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**JURISDICTION AND VENUE**

2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a), 53(b), 6102(c), and 6105(b).

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others, Blue Saguaro has advertised, marketed, and sold grants to consumers

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company with its principal place of business at 168 North 100 East, Suite 250, St. George, Utah 84770. Paramount transacts or has transacted business in this district and throughout the United States. At times material to this Complaint, acting alone or in concert with others, Paramount has advertised, marketed, and P 11.5 -79 17

**COMMON ENTERPRISE**

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14. Defendants Blue Saguaro, Marketing Ways, Max Results, Oro Canyon II, and Paramount (collectively “Corporate Defendants”) have operated as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged below. Corporate Defendants have conducted the business practices described herein through an interrelated network of companies that have common ownership, officers, managers, business functions, employees, office locations, mailing addresses, and phone numbers, and that commingled funds. Corporate Defendants, in numerous instances, use a common toll-free number ((800) 244-3842), but identify themselves orally or in writing as representing different organizations, including, BL & DTS, Atlantic Commerce Tech, Business Development Center, Cenex Hydra Grant Services, Coastal Grant Services, DTS Consulting, Fast Grants, Federal Government Grant Assistance Center, Gera Grant, GPS Industries, Grant Assist Center, Grant Assist Resource Center, Grant Assistance Services, Grantbabylon, Grants Assistance Center, (The) Grant Center, Grant Solutions, Grant Strategic Center, Grant Strategy Solutions, Grant Strategies and Solutions, GSP Industries, Hydragrants, Monarch, Senior Debt Relief Grant, and US Federal Grant Department.

15. Because the Corporate Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged below. Defendants Stephanie Bateluna, Stacey Vela, and Carl Morris have formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the Corporate Defendants that constitute the common enterprise.

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**COMMERCE**

16. 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. § 44.

**DEFENDANTS’BUSINE SS ACTIVITIES**

**Amazon Associates Website Scheme**

17. Beginning no later than the Fall of 2014, and continuing thereafter, Defendants have telemarketed home-based internet business opportunities to consumers throughout the United States.

18. Defendants first contact consumers by telephone from various call centers. During the initial sales calls, Defendants, in numerous cases, represent that they are, or are representatives of, Amazon. In exchange for fees ranging from several hundred to several thousands of dollars, Defendants offer to create a website for consumers linked to Amazon.com, claiming that consumers will immediately receive thousands of dollars each month in commissions on Amazon purchases made through the website. Defendants also offer to advertise the consumer’s Amazon website via multiple means, including through radio and Youtube, and to utilize search engine optimization to drive customers to the consumer’s Amazon affiliate website. mCuS8 Defene, or mers will

1 customers to, the website. Consumers who have paid hundreds, and in some cases  
2 thousands, of dollars based on Defendants' assurances of substantial income,  
3 receive no income from the websites.

4 21. In numerous instances, when consumers call to complain that the  
5 website does not work, or that they have made no money, Defendants ignore their  
6 calls and fail to refund the consumers' money.

### 7 **Grant Scheme**

8  
9 22. Beginning in approximately the middle of 2015 and continuing to  
10 the present, Defendants, in numerous cases posing as the government, have  
11 telemarketed grants to the consumers.

12 23. Working from call centers in the Phoenix area, Defendants contact  
13 consumers by telephone and represent that they are eligible for and – with  
14 Defendants' assistance will receive – grants from the government and private  
15 corporations to support home improvements, medical costs, and repayment of  
16 debt, among other personal needs. To allegedly determine the amount for which  
17 the consumer is eligible, Defendants ask for information regarding consumers'  
18 income, employment, age, veteran status, home value and equity, savings and  
19 retirement funds, debt, drivers' license and credit and debit card numbers. In  
20 numerous of these instances, Defendants tell elderly consumers, veterans, and  
21 consumers with large amounts of debt, that they are eligible for substantial grants  
22 based on these qualifications alone.

23 24. Defendants tell virtually all consumers they are eligible for grants  
24 ranging from tens of thousands of dollars to hundreds of thousands of dollars, but  
25 must pay thousands of dollars upfront to receive the grants, promising that these  
26 amounts will be refunded through the grants, which consumers will allegedly  
27 receive within 60 to 90 days.



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1 (b) consumers who purchase an Amazon Associates website and  
2 advertising package from Defendants will, or are likely to, earn substantial  
3 income.

4 31. In truth and in fact,

5 (a) they are not, and do not represent, Amazon; and

6 (b) consumers who purchase an Amazon Associates website and  
7 advertising package from Defendants will not, or are not likely to, earn substantial  
8 income.

9 32. Therefore, Defendants' representations set forth in Paragraph 30 are  
10 false and misleading and constitute deceptive acts or practices in violation of  
11 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

12  
13 **COUNT II**

14 **Grant Scheme**

15 33. In numerous instances, in connection with the marketing, offering  
16 for sale or sale of grants, Defendants represent, directly or indirectly, expressly or  
17 by implication, that in exchange for upfront fees of thousands to tens of thousands  
18 of dollars, consumers will, or are likely to, receive government and corporate  
19 grants ranging from thousands to hundreds of thousands of dollars.

20 34. In truth and in fact, consumers who pay these upfront fees do not, or  
21 are not likely to, receive government or corporate grants of any amount.

22 35. Therefore, Defendants' representation set forth in Paragraph 33 is  
23 false and misleading and constitutes a deceptive act or practice in violation of  
24 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

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1 (b) consumers who purchase an Amazon Associates website and  
2 advertising package from Defendants will, or are likely to, earn substantial  
3 income; or

4 (c) consumers will, or are likely to, receive government and  
5 corporate grants ranging from thousands to hundreds of thousands of  
6 dollars.

7 41. The acts and practices of Defendants described in Paragraph 40 are  
8 deceptive telemarketing acts or practices that violate the TSR, 16 C.F.R.  
9 §§ 310.3(a)(2)(iii) and (a)(4).

10  
11 **CONSUMER INJURY**

12 42. Consumers have suffered and will continue to suffer substantial  
13 injury as a result of Defendants' violations of the FTC Act and the TSR. In  
14 addition, Defendants have been unjustly enriched as a result of their unlawful acts  
15 or practices. Absent injunctive relief by this Court, Defendants are likely to  
16 continue to injure consumers, reap unjust enrichment, and harm the public interest.

17 **THIS COURTS POWER TO GRANT RELIEF**

18 43. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this  
19 Court to grant injunctive and such other relief as the Court may deem appropriate  
20 to halt and redress violations of any provision of law enforced by the FTC. The  
21 Court, in the exercise of its equitable jurisdiction, may award ancillary relief,  
22 including rescission or reformation of contracts, restitution, the refund of monies  
23 paid, and the disgorgement of ill-gotten monies, to prevent and remedy any  
24 violation of any provision of law enforced by the FTC.

25 **PRAYER FOR RELIEF**

26 Wherefore, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act, 15  
27 U.S.C. § 53(b), and the Court's own equitable powers, requests that the Court:  
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A. Award relief from Defendants' violation of the FTC Act and the TSR, 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, and the appointment of a receiver,

B. Enter a permanent injunction against Defendants' violation of the FTC Act and the TSR by Defendants;

C. Award such relief as the Court finds appropriate to compensate consumers resulting from Defendants' violation of the FTC Act and the TSR, including but not limited to, restitution of funds, disgorgement of ill-gotten monies, and refund of monies paid, and reimbursement of all out-of-pocket expenses;

D. Award Plaintiff the costs of bringing this action, as well as such other and additional relief as the Court may determine to be just and proper.

Dated: *October 6*, 2016

Respectfully submitted,

DAVID C. SHONKA  
Acting General Counsel

*[Handwritten Signature]*

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