

MICHAEL K. JEANES
Clerk of the Superior Court
By Lizethe Rivas, Deputy
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Description	Amount
CASE# CV2017-001826	
CIVIL NEW COMPLAINT	319.00 W
TOTAL AMOUNT	0.00

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1 **MARK BRNOVICH**
2 **ATTORNEY GENERAL**
(Firm Bar No. 14000)
3 EVAN G. DANIELS (Bar No. 30624)
4 ASSISTANT ATTORNEY GENERAL
1275 West Washington Street
5 Phoenix, Arizona 85007
6 Telephone: (602) 542-3725
7 Facsimile: (602) 542-4377
consumer@azag.gov
Attorneys for State of Arizona

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9 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
10 **IN AND FOR THE COUNTY OF MARICOPA**

11 STATE OF ARIZONA, *ex rel.*
12 MARK BRNOVICH, Attorney General

13 Plaintiff,

14 v.

15 PARA HEALTH PROFESSIONALS, INC.,
16 an Arizona corporation; EXAMINATION
17 PREPARATION INSTITUTE, INC., an
18 Arizona corporation; PAMELA RAE DAVIS
and JOHN C. DAVIS, wife and husband; and
19 ERNEST C. ESTEBAN.

20 Defendants.

CV 2017-001826

Case No:

**CIVIL COMPLAINT FOR INJUNCTIVE
AND OTHER RELIEF**

(Non Classified: Consumer Fraud)

21 Plaintiff, the State of Arizona, *ex rel.* Mark Brnovich, the Attorney General (“the State”)
22 alleges as follows:

23 **JURISDICITON AND VENUE**

24 1. The State brings this action under the Arizona Consumer Fraud Act, A.R.S. § 44-
25 1521, *et seq.*, to obtain restitution, civil penalties, injunctive relief, attorney’s fees and costs,
26 investigative expenses, and other relief to address and prevent the unlawful acts and practices

1 alleged in this Complaint.

2 2. This Court has jurisdiction to enter appropriate orders both before and following a
3 liability determination under A.R.S. § 44-1528, to provide temporary and permanent injunctive
4 relief to prevent further occurrence of the unlawful acts and practices alleged in this Complaint,
5 and to provide other relief, including restitution, civil penalties, costs of investigation and
6 attorney's fees.

7 3. Venue is proper in Maricopa County, Arizona pursuant to A.R.S. § 12-401.

8 **PARTIES**

9 4. Plaintiff is the State of Arizona, *ex rel.* Mark Brnovich, the Attorney General,
10 who is authorized to bring this action by the Arizona Consumer Fraud Act, A.R.S. § 44-1521, *et*
11 *seq.*

12 5. Defendant Para Health Professionals, Inc. ("Para Health") is an Arizona
13 corporation that has operated from April 2012 to the present with its principal place of business
14 in Scottsdale, Arizona. Para Health purportedly also has an office in Las Vegas, Nevada.

15 6. Defendant Examination Preparation Institute, Inc. ("EPI") is an Arizona
16 corporation that has operated from April 2012 to the present with its principal place of business
17 in Scottsdale, Arizona.

18 7. Defendant Pamela Rae Davis resides in Maricopa County. At all times relevant to
19 this Complaint, Defendant Davis directed, managed, and controlled Para Health's and EPI's
20 business.

21 8. As such, Defendant Davis actively participated in the unlawful acts and practices
22 described in this Complaint as an individual, as a director for Para Health and EPI, and as
23 Treasurer of Para Health.

24 9. Defendant Ernest C. Esteban resides in Maricopa County. At all times relevant to
25 this Complaint, Defendant Esteban directed, managed, and controlled Para Health's and EPI's
26 business. "Defendants" collectively refers to Defendant Para Health, Defendant EPI, Defendant

1 Davis, and Defendant Esteban.

2 10. As such, Defendant Esteban actively participated in the unlawful acts and
3 practices described in this complaint as an individual, as a director for Para Health and EPI, and
4 as Secretary of EPI.

5 11. Defendant John C. Davis resides in Maricopa County and is named solely for any
6 interest he may possess in his marital community with Defendant Pamela Rae Davis.

7 **FACTUAL BACKGROUND**

8 12. From April 2012 to December 2015, Defendant EPI provided seminars, taught by
9 Defendant Davis or Defendant Esteban, on various medical topics.

10 13. Seminars provided by Defendant EPI included Phlebotomy, Electrocardiogram
11 (“EKG”) Technician, “Medical Technician,” “Behavioral Health Technician,” “Health Care
12 Technician,” “Pharmacology,” and “Pharmacy Technician,” among others.

13 14. Seminars lasted various lengths of time and included live lectures and take home
14 work.

15 15. Defendants charged between \$99 and \$800 per student, per seminar.

16 16. Defendants represented to consumers that taking seminars from Defendant EPI
17 would be sufficient to obtain certification from Defendant Para Health.

18 17. From April 2012 to the present, Defendant Para Health issued what it called
19 “national certifications” in certain practices related to the medical field.

20 18. Defendant Para Health claimed to issue certifications based on a student’s
21 demonstrated knowledge and experience in an area. Typically a student would demonstrate
22 knowledge and experience to Defendants by taking seminars from Defendant EPI. After taking
23 seminars, a student then would take an examination written by Defendant Davis or Defendant
24 Esteban, which Defendant Davis or Defendant Esteban would grade.

25 19. Defendant Davis and Defendant Esteban represented to consumers that they were
26 qualified to certify students in a respective practice based on their education and experience.

1 20. Defendants represented to consumers that obtaining a certification from Defendant
2 Para Health would assist a consumer in finding paid employment in the certification field.

3 21. Through advertisements and representations to consumers Defendants create an
4 impression that seminars and certification are necessary or will assist consumers in obtaining
5 paid employment in the professional fields for which a certification is acquired.

6 22. In fact, the seminars and certifications provided by Defendants do not and cannot
7 assist consumers with finding employment in the professionals fields for which consumers
8 obtain certifications from Defendants.

9 23. Defendants' representations about the seminars and certifications they provide to
10 consumers create an impression that their seminars and certifications are equivalent to training
11 and certifications provided by persons that hold a private vocational program license. Under
12 A.R.S. § 32-3001(6), a "private vocational program" as "an instructional program which
13 includes a course or group of courses as defined in section 15-101¹ for which a student does not
14 earn a degree and which is designed to provide or is advertised as providing a student with
15 sufficient skills for entry into a paid occupation, and which is not conducted solely by a public
16 school, public community college or public university."

17 24. Under A.R.S. § 32-3021(A), "[a] person shall not operate a private vocational
18 program unless the person holds a private vocational program license." Defendants have never
19 held or sought to hold such a license.

20 25. Accordingly, Defendants' representations about the seminars and certifications
21 they provide to consumers are deceptive because the certifications cannot be the equivalent of
22 certifications obtained from a person holding a private vocational program license or assist
23 consumers with obtaining paid employment.

24
25 ¹ Section 15-101(9) defines a "course" as "organized subject matter in which instruction is
26 offered within a given period of time and for which credit toward promotion, graduation or
certification is usually given. A course consists of knowledge selected from a subject for
instructional purposes in the schools."

1 26. Defendants also represented to consumers that taking seminars through Defendant
2 EPI could be used to obtain education credentials such as a high school diploma, an
3 undergraduate level college degree, or an advanced graduate degree, including a “PhD in
4 Medicine.”

5 27. Concerning education credentials, Defendants represented to consumers that
6 Defendant EPI would:

- 7 a. “[E]valuate your previous degrees and experiences that you can turn into
8 college credit”;
- 9 b. “[C]ounsel and guide you all the way through to your degree”;
- 10 c. “[H]old monthly lectures to allow you to get the credits you need to
11 complete your degree,” and;
- 12 d. [P]roctor your exams and grade your classwork.”

13 28. Representations made by Defendants created the impression that consumers can
14 obtain valid education credentials by and through Defendants.

15 29. Defendants charged consumers to obtain education credentials as follows: \$800
16 for a high school diploma; \$3,000 for an associate’s degree; \$6,000 for a bachelor’s degree;
17 \$9,000 for a Doctorate of Nursing Practice; and \$12,000 for a “PhD in Medicine.”

18 30. Some consumers paid for and obtained from Defendants what they believed were
19 valid education credentials based on seminars that Defendants taught.

20 31. In fact, education credentials obtained by or through Defendants are from an
21 establishment purporting to be located in the British West Indies.

22 32. Additionally, Defendants assist consumers with obtaining education credentials
23 from a “foreign credentials evaluation” service. The service used by Defendants purports to
24 validate credentials obtained from an education establishment outside the United States and
25 issue supposedly equivalent credentials that appear to be granted from an institution inside the
26 United States.

1 33. None of the credentials consumers paid to obtain from Defendants, whether from
2 establishments inside or outside the United States, are from degree programs accredited by an
3 accrediting agency recognized by the United States Department of Education.

4 34. Under A.R.S. § 32-3022, a person must not “grant or offer to grant a degree”
5 without a state-issued license. To obtain a license, each degree program offered must be
6 accredited by an accrediting agency recognized by the United States Department of Education or
7 have “institutional accreditation” from such an accrediting agency.

8 35. Defendants have never held or sought to hold a state-issued license to grant or
9 offer to grant degrees.

10 36. Although Defendant Davis represents that she possesses multiple doctorate
11 degrees, she holds no such degrees from an institution accredited by an accrediting agency
12 recognized by the United States Department of Education.

13 37. Although Defendant Esteban represents that he possesses multiple doctorate
14 degrees, he holds no such degrees from an institution accredited by an accrediting agency
15 recognized by the United States Department of Education.

16 38. Defendant Esteban once held a valid license from the State of Arizona as a
17 registered nurse, but that license was revoked in 2013. Other than as a nurse, Defendant Esteban
18 has never practiced medicine.

19 39. Accordingly, Defendants’ representations that they can assist consumers with
20 obtaining valid education credentials are deceptive and false because the credentials Defendants
21 provide to consumers cannot be valid in accordance with Arizona law or assist consumers with
22 obtaining paid employment.

23 40. Ultimately, Defendants’ representations create deceptive impressions that they
24 have the experience, credentials, and legal authority to grant certifications and degrees, when, in
25 fact, they do not.

26

1 **VIOLATIONS OF THE ARIZONA CONSUMER FRAUD ACT, A.R.S. § 44-1521, et seq.**

2 41. The allegations set forth in the previous paragraphs are incorporated by reference
3 as though fully recited in the following paragraphs.

4 42. The Arizona Consumer Fraud Act provides that “[t]he act, use or employment by
5 any person of any deception, deceptive or unfair act or practice, fraud, false pretense, false
6 promise, misrepresentation, or concealment, suppression or omission of any material fact with
7 intent that others rely upon such concealment, suppression or omission, in connection with the
8 sale or advertisement of any merchandise whether or not any person has in fact been misled,
9 deceived or damaged thereby, is declared to be an unlawful practice.” A.R.S. § 44-1522(A).

10 43. Defendants’ acts, practices, and conduct described in the preceding paragraphs
11 were deceptive, unfair, or constituted fraud, false pretenses, false promises, or
12 misrepresentations to consumers under the Arizona Consumer Fraud Act.

13 44. Defendants acted willfully, as defined by A.R.S. § 44-1531(B), while engaging in
14 the acts, practices, and conduct described in this Complaint.

15 45. Under A.R.S. §§ 44-1528 and -1531, Defendants’ willful violations of the Arizona
16 Consumer Fraud Act entitle the State to awards of restitution, civil penalties, disgorgement of
17 profits, attorneys’ fees and costs, investigative expenses and any other relief necessary to
18 prevent the unlawful actions and practices alleged in this Complaint and to remedy the
19 consequences of past unlawful acts.

20 46. Defendants acted as a single operation in committing the acts and practices
21 described in this Complaint. Therefore, Defendants should be held jointly and severally liable
22 for the unlawful acts and practices alleged herein.

23 **I. MISREPRESENTATIONS AND DECEPTIVE IMPRESSIONS RELATED TO**
24 **SEMINARS**

25 47. Defendants represented to consumers that taking seminars or obtaining a
26 certification from Defendants would assist consumers in obtaining employment.

1 pay restitution of monies that were acquired by any practice alleged in this Complaint that
2 violated the Arizona Consumer Fraud Act.

3 56. Pursuant to A.R.S. § 44-1528(A)(3), order the disgorgement of any profits, gain,
4 gross receipts, or other benefit Defendants obtained by any practice alleged in this Complaint
5 that violated the Arizona Consumer Fraud Act.

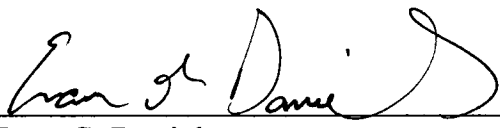
6 57. Pursuant to A.R.S. § 44-1531, order Defendants, jointly and severally, to pay the
7 State a civil penalty of not more than \$10,000 for each willful violation of the Arizona
8 Consumer Fraud Act.

9 58. Pursuant to A.R.S. § 44-1534, order Defendants, jointly and severally, to
10 reimburse the Attorney General for the costs of investigation and reasonable attorneys' fees.

11 59. Order such other relief and the Court deems just and proper.

12
13 RESPECTFULLY SUBMITTED: March 9, 2017.

14 MARK BRNOVICH,
15 ATTORNEY GENERAL

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17 BY: 
18 Evan G. Daniels
19 Assistant Attorney General
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