

COPY

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8 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**

9 **IN AND FOR THE COUNTY OF MARICOPA**

10 STATE OF ARIZONA, *ex rel.* THOMAS C.
HORNE, Attorney General,

11 Plaintiff,

12 vs.

13 SOLID AD SOLUTIONS, LLC; SOLID
14 TECH SOLUTIONS, LLC; FREEDOM
BILLING, LLC also D/B/A/ E-FIRST
15 FINANCIAL; E-WEB FINANCIAL, LLC;
CHRISTOPHER P. LEWALLEN, a single
16 man, JAMES T. LEWALLEN, JR. and
DENISE LEWALLEN, husband and wife,
17 FORREST T. ANDERSON, a single man,
MATTHEW A. PORTERFIELD, a single
18 man; ANDREW LAWRENCE HEPFINGER,
a single man; PAUL JAMES THERIANOS
19 and MELISSA P. THERIANOS, husband and
wife; LISA SHEPARD ANGELINI and
20 ANTHONY ANGELINI, wife and husband;
CODY A. TOLBERT, a single man,

21 Defendants.
22

Case No.:

CV 2011-019787

COMPLAINT

23 Plaintiff, State of Arizona, *ex rel.* Thomas C. Horne, Attorney General, alleges as
24 follows:
25

26 ///

1 **I. NATURE OF CLAIMS**

2 This case involves a business opportunity telemarketing scheme that defrauded 4,882
3 consumers out of \$6,353,277.00. The scheme began when Defendants E-Web Financial LLC
4 and Freedom Billing, LLC also dba E-First Financial, made illegal telemarketing calls to
5 consumers offering them a home-based business opportunity. Defendants E-Web Financial
6 LLC, and Freedom Billing, LLC offered to set consumers up with their own internet "web-
7 mall" where they could earn commissions on products and services purchased through the
8 "web-mall." Consumers were promised a business coaching program that would show them
9 how to successfully operate their business. Consumers were told "the amount of money you
10 can make is unbelievable." The program was sold as "risk-free" with a promise that
11 Defendants E-Web Financial LLC, and Freedom Billing, LLC would buy the program back at
12 the end of one year "if for some crazy reason you don't make your investment back." Many
13 consumers were elderly and many were unfamiliar with the internet.

14 The web stores were offered for a price from \$99 to \$499, payable by credit card, over
15 the phone. Defendants E-Web Financial, LLC and Freedom Billing, LLC called consumers
16 from a phone list made up of people who had sought or bought a home based business
17 opportunity in the past. Once a consumer agreed to purchase the "webmall" the charges to their
18 credit card were immediately processed. Their name, contact information, credit cards, level
19 of receptiveness and available credit card limits were then passed on to Defendants Solid Ad
20 Solutions, LLC and its successor, Solid Tech Solutions, LLC. (See Exhibit 1, Sample of E-
21 Web Financial, LLC, Order Forms).

22 Representatives of Solid Ad Solutions, LLC or Solid Tech Solutions, LLC would call
23 the consumer back and introduce themselves as the business coach promised by Defendants E-
24 Web Financial LLC, or Freedom Billing, LLC. Solid Ad Solutions, LLC or Solid Tech
25 Solutions, LLC representatives would then offer website advertising and increased web site
26 traffic for a price from \$500 to \$33,400. (See Exhibit 2, Transcript of Solid Ad Solutions, LLC

1 Sales Call by Defendant Paul James Therianos aka Paul Young). The price was typically
2 determined by the available balance on consumers' credit cards. Solid Ad Solutions, LLC and
3 Solid Tech Solutions, LLC generally charged over \$10,000 for their products and services.
4 Once payment was made the "coaches" became unavailable to consumers. The contract
5 offered by Solid Ad Solutions, LLC and Solid Tech Solutions, LLC gave consumers only three
6 days to cancel, purposely confusing consumers who believed they were entitled to the 30, 60,
7 or 90 day to a year cancellation policy offered by Defendants E-Web Financial LLC, and
8 Freedom Billing, LLC.

9 The web sites produced were amateurish, and were not affiliated with "Fortune 500
10 companies" as advertised. The web traffic or "hits" directed to the sites was purchased in bulk,
11 generated by computers automatically scrolling through websites and not made up of actual
12 consumers. Even when consumers purchased items advertised on their own sites, commissions
13 were not paid to consumers. The "coaches" disappeared after the sale was made, consumers'
14 calls were not returned and attempts to obtain refunds were stonewalled. No Defendant ever
15 registered as a telemarketer as required by Arizona law.

16 No consumer ever recouped their investment or made commissions nearing the amount
17 invested. Defendants' revenues totaled \$6,353,277.00 from June 2008 to June 2011.

18 **II. JURISDICTION AND VENUE**

19 1. The State brings this action pursuant to the Arizona Consumer Fraud Act,
20 A.R.S. § 44-1521 *et seq.*, to obtain restitution, injunctive relief, civil penalties, attorneys' fees
21 and costs, investigative expense and other relief to prevent the unlawful acts and practices
22 alleged in this Complaint and to remedy the consequences of such unlawful practices.

23 2. Venue is proper in Maricopa County, Arizona.

24 3. The Superior Court has jurisdiction to enter appropriate orders both prior to and
25 following a determination of liability pursuant to A.R.S. § 44-1528.

1 III. PARTIES

2 A. PLAINTIFF

3 4. Plaintiff is the State of Arizona, *ex rel.* Thomas Horne, who is authorized to bring
4 this action by the Arizona Consumer Fraud Act, A.R.S. § 44-1521 *et seq.*

5 B. CORPORATE DEFENDANTS

6 5. Defendant Solid Ad Solutions, LLC was an Arizona limited liability company
7 located in Maricopa County, Arizona that marketed and sold internet “webstores” or
8 “webmalls” and related products and services to consumers. Defendant Solid Ad Solutions,
9 LLC is an Upsell or “Back End” Defendant.

10 6. Defendant Solid Tech Solutions, LLC, the successor to Defendant Solid Ad
11 Solutions, LLC, was an Arizona limited liability company located in Maricopa County,
12 Arizona that marketed and sold internet “webstores” or “webmalls” and related products and
13 services to consumers. Defendant Solid Tech Solutions, LLC is an Upsell or “Back End”
14 Defendant.

15 7. Defendant Freedom Billing, LLC is an Arizona limited liability company located
16 in Maricopa County, Arizona that marketed and sold internet “webstores” or “webmalls” and
17 related products and services to consumers. Defendant Freedom Billing LLC also did business
18 as E-First Financial. Defendant Freedom Billing, LLC is a Lead Generating or “Front End”
19 Defendant.

20 8. Defendant E-Web Financial, LLC was an Arizona limited liability company
21 located in Maricopa County, Arizona that marketed and sold internet “webstores” or
22 “webmalls” and related products and services to consumers. Defendant Freedom Billing, LLC
23 is a Lead Generating or “Front End” Defendant.

24 C. INDIVIDUAL DEFENDANTS

25 9. Defendant Christopher Lewallen, a resident of Maricopa County, Arizona, was
26 the statutory agent and sole member of Solid Ad Solutions, LLC from November 21, 2008 to

1 its dissolution on March 23, 2011. Between September 15, 2008 and November 21, 2008
2 Defendant James T. Lewallen, Jr. and Christopher P. Lewallen were joint members of Solid
3 Ad Solutions, LLC. Defendant Christopher P. Lewallen was the statutory agent and sole
4 member of Solid Tech Solutions, LLC. Defendant Christopher P. Lewallen is the statutory
5 agent and sole member of Freedom Billing, LLC. Defendant Christopher Lewallen also
6 managed, directed and profited from the operations of E-Web Financial, LLC.

7 10. Defendant James T. Lewallen, Jr., a resident of Maricopa County, Arizona, was the
8 statutory agent and sole member of Solid Ad Solutions, LLC from June 23, 2008 to September
9 15, 2008. Between September 15, 2008 and November 21, 2008 Defendant James T. Lewallen,
10 Jr. was a joint member of Solid Ad Solutions, LLC with Defendant Christopher Lewallen.
11 Defendant James T. Lewallen, Jr. was the statutory agent and sole member of E-Web Financial,
12 LLC from May 12, 2008 to June 25, 2008.

13 11. Defendant Denise Lewallen, a resident of Maricopa County, Arizona, is, and was,
14 at all relevant times, the wife of Defendant James T. Lewallen, Jr. Defendant James T.
15 Lewallen, Jr. acted on behalf of his marital community with respect to the allegations
16 contained in this Complaint.

17 12. Defendant Lisa Shepard Angelini, a resident of Maricopa County, Arizona, was
18 the Office Manager of Defendant Solid Ad Solutions, LLC, Solid Tech Solutions, LLC, E-
19 Web Financial, LLC and Freedom Billing, LLC.

20 13. Defendant Anthony Angelini, a resident of Maricopa County, Arizona, is, and
21 was, at all relevant times, the husband of Defendant Lisa Shepard Angelini. Defendant Lisa
22 Shepard Angelini acted on behalf of her marital community with respect to the allegations
23 contained in this Complaint.

24 14. Defendant Forrest T. Anderson, a resident of Maricopa County, Arizona, was the
25 manager, statutory agent and sole member of Defendant E-Web Financial, LLC from June 25,
26 2008 to its dissolution on June 23, 2010.

1 15. Defendant Matthew A. Porterfield , a resident of Maricopa County, Arizona, was
2 the Director of Operations of E-Web Financial, LLC.

3 16. Defendant Cody A. Tolbert, a resident of Maricopa County, Arizona, was a
4 manager of Defendant E-Web Financial, LLC and sold products and services for Defendant E-
5 Web Financial, LLC, often acting as the “closer” who finalized the sale after an initial sales
6 pitch by another telemarketer.

7 17. Defendant Andrew L. Hepfinger, a resident of Maricopa County, Arizona, using
8 the name Brandon Sheridan, telemarketed and sold products and services for Defendant Solid
9 Ad Solutions, LLC and Defendant Solid Tech Solutions, LLC.

10 18. Defendant Paul J. Therianos, using the name Paul Young, telemarketed and sold
11 products and services for Defendant Solid Ad Solutions, LLC and Defendant Solid Tech
12 Solutions, LLC.

13 19. Defendant Melissa P. Therianos a resident of Maricopa County, Arizona, is, and
14 was, at all relevant times, the wife of Defendant Paul James Therianos. Defendant Paul James
15 Therianos acted on behalf of his marital community with respect to the allegations contained
16 in this Complaint.

17 20. Whenever in this Complaint reference is made to any act of a Defendant, such
18 reference shall be deemed to mean the personal acts of the Defendant or acts of the
19 Defendant’s officers, shareholders, directors, employees, agents, or other representatives,
20 acting within the scope of their employment or authority.

21 **IV. FACTUAL ALLEGATIONS**

22 21. Since June 2008, Defendants E-Web Financial LLC, and Freedom Billing, LLC
23 also dba E-First Financial, or collectively the “Lead Generating Defendants,” marketed a
24 program that would purportedly help consumers create, develop, market and run their own
25 successful internet business from home. Defendants, Solid Ad Solutions, LLC and Solid Tech
26 Solutions, LLC or collectively the “Upsell Defendants” then marketed additional products and

1 services to the same consumers with representations that such products and services were
2 essential to a successful "webmall." Even after investing tens of thousands of dollars,
3 consumers never recouped their costs and did not end up with a viable business of any kind.

4 A. LEAD GENERATING OR "FRONT END" DEFENDANTS

5 22. Beginning in June 2008, Lead Generating Defendants began telemarketing to
6 consumers who had expressed interest in work-at-home opportunities. Lead Generating
7 Defendants rented "lead lists" of names and phone numbers of consumers who had previously
8 purchased home business opportunities or sought home business opportunities online.

9 23. The purported product being sold by Lead Generating Defendants was a website
10 or "webmall" set up for the consumer, which would allow website visitors to make purchases
11 of products through the stores available on the website. Consumers were charged anywhere
12 from \$99.00 to \$499.00 for a silver, gold or platinum package and promised the opportunity to
13 make "explosive revenue in just days." (See Exhibit 1, Sample of E-Web Financial, LLC,
14 Order Forms).

15 24. Nearly all sales of Lead Generating Defendants programs were credit card sales,
16 although some consumers sent checks and money orders. During sales calls, consumers were
17 asked to disclose personal financial information, including the limits on their credit cards.
18 Sales representatives encouraged consumers to purchase the program by promising that they
19 would soon be able to use the proceeds of their internet business to pay back the amount
20 charged to their credit cards.

21 25. Lead Generating Defendants completed an order form with each successful sale
22 stating the names of the opener and closer, the price paid, the package ordered, contact
23 information and notes about the consumer to assist the Upsell Defendants in making further
24 sales. These notes included statements like, "Has 9K available on this card today," "BACK
25 END CHA-CHING!! YOU ARE WELCOME!" "Old dude, has no clue" and "living on social
26 security." (See Exhibit 1, Sample of E-Web Financial, LLC, Order Forms).

1 26. Lead Generating Defendants represented to consumers they would earn a
2 commission when website visitors made a purchase from another commercial website as a
3 result of being directed there from the consumer's "webmail." Consumers were told that
4 Defendants were affiliated with Fortune 500 businesses like Travelocity, Amazon and E-Bay.

5 27. Lead Generating Defendants represented that consumers would earn 5-25 cents
6 with each Google Ad Sense Click, but did not provide Google Ad Sense Click, an online
7 advertising program offered by Google.

8 28. Lead Generating Defendants represented that consumers would get their first
9 check within 30 days of the establishment of their website.

10 29. Lead Generating Defendants represented that they would provide all the services
11 necessary for consumers to establish a successful internet business, including individual
12 coaching sessions, and website design and development for a period of one year.

13 30. Lead Generating Defendants represented that consumers would have 20 to 60
14 name brand stores on their website.

15 31. Lead Generating Defendants told consumers to expect revenues of \$5,000 to
16 \$7,000 a month.

17 32. Lead Generating Defendants promised "one year of unlimited access to your
18 advertising coach" to help promote and generate internet traffic.

19 33. Lead Generating Defendants sold the packages with an "ad voucher" in amounts
20 from zero to \$1,000.00 that could be used to purchase advertising. The ad voucher had no real
21 monetary value, but was used as an opener for Upsell Defendants to sell additional products
22 and services to the consumer.

23 34. Consumers were originally told over the phone that there was a risk-free
24 guarantee and that the company would buy back their program at the end of a year if they were
25 not satisfied. Later consumers were told they could cancel within 30, 60, 90 days or at any
26 time with cancellation charges. The written contract specified a term from 3 to 90 days. The

1 oral representations often did not match the written terms or the terms found on the company
2 website.

3 35. Consumers' requests for refunds within the cancellation period were dodged,
4 ignored and stonewalled, until the consumer complained to a State Agency, public complaint
5 forum or law enforcement.

6 36. The promised business coaching was not provided. Instead the "coaching"
7 consisted of continued efforts to sell web-related products and services by Upsell Defendants,
8 as described below.

9 B. UPSELL OR "BACK END" DEFENDANTS

10 37. After consumers were sold a website package by the Lead Generating
11 Defendants, their contact information, available credit card funds, susceptibility to sales
12 pitches and purchase information was passed to the Upsell Defendants. (See Exhibit 1,
13 Sample of E-Web Financial, LLC, Order Forms).

14 38. Upsell Defendants again, by telephone, solicited the consumers of the Lead
15 Generating Defendants to purchase advertising, web traffic for their site and additional
16 services. (See Exhibit 2, Transcript of Solid Ad Solutions, LLC Sales Call by Defendant Paul
17 James Therianos aka Paul Young). Prices for these products and services were usually
18 determined by the consumers' available credit and ranged from \$550.00 to \$33,400.00.

19 39. Upsell Defendants introduced themselves as the business coach promised by the
20 Lead Generating Defendants. The actual role of the "coach" was to sell the consumer a
21 supplementary advertising package to generate "hits" on the portal website. The cost for the
22 advertising packages ranged from \$550.00 or \$33,400.00, limited only by the amount of credit
23 the customer had left on their credit cards.

24 40. On November 22, 2008 Defendant Therianos called an 88-year-old consumer
25 who had purchased a "silver package" website from E-Web Financial, LLC for \$199.00 on
26 October 15, 2008. The transcript of this sales call is attached as Exhibit 2, Transcript of Solid

1 Ad Solutions, LLC Sales Call by Defendant Paul James Therianos aka Paul Young. On the
2 call Defendant Therianos obtains the numbers of all the consumer's credit cards, the expiration
3 dates, the last four of his social security number and checked the available credit limits to
4 determine how much could be charged on the customer's credit card. Defendant Therianos
5 then convinced the 88-year-old consumer to purchase a Google Ad Sense account (Google's
6 free program to pay websites for clicks on its ads) and 700,000 web hits for \$7,600.00.

7 41. Upsell Defendants sold 100,000 "hits" or website visits to their consumers for
8 \$1,000.00 or 1 cent per hit (or more). Upsell Defendants were able to purchase 1,000,000
9 "hits" or website visits from a bulk web traffic seller for \$250.00 or 1 cent for 40 hits.

10 42. Upsell Defendants misrepresented the nature of the website "hits" that
11 consumers would receive as consisting of individuals who could or would purchase products
12 or click on ads placed on the websites. In fact, the website hits consisted of automated web
13 traffic purchased from a bulk web traffic seller, intended only to boost search engine results.
14 Much of this traffic was generated by autosurfing, a technique that automatically rotates
15 websites in a web browser, with no human action required. This web traffic is not composed
16 of individuals actually viewing the sites visited.

17 43. Upsell Defendants sold "hits" or website visits to their consumers that were
18 never provided.

19 44. Upsell Defendants deliberately confused consumers as to which business they
20 were dealing with, so that consumers found it difficult to complain against the right company.

21 45. Upsell Defendants purposefully misrepresented the cancellation period to
22 consumers.

23 46. Upsell Defendants failed to disclose that the refund policy that applied to the
24 initial purchases did not apply to the advertising packages, which had only a 3-day
25 cancellation period.
26

1 47. Upsell Defendants made numerous deceptive and misleading claims to consumers
2 regarding the effectiveness of the advertising packages and the increased earnings that
3 consumers would realize by its use.

4 48. Because Upsell Defendants rarely provided any products or services within the
5 first three days, consumers had no way of evaluating the utility of their purchase until it was
6 too late for a refund.

7 49. Even when consumers attempted to request a refund, they typically faced a series
8 of obstacles. In some instances, consumers were unable to reach a representative to make their
9 request within the allotted time, despite leaving multiple voicemail messages or sending e-mail
10 messages. In other instances, consumers were transferred to very aggressive sales
11 representatives who talked them out of cancelling or convinced them to wait for their "first
12 quarter commission check" or "until after the Christmas shopping season," knowing full well
13 that the consumer would then be past the allowable cancellation period and well past the
14 dispute deadline with their credit card.

15 50. Upsell Defendants' salespeople, including Defendant Andrew Lawrence
16 Hepfinger and Defendant Paul James Therianos received commissions of over \$5,000.00 per
17 week for selling the web advertising packages.

18 C. ALL DEFENDANTS

19 51. Lead Generating and Upsell Defendants represented that typically 3.9% of
20 website visitors would buy something on the consumers' site. This was untrue.

21 52. Lead Generating and Upsell Defendants represented that consumers would have a
22 business coach for a year, but after purchasing the products and service, no actual "coaching"
23 was provided, other than attempts to sell further products and services.

24 53. Defendants represented that consumers could earn a 45% commission on a sale,
25 although no consumer ever did.
26

1 54. Commissions actually earned by consumers were not paid, except for the rare
2 occasions where the consumer provided proof of purchases by themselves, friends or their
3 family members.

4 55. Defendants represented to consumers that they would generate significant income
5 from the program and be able to pay their credit cards back.

6 56. Defendants represented that consumers could generate from \$1,000 to \$2,000 a
7 month to \$3,000 to \$7,000 per month, although no consumer generated these amounts.

8 57. Defendants purposely confused consumers as to the name of the company with
9 which they were dealing. Consumers frequently did not realize that Upsell Defendants were a
10 different company from Lead Generating Defendants.

11 58. Few, if any, consumers realized any income from the websites purchased from
12 Lead Generating and Upsell Defendants.

13 59. Not one consumer recouped his or her investment from the websites purchased
14 from Lead Generating and Upsell Defendants.

15 **V. VIOLATIONS OF THE ARIZONA CONSUMER FRAUD ACT**

16 60. The State realleges all preceding paragraphs as though fully set forth herein.

17 61. Beginning in June 2008 and continuing until April 2011, Defendants, in
18 connection with the sale and advertisement of merchandise, as described in the above
19 allegations, used or employed deception, deceptive acts or practices, fraud, false pretenses,
20 false promises, misrepresentations or concealment, suppression or omission of material fact
21 with the intent that others rely on such concealment and/or suppression or omission in
22 violation of A.R.S. § 44-1522(A).

23 62. In all matters alleged in the preceding paragraphs, Defendants acted willfully,
24 subjecting themselves to enforcement and penalties as provided in A.R.S. § 44-1531(A).

25 **VI. VIOLATIONS OF THE ARIZONA TELEPHONE SOLICITATIONS ACT**

26 63. The State realleges all preceding paragraphs as though fully set forth herein.

1 64. Defendants were "sellers" as defined under the Arizona Telephone Solicitations
2 Act, A.R.S. § 44-1271, *et seq.* As "sellers" Defendants were required to comply with the
3 mandates of the Act.

4 65. Defendants solicited by telephone without filing a verified registration statement
5 with the Arizona Secretary of State as set forth in A.R.S. §44-1272.

6 66. Defendants solicited by telephone without first filing a bond in the amount of one
7 hundred thousand dollars (\$100,000.00) with the Arizona State Treasurer as required in A.R.S.
8 § 44-1274.

9 67. Defendants solicited by telephone without providing the required disclosures and
10 notices of cancellation to consumers as required by A.R.S. § 44-1276.

11 68. Defendants did not honor consumers' right to cancel and request refunds as
12 mandated by A.R.S. § 44-1276(C) or provide the Notice of Cancellation mandated by A.R.S.
13 44-1276(D).

14 69. Defendants did not honor the Consumers' right to rescind a sale by an
15 unregistered seller at any time pursuant to A.R.S. § 44-1279.

16 70. Defendants' violations of the Telephone Solicitations Statute constitute unlawful
17 practices under the Arizona Consumer Fraud Act, A.R.S. § 44-1522 *et seq.*, pursuant to A.R.S.
18 § 44-1278(C).

19 71. In all matters alleged in the preceding paragraphs, Defendants acted willfully,
20 subjecting themselves to enforcement and penalties as provided in A.R.S. § 44-1531(A).

21 **VII. PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiff respectfully requests that the Court:

- 23 1. Prohibit Defendants from engaging in any business that conducts telephone sales.
24 2. Prohibit Defendants from violating the Arizona Consumer Fraud Act, A.R.S. §
25 44-1521 *et seq.*;
26

3. Prohibit Defendants from violating the Arizona Telephone Solicitations Act, A.R.S. § 44-1271, *et seq.*

4. Prohibit Defendants and all persons in active concert or participation with them from engaging in the course of conduct alleged herein;

5. Order Defendants to restore to all persons any money that was acquired by any means or practice alleged herein to be in violation of any of the above-mentioned acts, pursuant to A.R.S. § 44-1528;

6. Order Defendants to pay the State of Arizona a civil penalty of up to ten thousand dollars (\$10,000.00) for each violation of the Consumer Fraud Act pursuant to A.R.S. 44-1531;

7. Order Defendants to pay the State of Arizona its investigative and attorneys' costs and fees relating to this lawsuit.

8. Order other and further relief as the Court may deem just and proper.

RESPECTFULLY SUBMITTED this 14th day of November, 2011.

Thomas C. Horne
Attorney General


Rebecca Salisbury
Assistant Attorney General
Attorney for Plaintiff

#2385038

EXHIBIT 1

Sample of E-Web Financial, LLC, Order Forms

62/5,2 2/11/09

WEEK 38

FEB 1 @ 2009

PACKET SENT _____

ORDER FORM _____

ORDER FORM

OPENER Mya CLOSER Laurie Feathers

DATE 2-10--09 CLEARED _____

PACKAGE PURCHASED _____

PRICE \$ 199.00 25 Silver Package, 20 stores ✓
110.00 Gold Package, 40 stores
Platinum Package, 60 stores
Ad Voucher 400.00 100.00

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

HOME ADDRESS _____

CITY Auburn STATE WA ZIP 98001

MAILING ADDRESS _____

CITY --- STATE _____ ZIP _____

HOME TELEPHONE _____

MOBILE PHONE _____

EMAIL ADDRESS _____

BEST DAY AND TIME TO CONTACT CUSTOMER _____

Notes Coach early evening (next week)
Visa Express (has American Express)
having kemo therapy (cancer)

WEEK 38

FEB 11 2009

PACKET SENT FEB 12 2009

EX/SIC 2/12/09

ORDER FORM _____

ORDER FORM

OPENER Sam B CLOSER LANCE G.

DATE 2-11-9 CLEARED _____

PACKAGE PURCHASED silver

PRICE \$ 299 ~~399~~ Silver Package, 20 stores \$500
Gold Package, 40 stores \$100
Platinum Package, 60 stores \$150
Ad Voucher ~~100~~

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

HOME ADDRESS _____

CITY Winchester STATE VA ZIP 22601

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

HOME TELEPHONE _____

MOBILE PHONE _____

EMAIL ADDRESS _____

BEST DAY AND TIME TO CONTACT CUSTOMER after

Notes living on social security FAX: same as #

WEEK 40

Wach 1006-5

APR 09 2009

APR 08 2009
ex/s.c. 4/8/09

PACKET SENT _____

ORDER FORM _____

ORDER FORM

OPENER LANCE G. CLOSER Lance G.

DATE 4-8-9 CLEARED _____

PACKAGE PURCHASED gold

Silver Package, 20 stores

PRICE \$ 399

Gold Package, 40 stores

Ad Voucher 800

Platinum Package, 60 stores

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

HOME ADDRESS

CITY Salt Lake City STATE UT ZIP [REDACTED]

MAILING ADDRESS

CITY _____ STATE _____ ZIP _____

HOME TELEPHONE [REDACTED]

MOBILE PHONE _____

EMAIL ADDRESS [REDACTED]

BEST DAY AND TIME TO CONTACT CUSTOMER evenings

Notes HAS 9K available on this card today (listen to tape)

BACK END CHA-CHENG!! YOU ARE WELCOME!

WEEK 39

PACKET SENT _____

FEB 20 2009

ORDER FORM _____

ORDER FORM

OPENER

CLOSER

DATE

CLEARED

PACKAGE PURCHASED

PRICE \$

Silver Package, 20 stores

Gold Package, 40 stores

Platinum Package, 60 stores

Ad Voucher

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

HOME ADDRESS

CITY

STATE

ZIP

MAILING ADDRESS

CITY

STATE

ZIP

HOME TELEPHONE

MOBILE PHONE

EMAIL ADDRESS

BEST DAY AND TIME TO CONTACT CUSTOMER

Notes

[Type text]

WEEK

44 SZN 1013

MAR 27 2009

82/sic 3127169

PACKET SENT

9:20
MAR 28 2009

ORDER FORM

ORDER FORM

SALES ASSOCIATE

MARK W

CODY T.

DATE

3/27/09

DAY

Friday

TIME

PACKAGE PURCHASED

PLATINUM

PRICE \$

499.00

Silver Package, 20 stores

Gold Package, 40 stores

Platinum Package, 60 stores

Ad Voucher

\$ 800.00

Post Date

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

HOME ADDRESS

CITY

FOREST HEIGHTS

STATE

MD

ZIP

MAILING ADDRESS

SAME

CITY

STATE

ZIP

HOME TELEPHONE

MOBILE PHONE

EMAIL ADDRESS

BEST DAY AND TIME TO CONTACT CUSTOMER

Notes

Lay Down

\$ \$ \$

WEEK 49

APR 29 2009

PROCESSOR N

SCANNED: 4/29/09

PACKET SENT APR 29 2009

ORDER FORM

OPENER Richard Morris CLOSER Cody Tolbert

DATE 4/29/09 TIME 10:45 LEAD SOURCE MACIA 032709 PP

PRICE \$ 299.00 Silver Website Package, 20 stores
Gold Website Package, 40 stores
Platinum Website Package, 60 stores
Ad Voucher 300.00

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

MAILING ADDRESS

CITY YOUNGSTOWN STATE OH ZIP [REDACTED]

BILLING ADDRESS

SAME
CITY _____ STATE _____ ZIP _____

BEST TELEPHONE #:

ALTERNATE PHONE #:

EMAIL ADDRESS:

FAX PHONE #:

BEST DAY AND TIME TO CONTACT CUSTOMER

Notes:

ANY TIME
Lay Down / NO CLUE WHAT THIS IS

**** FILL OUT COMPLETELY LEGIBLY & SPELL CHECK OR SPIFF IS FORFEITED ****

[Type text]

WEEK 47

SCANNED: 4/17/09

APR 16 2009

Sent: C 4/17/09

PROCESSOR A

PACKET SENT APR 17 2009

ORDER FORM

OPENER MYA B CLOSER LANCE G

DATE 4-16-9 TIME 2:59pm LEAD SOURCE Jpl-04 1509

Silver Website Package, 20 stores

PRICE \$ 499

Gold Website Package, 40 stores

Ad Voucher 1000

45
Platinum Website Package, 60 stores

CUSTOMER NAME AS SHOWN ON CREDIT CARD / CHECK

MAILING ADDRESS [REDACTED]

CITY Newport Beach STATE Ca ZIP [REDACTED]

BILLING ADDRESS [REDACTED]

CITY Newport Beach STATE Ca ZIP [REDACTED]

BEST TELEPHONE #: [REDACTED]

ALTERNATE PHONE #: [REDACTED]

EMAIL ADDRESS: [REDACTED]

FAX PHONE #: [REDACTED]

BEST DAY AND TIME TO CONTACT CUSTOMER evenings or early A.M (PST)

Notes: can't get back end let me know I will all day
you are welcome!

**** FILL OUT COMPLETELY LEGIBLY & SPELL CHECK OR SPIFF IS FORFEITED ****

EXHIBIT 2

Transcript of Solid Ad Solutions, LLC, Sales
Call by Defendant Paul James Therianos aka
Paul Young dated November 22, 2008

~~TRANSCRIPT OF SOLID AD SOLUTIONS, LCC, SALES CALL~~
BY DEFENDANT PAUL JAMES THERIANOS AKA PAUL YOUNG ON NOVEMBER, 22, 2008

Customer: Hello.

Paul Young: Hello. Mr. Robert, please.

Customer: Yes.

Paul Young: Robert, this is Paul with Solid Ad Solutions. How are you doing? I was just giving you a call to congratulate you on your website.

Customer: I'm sorry. You're not coming in very good.

Paul Young: Can you hear me?

Customer: That's better.

Paul Young: I was giving you a call to congratulate you on your website. [Pause] Can you hear me?

Customer: Yeah.

Paul Young: Did you hear what I said?

Customer: Not really.

Paul Young: I was calling to congratulate you on your website.

Customer: Oh, thank you.

Paul Young: Not a problem. How's everything going so far?

Customer: Okay.

Paul Young: Okay? Did you get your welcome package?

Customer: Yes.

Paul Young: Good. Did you get all that stuff sent back?

Customer: I'm sorry?

Paul Young: Did you send it back yet?

Customer: No.

Paul Young: No? Okay.

Customer: You mean I was supposed to send it back?

Paul Young: Well there are some forms in there that you have to sign and initial and send back.

Customer: I see.

Paul Young: Have you checked out your website yet?

Customer: No. I don't even have a computer.

Paul Young: Oh, okay. That's alright. But, your website is up. It looks really good, by the way. Very nice.

Customer: Maybe you can describe it for me.

Paul Young: Well, it's a web mall. You have different categories and in those categories are the different stores that you have. It looks like you have twenty stores.

Customer: Oh.

Paul Young: It's pretty good. [Pause] Can you hear me okay?

Customer: Yeah.

Paul Young: So, what were your goals for the program, Robert?

Customer: I'm sorry?

Paul Young: What were your goals for the program?

Customer: Well, there's only one goal that everyone has in mind.

Paul Young: Yeah, that's true. Make some extra money.

Customer: That's profit.

Paul Young: There you go. It says that you were looking to make 2-3 thousand a month.

Customer: Well, I sure welcome that.

Paul Young: You sure welcome that? I think anyone would, right?

Customer: Yeah.

Paul Young: It says here as well, Robert, another one of your goals is to pay off a few credit cards, right?

Customer: Is to what?

Paul Young: To pay off a few credit cards.

Customer: That's right.

Paul Young: It says you had four of them.

Customer: No, I only have two.

Paul Young: You only have two?

Customer: Yeah. And I have bills and unpaid charges.

Paul Young: Are you paying your bills every month with your cards?

Customer: I'm sorry?

Paul Young: Are you paying the credit card bills every month?

Customer: I'm trying to.

Paul Young: Trying to? You have some high balances on there?

Customer: Yeah.

Paul Young: What do you think they're both at?

Customer: I'm sorry?

Paul Young: What do you think you owe on both the cards?

Customer: Uh, well after I charged 200 for this last charge, that makes about 14,000.

Paul Young: Oh, so are both the cards maxed out?

Customer: Yeah--- No.

Paul Young: No?

Customer: Neither one.

Paul Young: Neither one is maxed out?

Customer: No.

Paul Young: That's good.

Customer: I hope I can start getting some money in so I can make payments on those cards.

Paul Young: Well, that's what I'm giving you a call for. I'm going to put together an advertising campaign to help you achieve your goals. Okay?

Customer: Yeah. When do you think I might be able to realize some income?

Paul Young: Well, we're going to start sending people to the website in about ten days. Okay?

Customer: You think I'll realize some income in ten days?

Paul Young: Well, I'm going to start sending people to the website within ten days. You'll have the potential to start generating income here shortly. Okay?

Customer: Yeah.

Paul Young: What I'm going to do... I'm going to send 700,000 people to your website. Okay?

Customer: Okay.

Paul Young: Almost a quarter of a million—almost three quarters of a million, I'm sorry. Okay? What I'm also going to do, Robert, I'm going to get you something on your webpage called Google Ad Sense. Okay?

Customer: What did you say that is?

Paul Young: It's called Google Ad Sense. Okay?

Customer: Google.

Paul Young: Yeah, Ad Sense.

Customer: With an F?

Paul Young: Google. G-O-O-G-L-E.

Customer: Oh.

Paul Young: Okay?

Customer: Google. What's the other part?

Paul Young: Ad Sense.

Customer: Accent?

Paul Young: Ad Sense. Okay? Now, what that is, Robert, we're going to put an ad on your webpage, okay? Can you hear me?

Customer: Yes.

Paul Young: We're going to put an ad on your webpage.

Customer: I hear what you're saying, but I don't understand it.

Paul Young: Well, that's what I'm going to explain to you right now. We're going to put an ad on your webpage, okay? Now anytime any of these 700,000 people that we're going to send to the site click on your Google Ad Sense ad, you're going to receive 5-25 cents per click. Okay?

Customer: I still don't understand it.

Paul Young: Okay. There's going to be an ad on your webpage. Alright? Now, what I'm going to do is send 700,000 people to your website. Okay?

Customer: Okay.

Paul Young: Now everything is guaranteed in the contract. Okay, Robert? Okay, so everything we do in the contract is guaranteed. Okay?

Customer: Okay.

Paul Young: Alright. Now when I start sending these 700,000 people to the site, okay, if they click on the Google Ad Sense that we're going to put on your website, you will receive 5 to 25 cents per click. That's for them just clicking on the Ad Sense. Okay?

Customer: Yeah.

Paul Young: Now, you'll also have the ability to receive money off of the purchases. If any of those people make purchases, you can receive up to 45% of commission for the sale. Okay?

Customer: Yeah.

Paul Young: You with me so far?

Customer: Well, not really, because I don't understand anything you're telling me.

Paul Young: Okay.

Customer: You see, it's the reason I don't understand it because I don't even know anything about computers.

Paul Young: That's okay. You understand that you have a web mall, right?

Customer: Yeah, I understand that but I still don't know what it is.

Paul Young: It's a mall. An online shopping mall with stores in it. Okay? As people go to your stores and make purchases, you'll receive commission from their purchases. Okay?

Customer: I understand what a commission is. I'm looking forward to getting some.

Paul Young: Well, that's why we're going to send 700,000 people to your website. Okay?

Customer: Okay.

Paul Young: Okay. Now, the Google Ad Sense, okay, that pays you as people click on it. Anytime someone clicks on the Google Ad Sense on your page, you'll receive 5 to 25 cents per click. That's whether or not they buy something. Okay?

Customer: That means you can receive income without somebody buying something.

Paul Young: Right. All they have to do is click on the ad, okay? It gives you a better opportunity.

Customer: Yeah. When they click on that ad, but I still don't understand the clicking on the ad.

Paul Young: That's okay. But, you do understand that if they click on the ad, you'll receive 5 to 25 cents, right?

Customer: Well, yeah. I understand that, because that's what you told me.

Paul Young: Okay. Now, the value of this program, Robert, is 16,000, okay? But, that's not what we're going to charge, okay? Okay?

Customer: I hope not.

Paul Young: No. What we would charge is 7600. Okay? Now, you probably don't have 7600 just laying around, okay, not many of my clients do. Okay? What we suggest is take that 7600, okay, and put it on a credit card or two. Then once you have the chance to start hitting your goals, pay off your credit cards first. That shouldn't be a problem, right?

Customer: I hope not.

Paul Young: Okay. Then once you start to maximize your potential income, Robert, go ahead and put 25% of your potential income back into advertising. You wouldn't have a problem doing that, if you're making money, right?

Customer: No, I guess not.

Paul Young: Okay. Okay. What we're going to do, Robert, we're going to do a spreadsheet for you, okay? That way once you start hitting your goals, you can pay those credit cards off, okay?

Customer: Yeah. You my coach?

Paul Young: Yes.

Customer: And, you're going to be with me for a year?

Paul Young: Yes, sir.

Customer: Okay.

Paul Young: Okay, now go ahead and grab the two credit cards that you have.

Customer: You mean you're going to charge something to my credit card right now?

Paul Young: No, sir. What I'm going to do is put together a spreadsheet of your credit card debts, so I can help you achieve your goal of paying it off. Okay? So, go grab those cards for me.

Customer: Well, hang on.

Paul Young: Take your time.

[Pause]

Customer: Are you still there?

Paul Young: I'm still here.

Customer: Okay. I'm sorry; I had to take a quick trip to the bathroom.

Paul Young: That's okay. You do what you've got to do.

Customer: Haha. Okay, those credit cards were in my wallet, and my wallet was in some other clothes.

Paul Young: Oh, that's okay. What type of cards do you have?

Customer: I'm sorry?

Paul Young: What type of credit cards do you have?

Customer: I have... Both of them are VISA cards.

Paul Young: Okay. What's the card number on the first one?

Customer: Uh, [REDACTED]

Paul Young: What's the expiration date?

Customer: Uh, 9/08

Paul Young: Okay, and can you read the 800 number of f of the back? If you can't, it's not a problem. There's an 800 number on the back of that card. Can you read it?

Customer: No.

Paul Young: That's okay, don't worry about it. What's the next VISA that you have?

Customer: The what?

Paul Young: What's the other VISA that you have?

Customer: It's First National Bank of Omaha.

Paul Young: Okay, what's the card number?

Customer: [REDACTED], I'm sorry. [REDACTED]

Paul Young: And, what's the expiration on that card?

Customer: 11/08

Paul Young: And, what is your billing zip code, Robert?

Customer: I'm sorry?

Paul Young: What's the zip code you receive your mail at?

Customer: [REDACTED]

Paul Young: [REDACTED]?

Customer: Yeah.

Paul Young: And, what's the last four of your social?

Customer: Last four of what?

Paul Young: Your social security number.

Customer: Oh, [REDACTED].

Paul Young: Okay, give me one second, okay Robert?

Customer: Yeah.

[Pause]

Paul Young: You still there?

Customer: Yeah.

Paul Young: Alright, sorry about that, Robert.

Customer: What's the name of your company?

Paul Young: Solid Ad Solutions. Okay?

Customer: Say that again.

Paul Young: Solid Ad Solutions.

Customer: Solid.

Paul Young: Ad Solutions. Give me one more quick second, okay Robert?

Customer: Beg your pardon?

Paul Young: Give me one more second, okay?

Customer: Okay. [Pause]

Paul Young: Alright, you still there, Robert?

Customer: Yeah.

Paul Young: Okay. Now, do you have a fax machine, Robert?

Customer: No.

Paul Young: Okay. Now, do you have...

Customer: I use to have a fax machine.

Paul Young: Okay.

Customer: And, I still have the machine; it's just not hooked up.

Paul Young: So, you do have a fax machine, though?

Customer: I do have.

Paul Young: All you need to do is plug it in, and it will work.

Customer: On my regular telephone line.

Paul Young: Yeah, on your regular telephone line, okay? Cuz what we need to do, I need to fax you the contract, so we can get this going, okay? So, what we're going to be doing, Robert, we're going to send you the 700,000 visitors, okay?

Customer: Okay. You said this is Solid

Paul Young: Ad Solutions. Yes. I am your coach.

Customer: Ad Solutions?

Paul Young: Yes, sir.

Customer: What's this E-Trade Financial?

Paul Young: E-Web Financial is the company that you bought the website from. Okay? Now, you're going to be working with me, okay?

Customer: Yeah. And your name is?

Paul Young: My name is Paul.

Customer: Paul?

Paul Young: Yup. And, my phone number here is 602-569-1920.

Customer: Okay. You're going to have to start over on that.

Paul Young: Okay. Say it again, sir?

Customer: Start over on that phone line.

Paul Young: 602

Customer: Phone number

Paul Young: 6025691920. Okay?

Customer: 1920.

Paul Young: Yes, sir.

Customer: Okay. What's your last name?

Paul Young: Young. Y-O-U-N-G

Customer: Okay. You're my coach? You're going to be with me for a year.

Paul Young: Yes, sir. Okay. Now, what we're going to do, okay, we're going to send you 700,000 people to the site, okay. Now, the value of this, Robert, is 16,000, okay? We're not going to charge that, okay?

Customer: You mean I'm going to have to pay that?

Paul Young: No. That's the value, but we're not going to charge you that.

Customer: Okay.

Paul Young: Okay. What we're going to charge you, okay, is going to be 7600. Okay? You're going to put that on the credit card, okay? And once you start to hit your goals, I need you to pay that off first, okay? Okay, Robert?

Customer: I sure would like to have those credit cards paid off.

Paul Young: Well, I'm going to give you the best opportunity, okay?

Customer: Yeah. And you tell me that it'll be ten days before I get any money.

Paul Young: We're going to start sending the 700,000 visitors in ten days, okay?

Customer: Yeah.

Paul Young: But, I need to get this contract done first before we start that, okay?

Customer: Have to get what started first?

Paul Young: Say it again?

Customer: You gotta get what started first?

Paul Young: The contract.

Customer: Oh. The contract I have with me now?

Paul Young: No, I have a contract I have to fax to you. Okay?

Customer: Yeah.

Paul Young: Alright. Now, where's your fax machine, Robert?

Customer: Sitting right here in front of me.

Paul Young: Okay, so you know how to plug it in and hook it up, right?

Customer: Well, I know how to hook in the phone line to it.

Paul Young: And plug in the power cord? Okay. Do you have paper for it?

Customer: Yeah.

Paul Young: Okay. I need to get this contract together, okay? So what we'll do, okay, we're going to put the 7600 on your VISA card, the First National Bank of Omaha one. Okay?

Customer: Yeah.

Paul Young: That's the one that has available credit, okay? Now, I've got to get the contract over to you.

Customer: I hope it has that much.

Paul Young: Say it again?

Customer: I say I hope it has that much credit.

Paul Young: It has more than enough, sir.

Customer: You checked that out?

Paul Young: Yes, like I said, we're putting a spreadsheet together for you to figure out what you need to get paid off, okay?

Customer: Yeah.

Paul Young: You're in pretty good shape, but we're going to give you the best opportunity here. So what I'm going to do, like I said, is put the 7600 on that card, okay? [REDACTED], okay. Do I have your permission to do that, Robert?

Customer: Reluctantly, yes.

Paul Young: Okay. Let me get the contract together, okay? What I'm going to do is fax it over to you. What I need you to do, Robert, is sign and date the second page and fax it right back to me. So, we can get this going as soon as possible, okay? I want to start sending the visitors to your site.

Customer: You want me to sign?

Paul Young: I'm going to fax you the contract right now, okay? What I need you to do...

Customer: You can't send me any fax. I don't have it hooked up.

Paul Young: Say that again?

Customer: I don't have it hooked up.

Paul Young: Okay, but when I hang up with you, you're going to hook it up, okay? Give me one more second, okay Robert?

Customer: Okay.

[Pause]

Paul Young: Okay. You still there, Robert?

Customer: Yeah.

Paul Young: Okay. So, what I'm going to do, I'm going to get the contract ready for you right now, okay? Get all that ready, and fax it to you in the next 10 to 15 minutes, okay?

Customer: Yeah. How long is this going to take, because I've got an appointment pretty soon here.

Paul Young: It's going to take about ten minutes. I'm going to do it right now, okay? But, I need you to hook up that fax machine and get it ready as soon as I hang up with you, okay?

Customer: Yeah.

Paul Young: I'll call you back as soon as I receive it back from you, okay?

Customer: Okay.

Paul Young: Okay, Robert, I look forward to working with you. I'll talk to you in a minute, okay?

Customer: Yeah. You're ready for me to hook up that fax machine?

Paul Young: Yeah, go ahead and hook it up, and I'm going to call you back afterwards, okay?

Customer: Okay.

Paul Young: Okay. Bye bye.