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CLERK, U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
DEPUTY  
BY [Signature]

11 Attorneys for Plaintiff

12 1999 DEC - 7 AM 11:00  
13 CLERK, U.S. DISTRICT COURT  
14 CENTRAL DISTRICT OF CALIFORNIA  
15 LOS ANGELES

13 UNITED STATES DISTRICT COURT  
14 CENTRAL DISTRICT OF CALIFORNIA

15 FEDERAL TRADE COMMISSION,  
16 BY [Signature] Plaintiff,  
17 v.

18 INTERNATIONAL BUSINESS NETWORK, INC.,  
a corporation, and  
19 DANNY YAHALOM, individually and  
20 as an officer of INTERNATIONAL  
BUSINESS NETWORK, INC., and  
21 OREN BEN ELKANAH, individually and  
22 as an officer of INTERNATIONAL  
BUSINESS NETWORK, INC.,  
23 Defendants.

99-12831 R (R/K)

~~Proposed~~  
EX PARTE TEMPORARY  
RESTRAINING ORDER  
WITH ASSET FREEZE,  
APPOINTMENT OF  
RECEIVER, AND  
EXPEDITED DISCOVERY,  
AND ORDER TO SHOW  
CAUSE WHY A  
PRELIMINARY  
INJUNCTION SHOULD  
NOT ISSUE

24  
25 Plaintiff Federal Trade Commission ("Commission") having  
26 filed its complaint for a permanent injunction and other relief

LOGGED

1 in this matter pursuant to Sections 13(b) and 19 of the Federal  
2 Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b) and 57, and  
3 the Telemarketing and Consumer Fraud and Abuse Prevention Act,  
4 15 U.S.C. §§ 6101 *et seq.*, and having applied *ex parte* for a  
5 temporary restraining order pursuant to Rule 65 of the Federal  
6 Rules of Civil Procedure, and the Court having considered the  
7 complaint, memorandum of law, affidavits and other materials  
8 filed in support thereof, and now being advised in the  
9 premises, finds as follows:

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

13 2. Good cause exists to believe that the Commission  
14 ultimately will succeed in establishing that the above named  
15 defendants have engaged in, and are likely to engage in, acts  
16 and practices that violate Section 5(a) of the Federal Trade  
17 Commission Act, 15 U.S.C. § 45(a), and the Commission's  
18 Telemarketing Sales Rule, 16 C.F.R. Part 310, and that the  
19 Commission is likely to prevail on the merits.

20 3. Good cause exists to believe that immediate and  
21 irreparable damage will occur to plaintiff's ability to achieve  
22 effective final relief for consumers in the form of monetary  
23 redress from the transfer, destruction, concealment or other  
24 disposition of defendants' assets or corporate records unless  
25 the defendants are immediately restrained and enjoined. Good  
26 cause thus exists to relieve the Commission of the duty to

1 provide defendants with prior notice of the Commission's  
2 application. Good cause also exists to expedite discovery  
3 pursuant to Rule 26(d) of the Federal Rules of Civil Procedure.

4 4. Good cause exists for the appointment of a temporary  
5 receiver for defendant International Business Network, Inc.

6 5. Weighing the equities and considering the  
7 Commission's likelihood of ultimate success, a Temporary  
8 Restraining Order with asset freeze, appointment of a temporary  
9 receiver and other equitable relief is in the public interest.

10 6. No security is required of any agency of the United  
11 States for issuance of a restraining order. Fed. R. Civ. P.  
12 65(c).

#### 13 DEFINITIONS

14 For purposes of this Order, the following definitions  
15 shall apply:

16 1. "*Defendants*" means corporate defendant International  
17 Business Network, Inc., which also does business as  
18 IBN-International Business Network and as IBN, and individual  
19 defendants Danny Yahalom and Oren Ben Elkanah, and each of  
20 them, and their officers, agents, directors, employees,  
21 salespersons, independent contractors, attorneys, subsidiaries,  
22 affiliates, successors, assigns and all other persons or  
23 entities in active concert or participation with them who  
24 receive actual notice of this Order by personal service or  
25 otherwise, whether acting directly or through any corporation,  
26 subsidiary, division or other device.

1           2.    "Receivership defendant" means defendant  
2 International Business Network, Inc.

3           3.    "Person" means a natural person, organization or  
4 other legal entity, including a corporation, partnership,  
5 proprietorship, association, cooperative, government or  
6 governmental subdivision or agency, or any other group or  
7 combination acting as an entity.

8           4.    "Consumer" and "customer" includes any individual,  
9 group, unincorporated association, limited or general  
10 partnership, corporation or other business entity.

11           5.    The terms "and" and "or" shall be construed  
12 conjunctively or disjunctively as necessary, and to make the  
13 applicable phrase or sentence inclusive rather than exclusive.  
14

15  
16                   I.

17                   PROHIBITED MISREPRESENTATIONS

18           IT IS THEREFORE ORDERED, in connection with the  
19 advertising, offering for sale or sale of photocopier toner or  
20 any other nondurable office supply, that defendants and their  
21 successors, assigns, officers, agents, servants, employees,  
22 attorneys and those persons or entities in active concert or  
23 participation with them who receive actual notice of this Order  
24 by personal service or otherwise—whether acting directly or  
25 through any corporation, subsidiary, division or other  
26 device—are hereby temporarily restrained and enjoined from

1 making any express or implied representation of material fact  
2 that is false or misleading - including, but not limited to:

- 3 A. any misrepresentation that a consumer has  
4 ordered any product;
- 5 B. any misrepresentation that they are a  
6 consumer's regular supplier of any product;
- 7 C. any misrepresentation regarding the consumer's  
8 obligation to make payment;
- 9 D. any misrepresentation about the price of any  
10 product;
- 11 E. any misrepresentation that they are or  
12 represent the manufacturer of office equipment  
13 or nondurable office supplies;
- 14 F. any misrepresentation about the amount of any  
15 product shipped to the consumer; and
- 16 G. any misrepresentation about the amount of  
17 product contained in shipping cartons.

18  
19 II.

20 CEASE VIOLATIONS OF THE TELEMARKETING SALES RULE

21 IT IS FURTHER ORDERED that defendants, in connection with  
22 the offering for sale or sale of any photocopier toner or other  
23 nondurable office supply, are temporarily restrained and  
24 enjoined from violating any provision of the Telemarketing  
25 Sales Rule, 16 C.F.R. Part 310-including, but not limited to,  
26 the following violations:

- 1           A.    making any false and misleading statement to  
 2            induce payment;  
 3           B.    failing to promptly, clearly and conspicuously  
 4            disclose the sales purpose of the call;  
 5           C.    failing to promptly, clearly and conspicuously  
 6            disclose the business identity of the seller;  
 7            and  
 8           D.    using threats, intimidation or profane or  
 9            obscene language to collect any money.

11                                                III.

12                                                ASSET FREEZE

13           IT IS FURTHER ORDERED that the defendants, their agents,  
 14 employees, officers, independent contractors, attorneys,  
 15 successors and all other persons in active concert or  
 16 participation with them who receive actual notice of this Order  
 17 by personal service or otherwise, and persons or entities under  
 18 the defendants' control or under common control with them, are  
 19 hereby restrained and enjoined, until further order of this  
 20 Court, from:

- 21           A.    transferring,           encumbering,           concealing,  
 22            removing, selling, incurring charges or cash  
 23            advances on any credit card, or otherwise  
 24            disposing of any funds, property, or assets of  
 25            any kind, wherever located, that are:

1. owned or controlled in whole or in part by any defendant;
2. in the actual or constructive possession of any defendant;
3. held by an agent of any defendant as a retainer for the agent's provision of services to any defendant; or
4. owned by, controlled by or in the actual or constructive possession of, or otherwise held for the benefit of, any entity directly or indirectly owned, managed or controlled by any defendant; these assets shall also include but are not limited to any assets held by, for or under the name of any defendant at any bank or other financial institution of any kind; and

B. transferring any funds or other assets subject to this Order for attorney's fees, living expenses, business expenses or any other purpose, except by Court order upon a showing of good cause.

#### IV.

#### FINANCIAL REPORTING

IT IS FURTHER ORDERED that, within three (3) days of receiving service of this Order, each defendant shall prepare

1 and deliver to the Court, counsel for the Commission, and the  
2 receiver a completed financial statement on the forms attached  
3 to this Order, verified under oath and accurate as of the date  
4 of service of this Order upon them, for each such defendant  
5 individually and for each corporation of which such defendant  
6 is an officer.

7 V.

8 FINANCIAL INSTITUTIONS

9 IT IS FURTHER ORDERED that any financial or brokerage  
10 institution, business entity, and any person having possession,  
11 custody or control of any records of any defendant, or of any  
12 account, safe deposit box or other asset titled in the name of  
13 any defendant, either individually or jointly or held for the  
14 benefit of any defendant, or that has maintained any such  
15 account, safe deposit box or other asset or record at any time  
16 since January 1, 1996, shall:

- 17 A. hold and retain within its control and prohibit  
18 the transfer, encumbrance, pledge, assignment,  
19 removal, withdrawal, dissipation, sale or other  
20 disposal of any such account or other asset,  
21 except for transfers or withdrawals directed by  
22 the receiver or by further Court order;
- 23 B. deny access to any safe deposit box titled  
24 individually or jointly in the name of any  
25 defendant or otherwise subject to access by any  
26 defendant;



1 C. provide to counsel for the FTC and the  
2 receiver, within three (3) business days of  
3 notice of this Order, a sworn statement setting  
4 forth:

5 1. the identification of each account, asset  
6 or record;

7 2. the balance of each account or a  
8 description of the nature and value of  
9 each asset as of the close of business on  
10 the day this Order is served and, if the  
11 account or asset has been closed or moved,  
12 the balance or value removed and the  
13 person or entity to whom it was remitted;  
14 and

15 3. the identification of any safe deposit box  
16 subject to access by any defendant.

17  
18 D. allow Commission representatives immediate  
19 access to inspect and copy all records of any  
20 defendant and all documents relating to any  
21 account, safe deposit box or other asset of any  
22 defendant. Alternatively, any financial  
23 institution, other entity or person may arrange  
24 to deliver to the Commission copies of any  
25 records it seeks for a charge not to exceed  
26 fifteen cents (15¢) per page copied; and

1 E. cooperate with all reasonable requests by the  
2 receiver relating to implementation of this  
3 Order, including transferring funds at the  
4 receiver's direction and producing records  
5 related to the receivership defendant's  
6 accounts.

7 VI.

8 FOREIGN ASSETS

9 IT IS FURTHER ORDERED that within three (3) business days  
10 following service of this Order, the defendants and their  
11 successors, assigns, officers, agents, servants, employees, and  
12 those persons in active concert or participation with them who  
13 receive actual notice of this Order by personal service or  
14 otherwise - whether acting directly or through any corporation,  
15 subsidiary, division or other device - shall:

16 A. take such steps as are necessary to repatriate  
17 to the territory of the United States of  
18 America all assets held by or for the benefit  
19 of any defendant, or under their direct or  
20 indirect control, jointly or singly, which were  
21 transferred outside of the territory of the  
22 United States; and

23 B. thereafter hold and retain any such assets  
24 within their control and otherwise prevent any  
25 transfer, disposition, or dissipation  
26 whatsoever of any such assets or funds.

VII.

IMMEDIATE ACCESS TO DEFENDANTS' RECORDS

IT IS FURTHER ORDERED that the defendants and their successors, assigns, officers, agents, servants, employees, 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 corporation, subsidiary, division, or other device, and the receiver, shall allow the Commission's representatives immediate access to the business premises, mail drops, storage facilities and all other business locations used by the defendants, including, but not limited to, 18340 Ventura Boulevard, #230, Tarzana, California 91356, and P.O. Box 260633, Encino, California 91426, during reasonable hours as the receiver shall deem appropriate. The purpose of the access shall be to inspect and copy materials relevant to this action. The Commission and receiver may be accompanied by other law enforcement agents for the purpose of executing this Order and securing the premises. The Commission may exclude defendants and their officers, directors, employees, and agents from the premises during this time. The Commission may, through photographs, drivers' licenses and questionnaires, identify and obtain information from individuals at the premises. The Commission may remove materials from the business premises so they may be inspected, inventoried and copied. The Commission shall return materials so removed within five (5) business days

1 of completing said copying. In no event shall the Commission  
2 retain the materials longer than ten (10) business days.

3 IT IS FURTHER ORDERED that defendants shall have access to  
4 inspect and copy business records necessary to respond to  
5 discovery requests under the supervision and control of the  
6 receiver and subject to such reasonable restrictions as the  
7 receiver shall deem appropriate.

8  
9 VIII.

10 OTHER DISCOVERY

11 IT IS FURTHER ORDERED, pursuant to Fed. R. Civ. P. 26(d)  
12 and 30(a), that the Commission is granted leave to conduct  
13 discovery at any time after service of this Order. The  
14 Commission may depose party witnesses upon three (3) days'  
15 notice. Pursuant to Fed. R. Civ. P. 33, 34 and 36, the  
16 Commission may require defendants to respond to  
17 interrogatories, requests for production of documents and  
18 requests for admissions within five (5) days after service of  
19 the interrogatories or requests.

20  
21 IX.

22 RECORD KEEPING

23 IT IS FURTHER ORDERED that defendants, their successors,  
24 assigns, officers, agents, servants, employees and those  
25 persons in active concert or participation with them who  
26

1 receive actual notice of this Order by personal service or  
2 otherwise, whether acting directly or through any corporation,  
3 subsidiary, division or other device, are hereby temporarily  
4 restrained and enjoined from:

5 A. failing to create and maintain books, records,  
6 accounts and data which in reasonable detail,  
7 accurately, fairly and completely reflect their  
8 incomes, disbursements, transactions and use of  
9 monies; and

10 B. destroying, erasing, mutilating, concealing,  
11 altering, transferring or otherwise disposing  
12 of in any manner, directly or indirectly, any  
13 contracts, accounting data, correspondence,  
14 advertisements, computer tapes, discs or other  
15 computerized records, books, written or printed  
16 records, handwritten notes, telephone logs,  
17 telephone scripts, receipt books, ledgers,  
18 personal and business canceled checks and check  
19 registers, bank statements, appointment books,  
20 copies of federal, state or local business or  
21 personal income or property tax returns and  
22 other documents or records of any kind which  
23 relate to defendants' business practices or  
24 business or personal finances from January 1,  
25 1992, forward.

1 X.

2 NOTICE

3 IT IS FURTHER ORDERED that defendants shall immediately  
4 provide a copy of this Order to each of the corporate  
5 defendants' affiliates, franchises, subsidiaries, divisions,  
6 successors, assigns, directors, officers, managing agents,  
7 employees, representatives and independent contractors and  
8 shall, within three (3) business days from the date of service  
9 of this Order, serve on plaintiff affidavits identifying the  
10 names, titles, addresses and telephone numbers of the persons  
11 and entities whom they have served pursuant to this provision.  
12 The receiver has no obligation under this provision.

13 IT IS FURTHER ORDERED that individual defendants Danny  
14 Yahalom and Oren Ben Elkanah shall notify the Commission at  
15 least seven (7) days prior to any discontinuance of their  
16 present businesses or employment and of their affiliation with  
17 any new or previously inactive business or employment. Each  
18 notice shall include said defendant's new business address and  
19 a statement of the nature of the new business or employment and  
20 of his or her duties and responsibilities in connection with  
21 that business or employment.

22 XI.

23 APPOINTMENT OF RECEIVER

24 IT IS FURTHER ORDERED that John R. Francis  
25 is appointed as temporary receiver, with the full power of an  
26

1 equity receiver, for the receivership defendant; and all the  
2 funds, properties, premises, accounts and other assets directly  
3 or indirectly owned, beneficially or otherwise, by the  
4 receivership defendant, wherever located. The receiver is  
5 directed, and has the authority, to:

6 A. assume full control of the receivership  
7 defendant by removing defendants Danny Yahalom  
8 and Oren Ben Elkanah, and any other officer,  
9 independent contractor, employee or agent from  
10 control or management of the affairs of the  
11 receivership defendant or from taking any  
12 action on or behalf of the receivership  
13 defendant while the receivership is in effect;

14 B. take custody, control and possession of all the  
15 funds, property, premises, mail and other  
16 assets of the receivership defendant or that  
17 are in their possession or under the  
18 receivership defendant's control;

19 C. sue for, collect, receive and take into  
20 possession all goods, chattels, rights,  
21 credits, monies, effects, lands, leases, books  
22 and records, work papers and records of  
23 accounts, including computer-maintained  
24 information and other papers and documents of  
25 the receivership defendant;

- 1 D. preserve, hold and manage the receivership  
2 defendant's assets, and perform all acts  
3 necessary to preserve the value of those  
4 assets;
- 5 E. prevent withdrawal or misapplication of funds  
6 or property entrusted to the receivership  
7 defendant and obtain an accounting thereof;
- 8 F. manage and administer the receivership  
9 defendant's businesses, at the receiver's  
10 discretion and until further order of this  
11 Court, by performing all acts necessary or  
12 incidental thereto; this includes the hiring of  
13 personnel—including, but not limited to,  
14 attorneys and accountants—and dismissing  
15 personnel or suspending operations;
- 16 G. disburse funds that the receiver deems  
17 necessary and advisable to preserve the  
18 property of the receivership defendant or carry  
19 out the receiver's mandate under this Order;
- 20 H. collect any monies owed the receivership  
21 defendant;
- 22 I. institute, defend, compromise, adjust,  
23 intervene in, become a party to or otherwise  
24 dispose of any or all actions or proceedings in  
25 local, state, federal or foreign courts that  
26 the receiver deems necessary and advisable to



1 preserve the property of the receivership  
2 defendant or carry out the receiver's mandate  
3 under this Order; and

4 J. take all actions reasonably necessary to ensure  
5 that no assets or property of the receivership  
6 defendant are removed from any business  
7 premises of the receivership defendant without  
8 the prior consent of the receiver.  
9

10 IT IS FURTHER ORDERED that the temporary receiver shall be  
11 compensated for services rendered to the receivership estate  
12 from the receivership estate during the pendency of the case.  
13 Prior to paying any compensation, the receiver shall file and  
14 serve upon all parties a request with the Court, outlining the  
15 services rendered and the related fees and expenses. The  
16 defendants shall have no right to object to such request. The  
17 receiver shall not pay any compensation except upon order of  
18 the Court.

19 XII.

20 BANKRUPTCY

21 IT IS FURTHER ORDERED, in light of the appointment of the  
22 receiver, that the receivership defendant is hereby prohibited  
23 from filing a petition for relief under the United States  
24 Bankruptcy Code, 11 U.S.C. § 101 et seq., without prior  
25 permission from this Court.  
26

1 XIII.

2 OTHER ACTIONS STAYED

3 IT IS FURTHER ORDERED that, except by leave of this Court,  
4 during the pendency of the receivership ordered herein,  
5 defendants and all customers, principals, investors, creditors,  
6 stockholders, lessors and other persons seeking to establish or  
7 enforce any claim, right or interest against or on behalf of  
8 the receivership defendant or any of its subsidiaries or  
9 affiliates (excluding plaintiff), and all others acting for or  
10 on behalf of such persons, including attorneys, trustees,  
11 agents, sheriffs, constables, marshals and other officers and  
12 their deputies, and their respective attorneys, servants,  
13 agents and employees, are hereby stayed from:

14 A. commencing, prosecuting, continuing or  
15 enforcing any suit or proceeding against the  
16 receivership defendant, except that such  
17 actions may be filed to toll any applicable  
18 statute of limitations;

19 B. commencing, prosecuting, continuing or entering  
20 any suit or proceeding in the name or on behalf  
21 of the receivership defendant, its subsidiaries  
22 or affiliates;

23 C. accelerating the due date of any claimed  
24 obligation, enforcing any lien upon, taking or  
25 attempting to take or retain possession of any  
26 property of the receivership defendant or any

1 property claimed by the receivership defendant,  
2 or attempting to foreclose, forfeit, alter or  
3 terminate any of the receivership defendant's  
4 interests in property, whether such acts are  
5 part of a judicial proceeding or otherwise;

6 D. using self-help or executing or issuing, or  
7 causing the execution or issuance of, any court  
8 attachment, subpoena, *replevin*, execution or  
9 other process for the purpose of impounding or  
10 taking possession of, or interfering with, or  
11 creating or enforcing a lien upon any property,  
12 wheresoever located, owned by or in the  
13 possession of the receivership defendant, or  
14 the receiver or any agent appointed by the  
15 receiver; and

16 E. taking any action or doing anything whatsoever  
17 to interfere with the receiver taking control,  
18 possession or management of the property  
19 subject to this receivership, or to harass or  
20 interfere with the receiver in any way, or to  
21 interfere in any manner with the exclusive  
22 jurisdiction of this Court over the property  
23 and assets of the receivership defendant.

24 IT IS FURTHER ORDERED that all defendants shall fully  
25 cooperate with and assist the receiver, and are hereby  
26

1 restrained and enjoined from directly or indirectly hindering  
2 or obstructing the receiver in any manner.

3 XIV.

4 TRANSFER OF CONTROL TO RECEIVER

5 IT IS FURTHER ORDERED that, immediately upon service of  
6 this Order upon it, the receivership defendant shall transfer  
7 to the receiver their control of the following, regardless of  
8 where they may be located:

9 A. all of the receivership defendant's funds,  
10 assets, property owned beneficially or  
11 otherwise, and all other assets, wherever  
12 situated;

13 B. all of the receivership defendant's books and  
14 records of accounts, financial and accounting  
15 records, balance sheets, income statements,  
16 bank records (including monthly statements,  
17 canceled checks, records of wire transfers and  
18 check registers), consumer lists, title  
19 documents and other papers; and

20 C. all funds and other assets belonging to members  
21 of the public that are now held by the  
22 receivership defendant.

23 XV.

24 RECEIVER'S BOND

25 IT IS FURTHER ORDERED that the receiver shall file with  
26 the Clerk of this Court a bond in the sum of \$

1 with sureties to be approved by the Court, and conditioned that  
2 the receiver will well and truly perform the duties of the  
3 office and abide by and perform all acts the Court directs.

4 XVI.

5 CREDIT REPORTS

6 IT IS FURTHER ORDERED, pursuant to Section 604 of the Fair  
7 Credit Reporting Act, 15 U.S.C. § 1681b, that any credit  
8 reporting agency may furnish the Commission with a credit  
9 report concerning any defendant.

10 XVII.

11 MONITORING

12 IT IS FURTHER ORDERED that agents or representatives of  
13 the Commission may contact the defendants or their agents or  
14 representatives directly and anonymously for the purpose of  
15 monitoring compliance with Provisions I and II of this Order,  
16 and may tape-record any oral communications that occur in the  
17 course of such contacts.

18 XVIII.

19 EXPIRATION

20 IT IS FURTHER ORDERED that this Order shall expire  
21 ten (10) days after entry unless, within such time, for good  
22 cause shown, it is extended for a like period, or unless  
23 defendants consent that it may be extended for a longer period  
24 and the reasons therefor entered of record.  
25

1 XIX.

2 CORRESPONDENCE

3 For the purposes of this Order, all correspondence and  
4 service of pleadings on plaintiff shall be addressed to:

5 GERALD C. ZEMAN, Esq.

6 or

7 BRINLEY H. WILLIAMS, Esq.

8 Federal Trade Commission

9 East Central Region

10 Eaton Center, Suite 200

11 1111 Superior Avenue

12 Cleveland, Ohio 44114-2507

13 Telephone (216) 263-3429 (G. Zeman)

14 Telephone (216) 263-3414 (B. Williams)

15 Fax (216) 263-3426

16 XX.

17 SERVICE OF THIS ORDER

18 IT IS FURTHER ORDERED that the Commission shall serve a  
19 copy of this Order and the initial pleadings filed in this  
20 matter on all defendants by the end of the second (2<sup>nd</sup>) business  
21 day following issuance of this Order. Pursuant to Fed. R.  
22 Civ. P. 4(c)(2), these documents may be served by employees of  
23 the FTC, by employees of any other law enforcement agency, and  
24 by agents of any process servers retained by the FTC, upon any  
25 defendant, upon the business premises of any defendant, and  
26 upon any financial institution or any person or entity that may  
be in possession of any assets, property or property rights of  
any defendant.

2 PRELIMINARY INJUNCTION HEARING

3 IT IS FURTHER ORDERED that defendants shall prepare and  
4 deliver to the Court and to the Commission, not later than  
5 4:30 p.m. of the third (3<sup>rd</sup>) business day prior to the  
6 preliminary injunction, any opposition to issuance of a  
7 preliminary injunction, including any declarations, exhibits,  
8 memoranda or other evidence on which they intend to rely.

9 IT IS FURTHER ORDERED that, if any party to this action  
10 intends to present the testimony of any witness at the  
11 preliminary injunction hearing in this matter, that party  
12 shall, at least forty-eight (48) hours prior to the scheduled  
13 date and time of hearing, file with this Court and serve on all  
14 other parties, a witness list which shall include the name,  
15 address and telephone number of any such witness, and either a  
16 summary of the witness's expected testimony or the witness's  
17 affidavit revealing the substance of such witness's expected  
18 testimony.

19 IT IS FURTHER ORDERED that defendants shall appear before  
20 this Court at 312 NORTH SPRING STREET COURTROOM 8, on the  
21 20<sup>th</sup> day of DECEMBER, at 10:00 o'clock a.m./p.m.,  
22 to show cause, if any there be, why this Court should not enter  
23 a preliminary injunction, pending final ruling on the  
24 Complaint, against said defendants enjoining them from further  
25 violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),  
26 and the Commission's Telemarketing Sales Rule, 16 C.F.R.

1 Part 310 and imposing such additional relief as may be  
2 appropriate.

4 XXII.

5 JURISDICTION

6 IT IS FURTHER ORDERED that this Court retains jurisdiction  
7 of this matter for all purposes.

8  
9 SO ORDERED, this 7<sup>th</sup> day of December, at  
10 2:50 o'clock PM

11  
12 Rose  
13 United States District Judge

14  
15 Presented By: Brinley H. Williams  
16 BRINLEY H. WILLIAMS  
17 GERALD C. ZEMAN  
18 JOHN D. JACOBS  
19 Attorneys for Plaintiff  
20 Federal Trade Commission

21 Date: Dec 7, 1999

22 I hereby attest and certify on 12-7-99  
23 that the foregoing document is a full, true  
24 and correct copy of the original on file in  
25 my office, and in my legal custody.

26 CLERK, U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
By W. Howell Deputy



00134