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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA
Phoenix Division**

FEDERAL TRADE COMMISSION,)
)
) Plaintiff,) CIV-96-_____
)
) v.)
) **COMPLAINT FOR**
GLOBAL ASSISTANCE NETWORK FOR) **INJUNCTION AND**
CHARITIES a.k.a. GANC, an unincorporated) **OTHER EQUITABLE**
organization,) **RELIEF**
EILEEN BELCAR, individually and)
doing business as GANC, and)
CEDRICK ROBLES, individually and)
doing business as GANC,)
)
) Defendants.)
_____)

Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), for its complaint alleges as follows:

1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to obtain permanent injunctive relief, restitution, disgorgement, and other equitable relief for Defendants' unfair and deceptive trade practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

JURISDICTION AND VENUE

2. Subject matter jurisdiction is conferred upon this Court by 15 U.S.C.

7. Defendant Cedrick Robles co-founded GANC and is a manager or agent of GANC. Individually or in concert with others, he formulates, directs, controls, or participates in the acts and practices of GANC alleged below, and has done so at all times pertinent to this action. He resides and transacts business in the District of Arizona.

COMMERCE

8. At all times material to this complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C.

the vast majority of the participants, lose money because there is no one in the pyramid below them.

11. Defendants advertise and market their charity pyramid scheme in newspapers and on the Internet, using electronic home pages on the World Wide Web. Defendants also use telephones, faxes, and mail to distribute their promotional documents.

12. Defendants claim that their primary goal is to fund charities and that by becoming a participant in the Defendantspyramid scheme, a participant will ensure, not only that his or her favorite charity will receive funds, but that the participant also will receive substantial income. See Attachment A at 4.

13. Defendants, through their promotional materials, have promised consumers that if they participate in GANC they will ultimately earn a profit of \$89,700 a month for a \$70 initial investment and \$50 per month thereafterSee Attachment A at 6. For example, Defendants promotional material states:

Global Assistance Network for Charities
The Vision
To create a path to financial independence for ourselves and worthy cause.
A TRUE
\$\$\$ INCOME MAKER \$\$\$
while funding your favorite cause or organization

14. Through this claim and others like it, Defendants have solicited consumers throughout the United States and in foreign countries to pay GANC a specific sum, such as an initial fee of \$70 and \$50 per month thereafter, to join their pyramid charity scheme.

DEFENDANTS' VIOLATIONS OF THE FTC ACT

15. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts and practices in or affecting commerce.

COUNT ONE

16. In connection with the offering for sale or sale of memberships in a charity pyramid scheme, Defendants have represented, directly or by implication, orally and in writing (including electronic writing on the World Wide Web), that consumers who pay GANC a specific sum, such as an initial fee of \$70 and \$50 per month thereafter:

- a. Will receive high income or profits, such as \$89,700 per month, in return; and
- b. Will receive a full refund.

17. In truth and in fact, most consumers who pay GANC a specific sum, such as an initial fee of \$70 and \$50 per month thereafter:

- a. Will not receive high income or profits, such as \$89,700 per month, in return; and
- b. Will not receive a full refund of money they pay GANC.

18. Therefore, the representations set forth in ¶ 16 are false and misleading and constitute unfair or deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

INJURY

19. Defendants' violations of Section 5 of the FTC Act, as set forth above, have caused and continue to cause substantial injury to consumers. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers.

THIS COURT'S POWER TO GRANT RELIEF

20. Section 13(b) of the FTC Act, 15 U.S.C§ 53(b), empowers this Court to issue a permanent injunction against defendants' violations of the FTC Act and, in the exercise of its equitable jurisdiction, grant such other relief as the Court may deem appropriate to halt and redress violations of the FTC Act, including restitution and disgorgement of unjust enrichment.

PRAYER FOR RELIEF

WHEREFORE the Commission respectfully requests that this Court, as authorized by Section 13(b) of the FTC Act, 15 U.S.C§ 53(b), and pursuant to its own equitable powers:

1. Award the Commission all temporary and preliminary injunctive and ancillary relief that may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including, but not limited to, temporary and preliminary injunctions, an order freezing each defendant's assets, requiring an accounting, permitting immediate access to Defendant's business records and expedited discovery;
2. Permanently enjoin Defendants from violating the FTC Act as alleged in this complaint;
3. Award all relief that the Court finds necessary to remedy the Defendants' violations of Section 5(a) of the FTC Act, including, but not limited to, the refund of monies paid and the disgorgement of illgotten gains; and
4. Award the Commission the costs of bringing this action, as well as any other

equitable relief that the Court may determine to be proper and just.

Dated: _____

Respectfully submitted,

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