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8 **UNITED STATES DISTRICT COURT**  
9 **WESTERN DISTRICT OF WASHINGTON**  
10 **AT SEATTLE**

11 FEDERAL TRADE COMMISSION,

12 Plaintiff,

13 v.

14 627867 B.C. LTD., D.B.A. NEWPORT GROUP;  
15 633142 B.C. LTD., D.B.A. NEWPORT GROUP;  
16 638541 B.C. LTD., D.B.A. NEWPORT GROUP;  
17 654679 B.C. LTD., D.B.A. NEWPORT GROUP;  
18 651482 B.C. LTD., D.B.A. WEST STAR;  
19 STEPHEN ALBERT IRONSIDE, individually and  
20 as a Director of 627867 B.C. Ltd., 633142 B.C. Ltd.,  
21 638541 B.C. Ltd., 654679 B.C. Ltd., and 651482  
22 B.C. Ltd.; and  
23 BRUCE GEORGE ALEXANDER IRONSIDE,  
24 individually and as a Director of 627867 B.C. Ltd.,  
25 633142 B.C. Ltd., 638541 B.C. Ltd., 654679 B.C.  
26 Ltd., and 651482 B.C. Ltd.,

27 Defendants.

Civil No.

**TEMPORARY RESTRAINING  
ORDER AND ORDER TO  
SHOW CAUSE WHY  
PRELIMINARY INJUNCTION  
SHOULD NOT ISSUE  
(PROPOSED)**

28 Plaintiff the Federal Trade Commission ("Commission"), having filed a complaint for a permanent injunction and other relief, including restitution to consumers, pursuant to Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. § 6101 *et seq.*, having moved for an *ex parte* temporary restraining order and for an order to show cause why a preliminary injunction should not be granted pursuant to Rule 65(b)

1 of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 65(b), and the Court having considered  
2 the pleadings, declarations, exhibits, and memorandum filed in support thereof, it is the finding  
3 of this Court that:

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

6 2. There is good cause to believe that plaintiffs will ultimately succeed in  
7 establishing that defendants 627867 B.C. Ltd., d.b.a. Newport Group; 633142 B.C. Ltd., d.b.a.  
8 Newport Group; 638541 B.C. Ltd., d.b.a. Newport Group; 654679 B.C. Ltd., d.b.a. Newport  
9 Group (hereinafter collectively referred to as "the Newport Group companies"), 651482 B.C.  
10 Ltd., d.b.a. West Star ("West Star"), and Stephen Albert Ironside and Bruce George Alexander  
11 Ironside, individually and as Directors of the Newport Group companies and West Star, have  
12 engaged in and are likely to engage in acts and practices that violate Section 5(a) of the FTC Act,  
13 15 U.S.C. § 45(a), and Section 310.3(a) of the Telemarketing Sales Rule, 16 C.F.R. § 310.3.

14 3. There is good cause to believe that immediate and irreparable damage will be  
15 done to the public and to this Court's ability to grant full and effective final relief among the  
16 parties hereto absent entry of this Order on an *ex parte* basis.

17 4. Weighing the equities and considering plaintiff's likelihood of ultimate success, a  
18 Temporary Restraining Order is in the public interest.

### 19 DEFINITIONS

20 For the purpose of this temporary restraining order, the following definitions shall apply:

21 1. "Defendants" means the Newport Group companies, West Star, and Stephen  
22 Albert Ironside and Bruce George Alexander Ironside, individually, and their successors,  
23 assigns, officers, agents, servants, employees, and those persons in active concert or participation  
24 with them who receive actual notice of this Order by personal service or otherwise, whether  
25 acting directly or through any entity, corporation, subsidiary, division, or other device.

26 2. "Material" means likely to affect a person's choice of, or conduct regarding,  
27 goods or services.



1 B. Destroying, erasing, mutilating, concealing, altering, transferring or otherwise  
2 disposing of, in any manner, directly or indirectly, any contracts, client lists, membership or  
3 mailing lists, accounting data, correspondence, advertisements, computer tapes, disks, or other  
4 computerized records, books, written or printed records, handwritten notes, telephone logs,  
5 telephone scripts, "verification" tapes or other audio or video tape recordings, receipt books,  
6 invoices, postal receipts, ledgers, personal and business canceled checks and check registers,  
7 bank statements, appointment books, copies of federal, state or local business or personal income  
8 or property tax returns, and other documents or records of any kind that relate to the business  
9 practices or business or personal finances of defendants.

### 10 III. DEFENDANTS' FINANCIAL STATEMENTS

11 IT IS FURTHER ORDERED that defendants shall, within ten (10) business days from  
12 service of this Order, prepare and deliver to counsel for plaintiffs completed financial statements  
13 on the forms attached to this Order. The completed financial statements shall be accurate as of  
14 the date of service of this Order upon the defendant.

### 15 IV. DISCLOSURE OF FOREIGN ASSETS

16 IT IS FURTHER ORDERED that each defendant shall:

17 A. Within ten (10) days of entry of this Order, provide plaintiff with a full  
18 accounting of all funds, documents and assets outside of the territory of the United States that  
19 are: (1) held by the defendant; (2) held for the defendant's benefit; or (3) under the defendant's  
20 direct or indirect control, jointly or singly; and

21 B. Provide plaintiff with access to the defendant's records and documents held by  
22 financial institutions outside the territorial United States regarding any funds or assets that are  
23 held by the defendant; (2) held for his/her benefit; or (3) under his/her direct or indirect control,  
24 jointly or singly, including by signing any and all documents required by those institutions in  
25 order for plaintiff to receive full and complete access to any such records and documents.

1 **V. THIRD PARTY DISCOVERY**

2 IT IS FURTHER ORDERED that the Commission is granted leave, at any time after  
3 service of this Order, to take the deposition of any person or entity for the purpose of discovering  
4 the nature, location, status, and extent of assets of any defendant, and the location of documents  
5 reflecting the business transactions of any defendant, and to demand the production of  
6 documents from any person or entity relating to the nature, status, and extent of any defendant's  
7 assets and the location of documents reflecting the business transactions of any defendant; forty-  
8 eight (48) hours notice shall be deemed sufficient for any such deposition and five (5) days  
9 notice shall be deemed sufficient for the production of any such documents. Expedited  
10 discovery for any other purpose shall not be allowed except by order of the Court for good cause  
11 shown. The limitations and conditions set forth in Fed. R. Civ. P. 30(a)(2) regarding subsequent  
12 depositions of an individual shall not apply to depositions taken pursuant to this paragraph.

13 **VI. CREATION OF OTHER BUSINESSES**

14 IT IS FURTHER ORDERED that defendants are hereby temporarily restrained and  
15 enjoined from creating, operating or controlling any business entity, whether newly-formed or  
16 previously inactive, engaged in the marketing, offering for sale, or sale of any product or service  
17 to U.S. residents, including any partnership, limited partnership, joint venture, sole  
18 proprietorship or corporation, without first providing the Commission with a written statement  
19 disclosing:

- 20 (1) the name of the business entity; (2) the address and telephone number of the business entity;  
21 (3) the names of the business entity's officers, directors, principals, managers, and employees;  
22 and (4) a detailed description of the business entity's intended activities.

23 **VII. NOTICE TO RELATED PERSONS AND ENTITIES**

24 IT IS FURTHER ORDERED that defendants shall immediately provide a copy of this  
25 Order to each affiliate, subsidiary, division, sales entity, successor, assign, officer, director,  
26 employee, independent contractor, agent, attorney, and representative, and shall, within ten (10)  
27 days from the date of entry of this Order, provide plaintiff with a sworn statement that  
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1 defendants have complied with this provision of the Order, which statement shall include the  
2 names and addresses of each such person or entity who received a copy of the Order.

3 **VIII. FILING OF PLEADINGS**

4 IT IS FURTHER ORDERED that defendants shall file their opposition, including any  
5 declarations, exhibits, memoranda or other evidence on which defendants intend to rely, not less  
6 than three (3) business days before the hearing on the order to show cause why a preliminary  
7 injunction should not issue. Defendants shall serve copies of all these materials on plaintiff by  
8 delivery or facsimile to designated counsel for the Federal Trade Commission, at 915 Second  
9 Avenue, Suite 2896, Seattle, Washington 98174, prior to 4:00 p.m. on the day that it is filed.

10 **IX. SHOW CAUSE**

11 IT IS FURTHER ORDERED that the defendants shall appear before this Court on the  
12 \_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_m., to show cause, if any there be,  
13 why this Court should not enter a preliminary injunction, pending final ruling on the Complaint  
14 against these defendants, enjoining them from further violations of Section 5(a) of the FTC Act,  
15 15 U.S.C. § 45(a) and Section 310.3(a) of the Telemarketing Sales Rule, 16 C.F.R. § 310.3(a),  
16 continuing the relief provided herein and imposing whatever additional relief may be  
17 appropriate.

18 **X. EXAMINATION OF WITNESSES**

19 IT IS FURTHER ORDERED that there will be no direct examination of witnesses at  
20 the preliminary injunction hearing in this matter, unless specifically ordered by this Court. In the  
21 event this Court permits direct examination of witnesses at the preliminary injunction hearing in  
22 this matter, the parties shall exchange and file with the Court the names of those witnesses to  
23 testify at the hearing and a summary of the substance of the witnesses' testimony to be proffered  
24 at the hearing no later than four business days prior to the scheduled hearing.

25 **XI. CONSUMER CREDIT REPORTS**

26 IT IS FURTHER ORDERED that pursuant to Section 604(1) of the Fair Credit Reporting  
27 Act, 15 U.S.C. § 1681b(1), any consumer reporting agency may furnish a consumer report  
28 concerning any defendant to plaintiffs.

1 **XII. EXPIRATION**

2 IT IS FURTHER ORDERED that the Temporary Restraining Order granted herein  
3 expires ten (10) days after entry unless, within that time, the Order, for good cause shown, is  
4 extended for an additional period not to exceed ten (10) days, or unless it is extended with the  
5 consent of the parties.

6 **XIII. RETENTION OF JURISDICTION**

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

9 SO ORDERED, this \_\_\_\_\_ day of \_\_\_\_\_, at \_\_\_\_\_.

10  
11 \_\_\_\_\_  
12 United States District Judge

13 PRESENTED BY:

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16 \_\_\_\_\_  
17 Mary T. Benfield, WSBA # 18835  
18 Cristofer I. Leffler  
19 Attorneys for Plaintiff  
20 Federal Trade Commission  
21 915 Second Ave., Suite 2896  
22 Seattle, WA 98174  
23 Telephone: 206-220-4472 (Benfield)  
24 206-220-4484 (Leffler)  
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28