral consumer
17 complaint or refund request, whether received directly or
18 indirectly or through any third party: (1) the customer's name,
19 address, telephone number; (2) the dollar amount paid by the
20 consumer; (3) the written complaint or refund request, if any;
21 (4) the basis of the complaint or refund request, including the
22 name of any salesperson complained about; (5) the nature and
23 result of any investigation conducted concerning the complaint or
24 refund request; (6) each response and the date of the response to
25 the complaint or refund request; and (7) any final resolution of
26 the complaint or refund request, and the date of the resolution;
27 and (8) in the event of a denial of a refund request, the reason
28 for the denial; and

1 E. Copies of all sales scripts, training materials,
2 advertisements, or other marketing materials utilized, which
3 shall be retained for five (5) years after the last date of their
4 dissemination or use.

5 **XII. ACCESS TO BUSINESS PREMISES**

6 **IT IS FURTHER ORDERED** that for a period of ten (10) years
7 from the date of entry of this Order, for the purposes of
8 determining or securing compliance with its provisions, Default
9 Defendants, their successors, assigns, officers, agents,
10 servants, employees, and those persons in active concert or
11 participation with them who receive actual notice of this Order
12 by personal service or otherwise shall grant to representatives
13 of the Commission, within three (3) business days of receipt of
14 written notice from the Commission:

15 A. Access during normal business hours to any office or
16 facility storing documents of any business that any Default
17 Defendant directly or indirectly manages, controls, or has a
18 majority ownership interest in, that is engaged in the sale or
19 distribution of any Work-At-Home Opportunity, employment
20 opportunity, or income-generating product or service, or
21 materially assists others engaged in these activities. In
22 providing such access, Default Defendants shall permit
23 representatives of the Commission to inspect and copy all
24 documents relevant to any matter contained in this Order; and
25 shall permit representatives of the Commission to remove such
26 documents for a period not to exceed five (5) business days so
27 that the documents may be inspected, inventoried, and copied; and

28 B. The opportunity to interview officers directors,

1 employees, contractors, and agents, including all personnel
2 involved in responding to consumer complaints or inquiries and
3 all sales personnel, whether designated as employees,
4 consultants, independent contractors or otherwise, of any
5 business to which Paragraph A of this Section applies, regarding
6 compliance with the provisions of this Order. Any person
7 interviewed may have counsel present.

8 Provided, that nothing in this Order shall limit the right of the
9 Commission to seek any relief under Fed. R. Civ. P. 65 to which
10 it may be otherwise entitled.

11 **XIII. AUTHORITY TO MONITOR COMPLIANCE**

12 IT IS FURTHER ORDERED that the Commission is authorized to
13 monitor Default Defendants' compliance with this Order by all
14 lawful means, including but not limited to the following:

15 A. The Commission is authorized, without further leave of
16 Court, to obtain discovery from any person (including a
17 Defendant) in the manner provided by Chapter V of the Federal
18 Rules of Civil Procedure, Fed. R. Civ. P. 26-37, including the
19 use of compulsory process pursuant to Fed. R. Civ. P. 45, for the
20 purpose of monitoring and investigating Defendants' compliance
21 with any provision of this Order.

22 B. The Commission is authorized to use representatives
23 posing as consumers to Defendants, Defendants' employees, or any
24 other entity managed or controlled in whole or in part by any
25 Default Defendant, without the necessity of identification or
26 prior notice; and

27 C. Nothing in this Order shall limit the Commission's
28 lawful use of compulsory process, pursuant to Sections 9 and 20

1 of the FTC Act, 15 U.S.C. § 49 and 57b-1, to investigate whether
2 Default Defendants have violated any provision herein or Section
3 5 of the FTC Act, 15 U.S.C. § 45.

4 **XIV. RETENTION OF JURISDICTION**

5 IT IS FURTHER ORDERED that this Court retains jurisdiction
6 of this matter for the purpose of enabling the parties to apply
7 to the Court at any time for such further orders and directives
8 as may be necessary or appropriate for the interpretation or
9 modification of this Order, for the enforcement of compliance
10 therewith, or for the punishment of violations thereof.

11
12 There being no just reason for delay, the Clerk of the Court
13 is hereby directed to enter this Order.

14
15 IT IS SO ORDERED.

16
17
18 Dated: Feb 15, 2001

Alicemarie H. Stotler
19 Hon. Alicemarie H. Stotler
20 United States District Judge
21
22
23
24
25
26
27
28

APPENDIX A

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

AMP PUBLICATIONS, INC., a
California corporation,
COMPUTER & WEB PUBLICATIONS, INC.,
a California corporation,
RANJIT NARAYAN, individually, as
an officer of the corporations,
and d/b/a NATIONWIDE
PUBLICATIONS, INC., and
ANA KEILTY, individually, as
an officer of the corporations,
and d/b/a ANA KEILTY
ENTERPRISES,

Defendants.

SACV-00-112-AHS-ANx

AFFIDAVIT OF RECEIPT OF
ORDER

I, _____, being duly sworn, hereby states
and affirms as follows:

1. My name is _____. My current
residence address is _____.

I am a citizen of the United States and am over the age of
eighteen. I have personal knowledge of the facts set forth in
this Affidavit.

2. I am a defendant in the above captioned case.

3. On _____, I received a copy of the
Order for Permanent Injunction and Final Judgment Against AMP
Publications, Inc. and Ranjit Narayan, which was signed by the
Honorable Alicemarie H. Stotler and entered by the Court on
_____. A true and correct copy of the Order I
received is appended to this Affidavit.

1 I declare under penalty of perjury under the laws of the
2 United States that the foregoing is true and correct.

3
4 Executed on _____, at _____,
5 California.

6
7 _____
8 [Full name of defendant]

9 State of California
10 City of _____

11 Subscribed and sworn to before me
12 this ____ day of _____.

13
14
15 _____
16 Notary Public

17 My Commission Expires:
18 _____
19
20
21
22
23
24
25
26
27
28