# IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO **EASTERN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

V.

9107-4021 QUÉBEC, INC.,

a corporation, also d/b/a Med Provisions, and Pronto Meds,

and

SAMEER MALHOTRA,

individually and as an officer of the corporation,

and

POOJA MALHOTRA.

individually and as an officer of the corporation,

Defendants.

1:08CV1051

JUDGE NUGENT

PROPOSED EX PARTE TEMPORARY RESTRAINING ORDER WITH ASSET FREEZE, EXPEDITED DISCOVERY, AND ORDER TO SHOW CAUSE WHY A PRELIMINARY INJUNCTION SHOULD NOT ISSUE

	Plaintiff Federal Trade Commission (Commission) having filed its Complaint for a
	permanent injunction and other relief in this matter 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
\$3.5 <u></u>	C P COLLEGE TO COLLEGE A SETTION COLOR CANADA COLOR COLLEGE COLOR COLLEGE COLOR COLLEGE COLOR CO
1	
-	
	•
•	
· <u></u>	
<b></b>	
z.	
·	for a temporary restraining order pursuant to Rule 65 of the Federal Rules of Civil Procedure, and
	the Court having considered the Complaint, Plaintiff's brief, exhibits and other materials filed in
	support thereof, and now being advised in the premises, finds as follows:

This Court has jurisdiction of the subject matter of this case and there is good cause

1.

	CC Janie of Disingtiffic corneal shape is an advance to believe that immediate and immediate domain
	62
<b>-</b>	
	<u>}</u>
L	
	will result to Consumers protected by the Commission if Defendants receive notice of this action.
	There is a good cause to believe that such damage would include the concealment or transfer of
	Defendants' Assets. Accordingly, there is good cause to believe that any notice to Defendants
· <u></u>	13 1 00-1 11 0 11 1 1 1 1 1 1 1 1 1 1
<u></u>	
	1

	3. "Corporate Defendant" means 9107-4021 Québec, Inc. (also doing business as Med
	Provisions Pronto Meds and others) as well as its successors, assigns, officers, directors, agents.
•	
	servants, employees, salespersons, attorneys and those Persons or entities in active concert or
	participation with it who receive actual notice of this Order by personal service, facsimile, e-mail,
	nubligation or atherwise substher esting directly or through any corneration subsidiary division
<b>—</b>	
	•
· .	
	or other device.
	4 "Defendants" means 9107-4021 Québec Inc.(also doing business as Med

Provisions Degree Made and others) Compan Malhates and Davis Malhates and each of them as

- 7. "Material" means likely to affect a Person's choice of, or conduct regarding, goods or services.
- 8. "Person" means a natural person, organization or other legal entity, including a corporation, limited or general partnership, proprietorship, unincorporated association, cooperative, government or governmental subdivision or agency, business entity, or any other group or combination acting as an entity.
  - 9. "Plaintiff" means the Federal Trade Commission (Commission)
- 10. "Record" means any Document, as Document is defined in paragraph 6, above, relating to the business or business practices of any Defendant.
- 11. The terms "and" and "or" shall be construed conjunctively or disjunctively as

# PROHIBITED BUSINESS ACTIVITIES

I.

IT IS THEREFORE ORDERED that, in connection with the marketing of any good or service, Defendants are hereby temporarily restrained and enjoined from making, or assisting other Persons in making, expressly or by implication, any false or misleading representation of Material fact including, but not limited to, any misrepresentation:

A. That Defendants' discount prescription drug package will save Consumers 30 to 50 percent compared to the retail price of prescription drugs:

C. That Defendants provide a 30-day money back guarantee with the discount prescription drug package; or

D.	That Defendants will not charge Consumers'	'bank accounts if the Consumers cancel
----	--	--

II.

IT IS THEREFORE ORDERED that Defendants are hereby temporarily restrained and enjoined from violating any provision of the TSR, 16 C.F.R. Part 310, including, but not limited to, the following violations:

A. Misrepresenting, directly or by implication, Material aspects of the performance, efficacy, nature, or central characteristics of the goods or services Defendants sell,

	D.	Engaging in, or causing others to engage in, initiating an outbound telephone call to
<u></u>		por 1, 12 to the ALMERT CONTROL OF Decision disambinished
,		
<del></del>		
<u>, L</u>		
<u>.                                    </u>		
•		•
	-	16 C.F.R. § 310.4(b)(1)(iii)(B).

E. Initiating, or causing others to initiate, an outbound telephone call to a telephone number within a given area code without Defendants, either directly or through another Person, first paying the required annual fee for access to the telephone numbers within that area code that are included in the National Do Not Call Registry, thereby violating 16 C.F.R. § 310.8.

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,

are not limited to, any Assets held by, for or under the name of any

Defendant at any bank, broker, dealer, escrow agent, title company,

commodity trading company, precious metal dealer, or other financial
institution of any kind.

Opening or causing to be opened any new or existing safe deposit boxes, post office

box or commercial mail box titled in the name of any Defendant or subject to access

by any Defendant without providing Plaintiff prior notice and opportunity to inspect

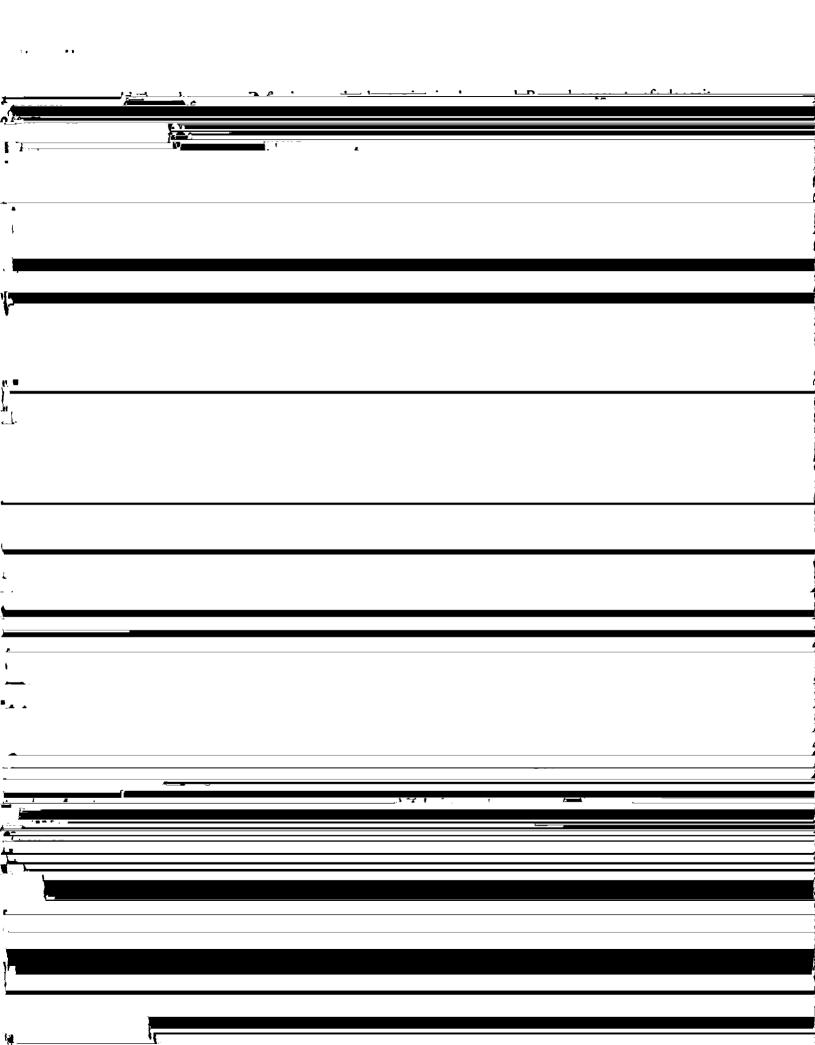
the contents in order to determine that they contain no Assets covered by this section

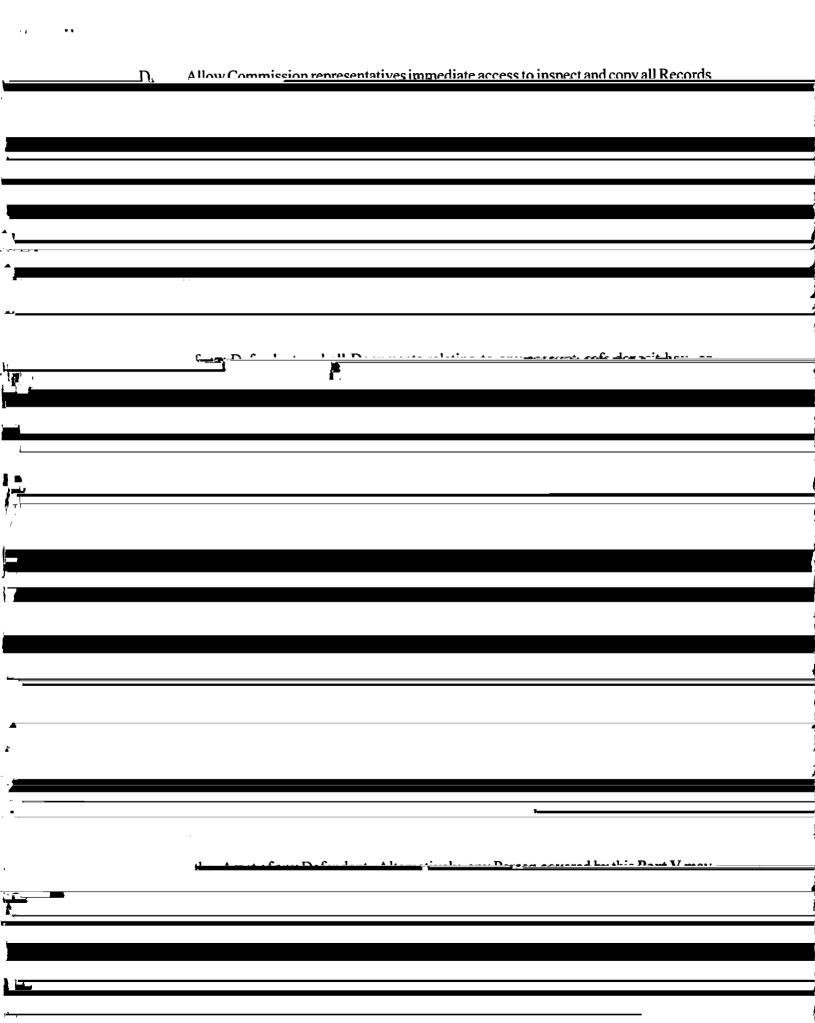
B.

**PROVIDED, HOWEVER,** that nothing in this Order shall prohibit any reversals of bank charges that occur in the ordinary course of business as required by any applicable banking laws or regulations.

# FINANCIAL REPORTING

IV
IT IS FURTHER ORDERED that, within three (3) days of receiving service of this Order,
each Defendant challerranges and deliver to the Court and counsel for the Commission a completed
•





Provide the Commission with access to all Records of accounts or Assets held by or C. for the benefit of any Defendant, or under the direct or indirect control of any the Federal Rules of Civil Procedure. Any interrogatories served pursuant to this Part VII shall not be counted toward any limit on the number of interrogatories under the Federal Rules of Civil relate to Defendants' business practices or business or personal finances from January 1, 2006, forward.

# **NOTICE**

IX

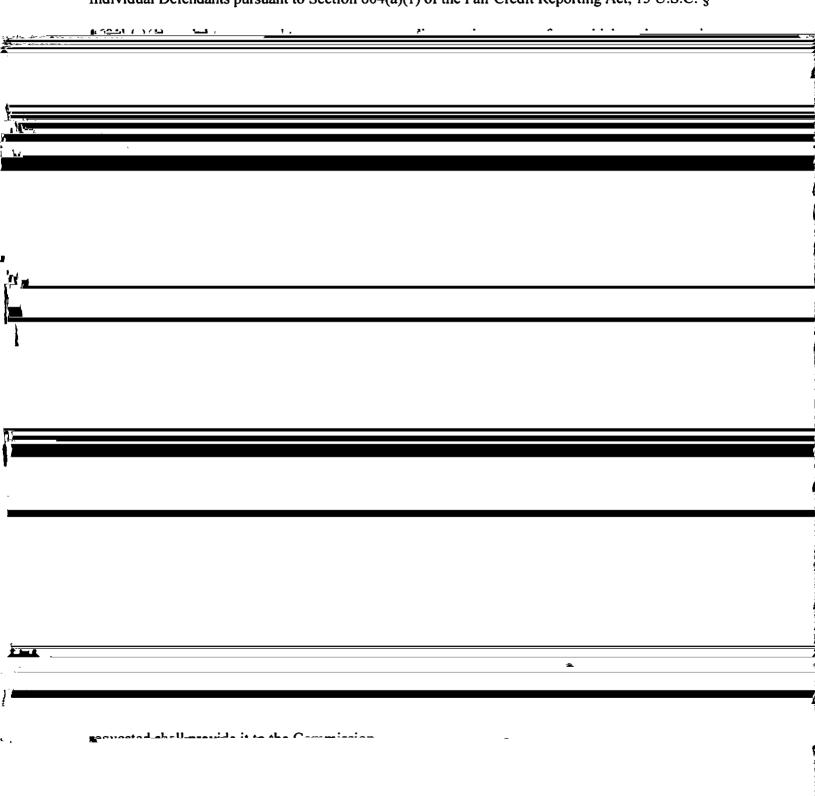
IT IS FURTHER ORDERED that Defendants shall immediately provide a copy of this
Order to each of the Corporate Defendant's affiliates, franchises, subsidiaries, divisions, successors,
assigns, directors, officers, managing agents, employees, representatives and independent
contractors and shall, within three (3) business days from the date of service of this Order, serve on
the Commission officiarity identifician the names titles addresses and talenham numbers of the

Persons and entities whom they have served pursuant to this provision.

# **CREDIT REPORTS**

 $\mathbf{X}$ 

IT IS FURTHER ORDERED, that the Commission may obtain credit reports concerning Individual Defendants pursuant to Section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. §



### PROHIBITION ON TRANSFERRING BUSINESS INFORMATION

XIII

,	E LA EUDTHER ORDERED Alex Defendance and house, tomporously restrained and	
· .		
<u>+</u>		
4.	Ţ	

enjoined from transferring or in any other way providing to any Person (other than Plaintiff, a law enforcement agency, or as required by any law, regulation, or court order), directly or indirectly, any trade secrets or knowledge, whether recorded or otherwise, or any books, Records, tapes, disks, accounting data, manuals, electronically stored data, banking Records, invoices, telephone Records, ledgers, payroll Records, or other Documents of any kind, including information stored in computermaintained form, in the possession, custody, or control of a Defendant that are in any way related to the Corporate Defendant.

### **EXPIRATION**

#### XIV

IT IS FURTHER ORDERED that this Order shall expire ten (10) days after entry unless, within such time, for good cause shown, it is extended for a like period, or unless Defendants

## **CORRESPONDENCE**

XV

For purpose of this Order, all correspondence and service of pleadings on Plaintiff shall be addressed to:

MICHAEL MILGROM, ESQ.
Federal Trade Commission
East Central Region

Ul Superior Avenue Suite 200

Cleveland, Ohio 44114-2507 Phone (216) 263-3419 / Fax (216) 263-3426 mmilgrom@ftc.gov

## **SERVICE OF THIS ORDER**

## XVI

Order and other initial pleadings and papers filed in this matter may be served by employees of the Commission, by employees of any other law enforcement agency, and by agents of any process	Commission, by employees of any other law enforcement agency, and by agents of any process		T IS FURTHER OR	EDERED that, purs	uant to Federal Ru	ile of Civil Procedi	are 4(c)(2), this
		Order a	d other initial pleadir	ngs and papers filed	d in this matter m	ay be served by em	ployees of the
garyare retained by the Commission was any Defendant when the hydiness-munices of say	garyor spiritual by the Commission upon any Defendant upon the hydrogeneous of say	Commi	sion, by employees o	of any other law en	nforcement agenc	y, and by agents of	of any process
		27977-62	eptoinad his the Com	minnian uman an	Defendant une	n tha huainasan	omicae of east

# PRELIMINARY INJUNCTION SHOW-CAUSE HEARING

# XVII

	IT IS FURTHER ORDERED that Defendants shall appear before this Court at the United
	States courthouse located at 801 W. Supplies Am Carell Room 15-4, on
	the day of May, 2008, at o'clock a.m./p.m., to show cause, if
	pritherche Whithis Court chould not enter a preliminant injunction manding final miling on the
<b>.</b>	
,	
	Communicate accounts Daspordants aninining them from front provide income of Section 5/02 of the ETC
_	
<b>.</b>	

