1 WILLIAM BLUMENTHAL 11 General Counsel
MAXINE R. STANSELL
MARY T. BENFIELD
Federal Trade Commission
915 Second Ave. Suite 2896
leal e, WA 981m
206 220-4474 Stansell

206 220-4472 Benfiel) 206 220-6366 fax)

d
mstansell@ftc.gov, mbenfieldaftc

JOHN D. JACOBS
CA Bar No. 134154
Federal Trade Commission 10877 Wilshire Boulevard,

Los An eles CA 90024 ji 3 10 olal-4r60 824-4380
JJaQ s@ftc.gov

Suite 700

Priority -
Send

Enter -5
Closed -
JS-51JS-6 &
JS-2lJS-3 -
Scan Only -

12 !IL,> PATTORNEY I: S FOR PLAINTIFF
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

. .-

I Plaintiff, Federal Trade Commission ("Commission" or "FTC"), pursuant to

~GEDERAL ! TRADE COMMISSION, l!.'
.. . . ?. -Tf -0.0179 Tc 14 0 0 15.25 146.75.88O.97E r0.0179[76.91BT /T1_0 1 Tf 0 T

1 // include both existing assets and assets acquired after the date of entry of this 2 I
I
3

PRELIMINARY INJUNCTION- Page 3

?-, Order. . .

iil
,

2. , "Assisting others" means: (1) performing customer service functions ' -. I:

4
5
6
7
8
9
10
11
12
13

! 14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
FEDERAL TRADE COMMISSION
915 Second Ave., Su. 2896
Seattle. Washington 98174
(206) 220-6350

including, but not limited to, receiving or responding to consumer complaints, receiving identifying and financial information from consumers, and communicating with consumers; (2) developing, providing, or arranging for the development or provision of marketing materials, including, but not limited to, Web site and commercial electronic message content; (3) providing names of, or arranging for the provision of names of, potential customers; (4) performing marketing services of any kind; or (5) acting as an officer or director of a business entity.
3. "Customer" means any person who has paid, or may be required to
pay, for goods or services offered for sale or sold by Defendants.
4. "Defendant" or "Defendants" means Natural Health Product, Inc.
("NHP"); New Star Marketing Group, Inc. ('New Star7'); and Lei Lu, also known as Lei Li and Lu Lei, individually and as an officer or director of NHP and New Star, and also doing business as "IE Marketing, Inc."
5. "Document" is synonymous in meaning and equal in scope to the
usage of the term as define)

7. "Header Information" is defined in 15 U.S.C. 6 7702(8) and means
:he source, destination, and routing information attached to an electronic mail nessage,

hormone, and includes, but

product will (i) strengthen or elevate the immune system;
1.2 (ii) reduce the risk of Alzheimer's disease; (iii) increase bone ILI
: :? ".+

density; (iv) prevent or act as a solution to osteoporosis; ' .:::.. 'i

1-1

(v) eliminate joint pains; (vi) lower cholesterol; (vii) lower or ti;,

I1 normalize blood pressure; (viii) improve cardiovascular and
Y respiratory functions and reduce the occurrence of
Y cardiovascular diseases; (ix) improve vision; (x) stabilize mood
swings and act as an antidepressant; (xi) help heal wounds; and
(xii) eliminate sleep disorders;

loll

C. Misrepresenting the existence, contents, validity, results, conclusions,

11 or interpretations of any test, study, or research; I1
l2 I1 D. Making any representation about the health benefits, performance,
13 efficacy, or safety of any such product unless, at the time of making such I1
14 / representation, Defendants possess and rely upon competent and reliable scientific I
15 evidence that substantiates the representation; and P
l6 11 E. Misrepresenting that the tryp4(abou 1.44 0 4.4 (the)Tj echnology /Suspect << NON-SOLICITED PORNOGRAPHY

11 E. Advertises or promotes products or services but fails to include clear

51 F. Advertises or promotes products or services but fails to include a

2

18 (1 IV. DUTIES OF THIRD PARTIES HOLDING DEFENDANTS' ASSETS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

l9 I1 IT IS FURTHER ORDERED that, effective immediately upon notification

held by or for any Defendant at any bank or savings and loan
r3

institution, credit union, independent service organization, ' ii..~ ,I?
. . .:Z

independent credit card processing company, or with any c <:I,, ,-I
' \,>

broker-dealer, escrow agent, title company, commodity trading company, precious metal dealer, common carrier, credit card processing agent, customs broker, commercial mail receiving andlor forwarding agency, commercial freight holding andlor forwarding agency, or financial institution or depository of any

l2 I1 VI. RECORD KEEPINGIMAINTAINING BUSINESS RECORDS

1
2
3
4
5
6
7
8
9
10

l3 I IT IS FURTHER ORDERED that Defendants, and their officers, agents,

E. The FTC is granted leave, pursuant to Fed. R. Civ. P. 45, to subpoena documents immediately from any such financial institution, account custodian, or other entity concerning the nature, location, status, and extent of Defendants'
assets, as well as compliance with this Order, and such financial institution,
account custodian, or other entity shall respond to such subpoena within five (5) business days after service.
V. FINANCIAL STATEMENTS AND ACCOUNTING

IT IS FURTHER ORDERED that, if Defendants have not previously
complied with Section V of the Temporary Restraining Order entered on October 6,2005, they shall do so immediately.

servants, employees, attorneys, and all other persons or entities in active concert or participation with them who receive actual notice of this Order by personal service, facsimile, or otherwise, whether acting directly or through any trust, corporation, subsidiary, division, or other device, or any of them, are restrained and enjoined from:
A. Failing . to make and keep books, records, accounts, bank statements, current accountants' reports, general ledgers, general journals, cash receipts ledgers, cash disbursements ledgers, documents indicating title to real or personal property, and any other data which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of Defendants; and
B. Destroying, erasing, mutilating, concealing, altering, transferring or
1 otherwise disposing of, in any manner, directly or indirectly, contracts, agreements, customer files, customer lists, customer addresses and telephone numbers, correspondence, advertisements, brochures, sales material, training material, sales presentations, documents evidencing or refemng to Defendants'

FEDERAL TRADE COMMISSION
915 Second Ave.. Su. 2896
Semle. Washington 98174
PRELIMINARY INJUNCTION- Page 11 (206) 220-6350

5 and backs) and check registers, bank statements, appointment books, copies of 0

1

2

3

4

6 federal, state or local business or personal income or property tax returns,

entity, or person that holds, controls, or maintains custody of any documents or I.! assets of any Defendant, or that held, controlled, or maintained custody of any 11. ... "I .L. ..* ,>:. documents or assets of any Defendant; or (2) any other person or entity that may <.. I,, / 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 hancial
institution or entity.
/I
i /I

PRELIMINARY INJUNCTION- Page 13

FEDERAL TRADE COMMISSION
915 Second Ave, Su. 2896
Seattle. Washington 98174
(206) 220-6350

- .

I1 CERTIFICATE OF SERVICE
2
3
4
5
6
7

- x to counsel for defendants Pacific Herbal Sciences, Inc., and John A. Brackett, Jr.:
Jeffrey A. Lipow, Lipow & Hanis, 9952 Santa Monica Boulevard, First Floor, Beverly Hills, California 90212, (3 10) 282-0507 (voice), (3 10) 286-1 171 (fax); and
x to counsel for defendants Lei Lu, Natural Health Product, Inc., and New