

UNITED STATES DISTRICT COURT

**SOUTHERN DISTRICT OF FLORIDA**

**Case No. 03-61987--CIV--Marra/Seltzer**

FEDERAL TRADE COMMISSION

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WHEREAS, Plaintiff and Defendants have agreed to the entry of this Stipulated Preliminary Injunction without trial or adjudication of any issue of fact or law. Although Defendants agree to the entry of this Order, Defendants expressly deny all of the allegations set forth in the Complaint other than the jurisdictional facts set forth in the Complaint and the findings of this Court set forth below., it hereby **ORDERED ADJUDGED AND DECREED** as follows:

**FINDINGS OF FACT**

1. This Court has jurisdiction of the subject matter of this case, and there is good cause to

2. Plaintiff asserts that there is good cause to believe that the Defendants Platinum

Universal LLC and Polaris Data Inc. have violated the terms of the Stipulated Preliminary Injunction.

or an admission by Defendants that they have engaged in violations of any law or regulations, including but not limited to the Federal Trade Commission Act and the Telemarketing Sales Rule

**ORDER**

**DEFINITIONS**

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

1. "Assets" 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,

photographs, audio, and video recordings, computer records, and other data compilations from  
which the information can be obtained by the use of any of the following methods:

through detection devices. A draft or non-identical copy is a separate document within the  
meaning of the term.

4. "Plaintiff" means the Federal Trade Commission.

5. "Telemarketing" means the use of a telephone to solicit orders for the sale of goods or services.

in commerce, Defendants are hereby preliminarily restrained and enjoined from misrepresenting, expressly or by implication, orally or in writing, any material fact, including, but not limited to, misrepresenting that, after paying Defendants a fee, consumers will be held by

receive a credit card.

II.

IT IS FURTHER ORDERED

~~IT IS FURTHER ORDERED THAT~~

IT IS FURTHER ORDERED that Defendants, in connection with the advertising, promotion, offering or sale of any Stored Value Cards by television, radio, telephone, or on or through the Internet or otherwise in commerce shall:

- A. Use only advertisements that clearly and conspicuously disclose to consumers:
  - 1. that the card they are offering or selling is not an extension of credit and not a credit line;
  - 2. that the card they are offering or selling is a stored value card;

prepaid card;

- 3. that the amount available for consumers to spend on the card is equal to

(except on the back cover) from the consumer

C. Use non-commissioned personnel to randomly monitor sales calls to assure compliance with the telemarketing sales materials and the provisions of this Order and to reject sales that fail to comply with the provisions of this Order;

D. Take the verification portions of each telemarketing call to ensure that prior to

material sent to consumers, or promptly upon notice from the consumer that he/she did not receive any materials from Defendants and wishes to cancel.

Norwithstanding the provisions of this Paragraph, Defendants have thirty (30) days from the entry of this Order to conform any television or radio advertisements to the requirements of

Subparagraph A and also

advertisement.



November 10, 2003 shall be paid by the Monitor from these escrow funds, subject to Court

funds. The remainder of the escrowed funds will be set aside pending agreement of the parties

total funds removed in order to close the account, and the name of the person or entity to

whom such account or other asset was assigned.

3. The identification of any safe deposit box that is either titled in the name,

individually or jointly, of any Defendant, or otherwise subject to access by any

Defendant; and

**VII. FINANCIAL REPORTS**

**IT IS FURTHER ORDERED** that unless previously provided, Defendants shall each,

Commission:

- A. Completed financial statements on the forms attached to this Order as

Attachment D -- 10/5/03

partnership who was hired on behalf of Defendants since January 1, 2000.

**IX. RECORD KEEPING**

**IT IS FURTHER ORDERED** that Defendants, except Defendant Ketover, are hereby restrained and enjoined from:

A. Failing to create and maintain documents that, in reasonable detail, accurately, fairly, and completely reflect their incomes, disbursements, transactions, and use of money;

B. Destroying, erasing, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner, directly or indirectly, any contracts, accounting data, correspondence, advertisements, computer tapes, disks, or other computerized or electronic records, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, copies of federal, state, or local business or personal income or property tax returns, and other documents or records of any kind which relate to the business practices or business or personal finances of the Defendants; and

C. Creating, operating, or exercising any control over any business entity, including any partnership, limited partnership, joint venture, sole proprietorship, corporation, or limited liability company, without first providing counsel for the Court.

immediately provide a copy of this Order to each affiliate, subsidiary, division, sales entity,

successor, assign, officer, director, employee, independent contractor, agent, attorney, and representative of the Defendants, and shall, within seven (7) days from the date of entry of this Order, provide counsel for the Commission with a sworn statement that each Defendant has

complied with this provision of the Order, which statement shall include the names and addresses of each such person or entity who received a copy of this Order.

#### **XI. APPOINTMENT OF MONITOR**

**IT IS FURTHER ORDERED** that Gerald B. Wald, the former Temporary Receiver in

1. Access to all documents pertaining to the Defendants' business activities and finances wherever located and in whomever's custody or control;
2. Access to all property or premises in possession of, owned by, or under the control of the Defendants, wherever located;
3. The right to interview any current or former employee of any Defendant;
4. The right to interview any current or former officer, independent contractor, subcontractor, advertising agency, vendor, agent, service bureau, or other entity involved in the provision of any services to or on behalf of the Defendants;

5. Monitor and observe any officer, independent contractor,

advertising agency, vendor, agent, service bureau of the Defendants; and

6. Access to all documents of any officer, independent contractor, employee or agent of the Defendants.

C. The Monitor shall provide access to all documents or other material to which he has access pursuant to this Paragraph to any party upon request. Furthermore, the Monitor shall have the right to copy and maintain any such information.

D. Defendants are enjoined and restrained from interfering in any way with the functions and duties of the Monitor and shall take no action, directly or indirectly, to hinder or

Monitor's activities in connection with carrying out the Monitor's duties and responsibilities under this Order.

F. The Monitor shall have power to enter into such agreements in connection with

use of the monitor.

Notwithstanding the foregoing, the Monitor is appointed by the Court to serve only as a monitor, not as a receiver, and does not assume any rights, duties, functions or responsibilities with regard to the use, operation, management, repair, replacement, protection, or improvement of the corporate and limited liability company Defendants' real or personal property.

*Provided, however,* that nothing in this Paragraph shall be interpreted to waive any Defendant's valid claim of attorney-client privilege, subject to the Court's determination.



**XV. STATUS OF TRO/DURATION OF PRELIMINARY INJUNCTION**

**IT IS FURTHER ORDERED**

Injunction supercede and replace this Court's Temporary Restraining Order dated November 10, 2003. The Stipulated Preliminary Injunction granted herein shall remain in effect until further order of this Court.

**XVI. USE OF ALIASES**

11-18-2003 09:19AM FROM  
TEL: 212 807 2822 FAX: 212 807 2822

FAX NO.

T-895 P.019/019 F-538

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NEW YORK

**XVII. RETENTION OF JURISDICTION**

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for all