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11 **UNITED STATES DISTRICT COURT**  
12 **FOR THE DISTRICT OF ARIZONA**

13 Federal Trade Commission,

14 Plaintiff,

15 v.

16 James D. Noland, Jr., a/k/a Jay Noland and J.D.  
17 Noland, individually and as an officer of Success By  
18 Media Holdings Inc., Success By Media LLC,  
19 Enhanced Capital Funding, and Rinpark SA;

20 Lina Noland, individually and as an officer of Success  
21 by Media Holdings Inc. and Success By Media LLC;

22 Scott A. Harris, individually and as an officer of  
23 Success By Media LLC;

24 Thomas G. Sacca, individually and as an officer of  
25 Success By Media LLC;

26 Success By Media Holdings Inc., a corporation, also  
27 d/b/a Success By Health and Success By Media;

28 Success By Media LLC, a limited liability company,  
also d/b/a Success By Health and Success By Media;

Enhanced Capital Funding, a corporation; and

**No. CV-20-0047-PHX-DWL**

**SECOND AMENDED  
COMPLAINT FOR  
PERMANENT  
INJUNCTION AND  
OTHER EQUITABLE  
RELIEF**

1 Rinpark SA, a foreign corporation, also d/b/a Success  
2 By Media International,  
3 Defendants.

4 Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), for its Second  
5 Amended Complaint alleges:  
6

7 1. The FTC brings this action under Sections 13(b) and 19 of the Federal  
8 Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b), 57b; the Mail, Internet, or  
9 Telephone Order Merchandise Rule (“Merchandise Rule”), 16 C.F.R. Part 435; and the  
10 Rule Concerning Cooling-Off Period for Sales Made at Homes or at Certain Other  
11 Locations (“Cooling-Off Rule”), 16 C.F.R. Part 429, to obtain temporary, preliminary,  
12 and permanent injunctive relief, rescission or reformation of contracts, restitution, the  
13 refund of monies paid or return of property, the payment of damages, disgorgement of ill-  
14 gotten monies, and other equitable relief for Defendants’ acts or practices in violation of  
15 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and in violation of the Merchandise Rule  
16 and the Cooling-Off Rule.  
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19

20 **JURISDICTION AND VENUE**

21 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331,  
22 1337(a), and 1345, and 15 U.S.C. §§ 57b.  
23

24 3. Venue is proper in this district under 28 U.S.C. § 1391(b)(2-3) and 15  
25 U.S.C. § 53(b).  
26  
27  
28

**PLAINTIFF**

1  
2 4. The FTC is an independent agency of the United States Government  
3 created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act,  
4 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting  
5 commerce. The FTC also enforces the Merchandise Rule, 16 C.F.R. Part 435, which  
6 requires mail-, Internet-, or phone-based sellers to have a reasonable basis for advertised  
7 shipping times, and, when sellers cannot meet promised shipping times or ship within 30  
8 days, to obtain the buyer’s consent for a delay or provide a refund. The FTC also  
9 enforces the Cooling-Off Rule, 16 C.F.R. Part 429, which requires sellers of certain  
10 goods or services at places other than the seller’s place of business to notify purchasers of  
11 their right to cancel the transaction within three business days.  
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15 5. The FTC is authorized to initiate federal district court proceedings, by its  
16 own attorneys, to enjoin violations of the FTC Act, the Merchandise Rule, and the  
17 Cooling-Off Rule, and to secure such equitable relief as may be appropriate in each case,  
18 including rescission or reformation of contracts, restitution, the refund of monies paid,  
19 and the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b), 57b; 16 C.F.R. Part 435;  
20 16 C.F.R. Part 429.  
21  
22

**DEFENDANTS**

23  
24 6. Defendant Success By Media Holdings Inc. (“SBM Holdings”), also doing  
25 business as Success By Health (“SBH”) and Success By Media, is a Nevada corporation  
26 with its principal place of business at 2875 Saint Rose Parkway, Suite 100, Henderson,  
27 NV 89052. SBM Holdings transacts or has transacted business in this District and  
28

1 throughout the United States. SBH is or was an unincorporated division of SBM  
2 Holdings.

3 7. Defendant Success By Media LLC (“Success By Media”), also doing  
4 business as SBH and Success By Media, is a Nevada limited liability company with its  
5 principal place of business at 2875 Saint Rose Parkway, Suite 100, Henderson, NV  
6 89052. Success By Media transacts or has transacted business in this District and  
7 throughout the United States. Success By Media is a subsidiary of SBM Holdings. SBH  
8 is or was an unincorporated division of Success By Media.  
9

10 8. Defendant Enhanced Capital Funding is a Nevada corporation with its  
11 principal place of business in Las Vegas, Nevada. Enhanced Capital Funding transacts or  
12 has transacted business in this District and throughout the United States.  
13

14 9. Defendant Rinpark SA (“SBM International”), also doing business as SBM  
15 International, is a Uruguay corporation with its principal place of business in Punta Del  
16 Este, Uruguay. SBM International transacts or has transacted business in this District and  
17 throughout the United States through its common enterprise and its alter egos, Jay  
18 Noland, Success By Media, SBM Holdings, and Enhanced Capital Funding.  
19

20 10. Defendant James D. Noland, Jr. (“Jay Noland”), also known as Jay Noland  
21 and J.D. Noland, is an owner, director, chief executive officer, president, and treasurer of  
22 SBM Holdings. He is a manager and chief executive officer, and previously was an  
23 owner, of Success By Media. Noland is also: the president, secretary, treasurer, and a  
24 director of Enhanced Capital Funding; the president, sole officer, sole shareholder, and  
25 sole director of SBM International; and the founder and chief executive officer of SBH.  
26  
27  
28

1 At all times material to this Second Amended Complaint, acting alone or in concert with  
2 others, he has formulated, directed, controlled, had the authority to control, or  
3 participated in the acts and practices of Success By Media, SBM Holdings, SBM  
4 International, Enhanced Capital Funding, and SBH, including the acts and practices set  
5 forth in this Second Amended Complaint. Defendant Jay Noland, in connection with the  
6 matters alleged herein, transacts or has transacted business in this District and throughout  
7 the United States.  
8  
9

10 11. Defendant Lina Noland (together with Jay Noland, the “Nolands”) is an  
11 owner, officer, director, and corporate secretary of SBM Holdings. She also is a  
12 manager, and previously was an owner, of Success By Media. At all times material to  
13 this Second Amended Complaint, acting alone or in concert with others, she has  
14 formulated, directed, controlled, had the authority to control, or participated in the acts  
15 and practices of Success By Media, SBM Holdings, SBM International, Enhanced  
16 Capital Funding, and SBH, including the acts and practices set forth in this Second  
17 Amended Complaint. Defendant Lina Noland, in connection with the matters alleged  
18 herein, transacts or has transacted business in this District and throughout the United  
19 States.  
20  
21  
22

23 12. Defendant Scott A. Harris (“Harris”) is the president and an officer, and  
24 previously was a senior field advisor, of Success By Media and SBH. At all times  
25 material to this Second Amended Complaint, acting alone or in concert with others, he  
26 has formulated, directed, controlled, had the authority to control, or participated in the  
27 acts and practices of Success By Media and SBH, including the acts and practices set  
28

1 forth in this Second Amended Complaint. Defendant Harris, in connection with the  
2 matters alleged herein, transacts or has transacted business in this District and throughout  
3 the United States.  
4

5 13. Defendant Thomas G. Sacca (“Sacca”) is the chief visionary officer, and  
6 was previously the chief sales officer and a senior field advisor, of Success By Media and  
7 SBH. At all times material to this Second Amended Complaint, acting alone or in  
8 concert with others, he has formulated, directed, controlled, had the authority to control,  
9 or participated in the acts and practices of Success By Media and SBH, including the acts  
10 and practices set forth in this Second Amended Complaint. Defendant Sacca, in  
11 connection with the matters alleged herein, transacts or has transacted business in this  
12 District and throughout the United States.  
13  
14

15 **COMMON ENTERPRISE**

16 14. Defendants SBM Holdings, Success By Media, Enhanced Capital Funding,  
17 and SBM International (collectively, “SBM Defendants”) have operated as a common  
18 enterprise while engaging in the unlawful acts and practices described below. SBM  
19 Defendants have conducted the business described below through SBM Holdings,  
20 Success By Media, Enhanced Capital Funding, and SBM International, which have  
21 commingled funds and have or had common ownership, officers, managers, business  
22 functions, and office locations. Because the SBM Defendants have operated as a  
23 common enterprise, each of them is jointly and severally liable for the acts and practices  
24 alleged below.  
25  
26  
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28



1 recruiting new Affiliates over selling products to ultimate users or consumers outside of  
2 the organization. SBH’s business practices also make it unlikely that Affiliates can  
3 meaningfully earn money by selling products to outside customers.  
4

5 20. In many instances, Defendants fail to timely ship products to Affiliates and  
6 other consumers who place product orders. When those consumers complain to the  
7 company, seek a refund from the company, or seek a chargeback through their credit card  
8 company, Defendants respond with threats and lawsuits.  
9

10 21. Defendants also host SBH and Success by Media events at hotels and  
11 additional locations other than their place of business. At those sometimes-mandatory  
12 events, Defendants use high-pressure sales tactics to force Affiliates to buy expensive  
13 consumer goods and services, including SBH products and tickets to future training  
14 events, without informing Affiliates of their legal right to cancel those transactions.  
15

16 22. In October 2019, Defendants announced their “VOZ Travel” program.  
17 Defendants charged consumers \$1,000-\$2,795 to become VOZ Travel members. In  
18 exchange, consumers received the right to sell discounted travel through a never-  
19 launched booking platform and to earn rewards based on their ability to recruit others  
20 willing to pay the steep membership fee.  
21  
22

23 **The SBH Marketing Scheme**

24 23. Consumers pay an annual membership fee of \$49 to become SBH  
25 Affiliates, making them eligible to sell SBH products and receive rewards for doing so.  
26

27 24. Each SBH Affiliate receives a distinct URL that directs consumers to the  
28 Affiliate’s SBH website, a duplicate of the main SBH website. Product purchases made



1 on either the Affiliate’s copy of the SBH website (the “Affiliate Website”) or on the main  
2 SBH website are handled identically—SBH receives the proceeds of the transaction and  
3 is responsible for fulfilling and shipping the order. Purchases made by Affiliates or non-  
4 Affiliates on an Affiliate Website, including purchases made by the Affiliate himself or  
5 herself, result in the Affiliate receiving credit for the sale toward commissions.  
6

7 25. Any member of the public can buy SBH products from the company’s  
8 website, or an Affiliate Website, at the same “wholesale” price that SBH offers to  
9 Affiliates. SBH sets the pricing both on its website and on the Affiliate Websites.  
10 Affiliates do not have the ability to offer different prices on the internet.  
11

12 26. Only SBH Affiliates are eligible to recruit a “downline” of additional SBH  
13 Affiliates and to earn commissions and other rewards based on purchases made through  
14 their own or their downline’s Affiliate Websites.  
15

16 27. In practice, because SBH requires Affiliates to accrue \$20 in commission  
17 before they can receive a payout and because SBH commissions generally do not exceed  
18 10% of the purchase amount, an Affiliate or his or her downline must purchase, or  
19 generate purchases of, at least \$200 from SBH before the Affiliate can receive any  
20 commission.  
21

22 28. Affiliates only become eligible for certain rewards by increasing their SBH  
23 “rank.” The current 11 ranks range from “Business Affiliate” (“BA”), which requires  
24 \$5,000 in monthly purchase volume from the Affiliate and the Affiliate’s downline, to “5  
25 Star Diamond,” which requires \$1.25 million in monthly purchase volume from the  
26 Affiliate and the Affiliate’s downline. To qualify for each rank, no more than 50% of the  
27  
28

1 Affiliate’s qualifying purchase volume can come from a single downline Affiliate or that  
 2 Affiliate’s own downline.

3 29. If Affiliates lack the downline volume to meet the monthly purchase  
 4 volume requirements, they can personally purchase products to make up the difference  
 5 and qualify for new rewards.  
 6

7 30. Each Affiliate’s rank resets every month. Therefore, to maintain his or her  
 8 rank, an Affiliate must consistently meet the relevant purchase thresholds.  
 9

10 31. In addition to other forms of compensation, Affiliates earn percentage-  
 11 based commissions on total sales volume at various “tiers” within their downlines. “Tier  
 12 0” is the Affiliate himself or herself. “Tier 1” is recruits of the Tier 0 Affiliate. “Tier 2”  
 13 is the Tier 1 Affiliates’ recruits, “Tier 3” is the Tier 2 Affiliates’ recruits, and so on.  
 14

15 32. The percentage-based commissions that an Affiliate earns depend on two  
 16 variables: the Affiliate’s rank and the tier at which purchases occurred. As an Affiliate’s  
 17 rank increases, the Affiliate can access commissions at additional tiers and increase the  
 18 applicable commission percentage at each tier. The table below, from SBH’s marketing  
 19 materials, provides the percentage commissions by rank and tier:  
 20  
 21

Titles	RETAIL CUSTOMER	AFFILIATE	BUSINESS AFFILIATE	SUPER BUSINESS AFFILIATE 1	SUPER BUSINESS AFFILIATE 2	SUPER BUSINESS AFFILIATE 3	SUPER BUSINESS AFFILIATE 4	1 STAR DIAMOND	2 STAR DIAMOND	3 STAR DIAMOND	4 STAR DIAMOND	5 STAR DIAMOND
Abbreviation	C	A	BA	SBA1	SBA2	SBA3	SBA4	1SD	2SD	3SD	4SD	5SD
6-TIER RESIDUAL TEAM COMMISSION												
TIER 0 <sup>(1)</sup>		10%										
TIER 1		8%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
TIER 2		2%	5%	6%	6%	6%	6%	6%	6%	6%	6%	6%
TIER 3		1%	2%	4%	4%	4%	4%	4%	4%	4%	4%	4%
TIER 4		<sup>(2)</sup>	1%	3%	3%	3%	3%	3%	3%	3%	3%	3%
TIER 5		<sup>(2)</sup>	<sup>(2)</sup>	2%	2%	2%	2%	2%	2%	2%	2%	2%

22 33. Under this plan, a hypothetical Affiliate, “Joe,” with a rank of Super  
 23  
 24  
 25  
 26  
 27 Business Affiliate 1 (“SBA1”) earns 10% commission on purchases made by Joe and by  
 28













































1           a.       In the second paragraph of section 14, Defendants state that “SBH  
2 [p]roducts typically ship within 48 business hours” and that “from time to time,”  
3 products may not ship for “up to 60 days or more in some cases.”  
4

5           b.       Section 14 also states that all product purchases are nonrefundable  
6 “for any reason whatsoever” and prohibits consumers from seeking credit card  
7 “chargebacks” (i.e., a refund through a credit card company).  
8

9           c.       The unnumbered “Liquidated Damages” section of the terms and  
10 conditions impose liquidated damages upon consumers who “violate[] the No  
11 Refund Policy and file[] a chargeback or dispute[] a purchase they made from  
12 [SBH].” Those damages equal three times the amount of each chargeback or  
13 \$1,000—whichever is greater.  
14

15           d.       The unnumbered “Confession of Judgment” section of the terms and  
16 conditions also allows SBH to confess a judgment in any court against a consumer  
17 who “dispute[s]” a credit card payment or obtains a reversal of a credit card  
18 transaction “for any reason.” The same section defines the confessed judgment  
19 amount as three times the amount of each reversed or disputed charge or \$1,000—  
20 whichever is greater—plus the amount of the original charge, along with  
21 collection costs, court costs, and attorneys’ fees.  
22

23  
24           95.     In a separate part of the SBH Affiliates’ back offices, a “frequently asked  
25 questions” section responds to a “What is the SBH Shipping policy?” question by stating  
26 that products “typically ship within 48 – 72 business hours from when the order is  
27  
28

1 placed.” Only under a separate “How do refunds work?” question do Defendants state  
2 that orders may not ship for “up to 60 days or more in some cases.”

3 96. On many occasions, consumers have waited months to receive products or  
4 have not received products at all.

5 97. Defendants do not obtain consumers’ consent to shipping delays.

6 98. Defendants do not offer any consumers, including consumers who wait for  
7 months to receive products or who never receive their products, the option to cancel their  
8 order and obtain a refund.

9 99. Defendants do not provide refunds to consumers who request them,  
10 including consumers who wait months to receive their products or who never receive  
11 their products.

12 100. Jay Noland has urged Affiliates to “keep ordering, keep moving, keep  
13 pushing,” even when SBH runs out of products.

14 101. Defendants threaten consumers who ask questions or complain about  
15 shipping delays with legal action or removal from the company.

16 102. In one Facebook video, Jay Noland said, “We’re having just a crazy  
17 amount of people calling our 800 number asking where their orders are at.” He blamed  
18 this on “terrible leadership” not by himself, but instead by the Affiliates who had  
19 recruited the complaining Affiliates. He then threatened to remove from SBH the  
20 complaining Affiliates and those Affiliates’ upline referrers.  
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1           103. In one video posted to Facebook, Jay Noland threatened to report to the  
2 police any Affiliate who requested a chargeback on a product for which he or she had  
3 received a commission—even if the Affiliate had not received the product.  
4

5           104. SBM Holdings sued nine SBH Affiliates in Nevada state court, alleging,  
6 among other things, that the Affiliates violated the SBH terms and conditions by seeking  
7 at least 12 chargebacks.  
8

9                           **Defendants’ Sale of Consumers Goods and Services at SBH and**  
10                           **Success by Media Events**

11           105. Defendants and their representatives frequently host events at which they  
12 sell SBH products and tickets to future training events. These events occur at locations  
13 other than the Defendants’ place of business.  
14

15           106. As seen in the image accompanying paragraph 86, Defendants require new  
16 Affiliates to attend all “major corporate events.” Similarly, as described in paragraph 47,  
17 Defendants encourage Affiliates seeking financial freedom to attend “all SBH Corporate  
18 trainings and events no matter what.”  
19

20           107. The “major corporate events” referenced in paragraph 106 occur 3-4 times  
21 annually at a cost \$200-3500 per ticket, excluding travel and hotel costs. These events  
22 usually occur in hotel conference rooms or convention centers.  
23

24           108. Defendants and their representatives also host smaller events, such as  
25 “coffee tea mixers” (“CTMs”) or “Success Saturdays,” throughout the year. These events  
26 usually occur in Defendants’ or their representatives’ homes or in hotel conference  
27 rooms.  
28

1           109. At these events, Defendants use high-pressure tactics—including threats of  
2 diminished status within SBH; emotional pleas from friends, family, and SBH leaders;  
3 and screaming—to sell consumer goods or services, including SBH products and tickets  
4 to training events, that cost more than \$130.  
5

6           110. Defendants do not inform, either orally or in writing, purchasers of goods  
7 or services at the above-described events of their right to cancel the transaction within  
8 three business days. Defendants also do not provide these purchasers with a form “notice  
9 of cancellation” that they may use to cancel the transactions.  
10

11           111. Based on the facts and violations of law alleged in this Second Amended  
12 Complaint, the FTC has reason to believe that Defendants are violating or are about to  
13 violate laws enforced by the Commission.  
14

15                           **Defendants’ “VOZ Travel” Marketing Scheme**

16           112. Defendants’ revenues from sales of SBH products and memberships  
17 declined in 2019.  
18

19           113. Amid these faltering sales, Defendants, in October 2019, announced a new  
20 “VOZ Travel” program.  
21

22           114. Defendants promoted the VOZ Travel program on daily SBH Heat Calls  
23 and on the SBH Heat Facebook page. Jay Noland described VOZ as a “travel product of  
24 Success By Health owned by Success By Media.”  
25

26           115. During the October 7, 2019 “Strategic Mastermind Webinar” on which  
27 Defendants announced VOZ, Jay Noland told SBH Affiliates that, within 1-3 months,  
28 Success By Health would launch a VOZ Travel booking platform that would allow VOZ

1 members to book travel at a 75% discount from public pricing. Members would also be  
 2 able to sell or otherwise provide “VOZ passes” to nonmembers, which would enable the  
 3 nonmembers to obtain steep travel discounts. Members would earn commissions based  
 4 on the savings obtained when nonmembers booked travel through the members or the  
 5 members’ downline teams.  
 6

7 116. Defendants’ false promises of substantial income and emphasis on  
 8 recruiting over retail sales in SBH extended to their VOZ Travel program.  
 9

10 117. Defendants, for example, explained that VOZ, like SBH, would use a “six-  
 11 tier commission” structure.  
 12

13 118. Defendants promoted the opportunity to earn large monetary rewards in  
 14 VOZ, through the six-tier commission structure, by recruiting large teams. For example,  
 15 visuals from Defendants’ VOZ remarketing presentation, pictured below, touted  
 16 consumers’ ability to earn \$230,000 per year—by applying a “team building model” with  
 17 “casual effort”—or over \$1.5 million per year by being “on the ball.”  
 18

The image is a presentation slide for VOZ Pass. At the top left is the VOZ Pass logo. To its right is the text "ETA Team Building Model | Casual Effort". Below this, a funnel-shaped graphic illustrates the team building model. On the left side of the funnel, under the heading "YOU", are three boxes: "PAY 9% (AVG) FROM TIER 1,2 & 3 \$639 AVG/DAY", "\$19,170 AVG/MON POTENTIAL", and "\$230,040 AVG/YEAR POTENTIAL". In the center of the funnel is a photo of a woman with a plus sign. On the right side of the funnel, under the heading "10,000 CUSTOMERS", are three boxes: "x 1 trip per year/customer 10,000 trips", "x \$650 avg/trip saved", and "\$6,500,000 total saved 2,600,000 Comm. Vol./year". Below the funnel, it says "YOUR 1,000 ETA TEAM 10 VOZPass Customers Each". At the bottom of the slide is a small "INCOME DISCLAIMER" in green text.



11 119. Similarly, in one VOZ Travel training video, Sacca stated: “There will be  
12 VOZ Travel [members] making over \$1.53 [million] per year.” After adding that he  
13 could not “guarantee you income in any way, shape, form, or fashion,” Sacca proceeded  
14 to “guarantee you if you go to work, you’re gonna change your life.”

15  
16 120. All of the purported benefits of VOZ Travel membership, including  
17 discounted travel and lucrative commissions, were illusory. The VOZ booking platform  
18 never launched.

19  
20 121. During VOZ’s permanent “pre-launch,” consumers could buy VOZ  
21 memberships only by spending either \$1,000 for a VOZ “movement pack” or \$2,495 for  
22 a VOZ “founders pack.”

23  
24 122. Defendants and VOZ Travel members sold VOZ packs in various forums,  
25 including in their homes and at hotels and conference centers. They did not, either orally  
26 or in writing, inform purchasers of VOZ packs in these forums of their right to cancel the  
27

1 transaction within three business days. Defendants also did not provide these purchasers  
2 with a form “notice of cancellation” that they may use to cancel the transactions.

3 123. There were no physical VOZ “packs,” and consumers who bought “packs”  
4 never received any actual product or service. Instead, they earned the right to receive  
5 rewards by recruiting additional consumers to spend \$1,000 or more on membership  
6 packs.  
7

8 124. For example, Defendants launched “3x3,” “4x4,” and “5x5” cash  
9 promotions that rewarded the recruitment of VOZ members. To earn the 3x3 bonus, a  
10 consumer had to buy a VOZ membership “pack,” personally recruit three more  
11 consumers to buy VOZ membership packs, and then have each of these three new  
12 recruits themselves recruit three new VOZ members. For doing so, the consumer would  
13 receive a one-time bonus of \$1,000-\$2,000. The 4x4 and 5x5 bonuses worked the same  
14 way, but provided higher cash rewards.  
15  
16

17 125. Defendants alluded to other VOZ Travel recruiting rewards more vaguely.  
18 For example, Defendants frequently posted to the SBH Heat Facebook group lists  
19 identifying the VOZ members who had recruited the most new members. In one such  
20 post, Noland stated that there was “no telling what I’m going to do SPECIAL” for the  
21 members who recruited the most new members.  
22

23 126. Defendants pushed SBH Affiliates to buy VOZ Travel membership packs  
24 and recruit others to do the same throughout October, November, and December 2019.  
25  
26  
27  
28

1           127. On December 18, 2019, Jay Noland stated that the VOZ Travel “pre-  
2 launch” was closing that day and that Defendants expected to unveil “beta access” to the  
3 VOZ booking platform by the end of December.  
4

5           128. Just two days later, on December 20, 2019, Jay Noland announced that  
6 VOZ Travel booking platform “beta access” would actually not be available in December  
7 because, Noland claimed, he had just signed a “multibillion dollar inked deal,” which was  
8 the “biggest travel deal ever.” Noland claimed that the deal would “put us in a position to  
9 where we literally have the most unfair advantage in all of travel.” Defendants referred  
10 to the delay as a “Strategic Timing Release Announcement” and explained that they now  
11 expected to launch beta access to the VOZ booking platform between January 10-15,  
12 2020.  
13  
14

15           129. In fact, there was no “multibillion dollar inked deal,” nor had Defendants  
16 entered into any new travel-related contract. Rather, the delayed launch was due to an  
17 increasingly volatile relationship between Defendants and the vendor they had hired to  
18 build the VOZ Travel booking platform.  
19

20           130. Defendants used the delay to announce that “Stage 2 of VOZ pre-launch  
21 has begun!” Stage 2 of the pre-launch featured increased membership prices of \$1,295  
22 and \$2,795. Defendants continued to reward consumers for buying memberships and  
23 recruiting others to do the same.  
24

25           131. On January 6 and 8, 2020, Defendants and their booking-platform vendor  
26 both declared their intent to terminate the parties’ contract. As a result, Defendants had  
27  
28

1 no booking platform to offer VOZ Travel members, and VOZ no longer had an imminent  
2 launch date.

3 132. Rather than inform SBH Affiliates and VOZ Travel members of the  
4 booking platform's collapse, Defendants simply changed their messaging. On a January  
5 8 conference call with VOZ members, Noland explained that VOZ was not just a  
6 "discount wholesale travel program," but instead was about "freedom," "experiences,"  
7 and "memories."  
8

9  
10 133. Between January 8 and the Court's entry of the January 13 temporary  
11 restraining order, Defendants continued to push consumers to pay over \$1,000 to enroll  
12 as VOZ Travel members and to recruit others to do the same.

13  
14 134. As of the Court's January 13, 2020 TRO, Defendants had not retained a  
15 new vendor to build the VOZ booking platform.

16  
17 135. From October 2019 through January 2020, Defendants sold approximately  
18 \$1 million in VOZ Travel memberships, failed to provide the product or service that their  
19 members purchased the right to use and to sell, and paid out bonuses to members based  
20 solely on those members' recruitment of new members.

21  
22 **Corporate Defendants' Illusory Separateness**

23 136. Defendants Jay and Lina Noland formed Defendant Success By Media LLC  
24 in late 2015.

25 137. Defendant Jay Noland formed Defendant Enhanced Capital Funding in  
26 June 2018.  
27  
28

1           138. Defendants Jay and Lina Noland formed Defendant Success By Media  
2 Holdings Inc. in August 2018.

3           139. Defendant Jay Noland formed Defendant Rinpark SA in October 2019.

4           140. Enhanced Capital Funding and SBM Holdings are the only two  
5 shareholders of Success By Media.  
6

7           141. Enhanced Capital Funding is a director of SBM Holdings.

8           142. According to SBM Holdings' SEC filings, SBM Holdings and Success By  
9 Media "operat[e] as one corporation."  
10

11           143. SBM Holdings, Success By Media, and Enhanced Capital Funding have all  
12 used the following addresses: 1452 W Horizon Ridge Parkway, Suite 503, Henderson,  
13 NV 89012; and 170 Green Valley Parkway, Suite 300, Henderson, NV 89012. Success  
14 By Media LLC and Enhanced Capital Funding have each used the following address:  
15 10620 Southern Highlands Parkway, 110-407, Las Vegas, NV 89141. SBM Holdings,  
16 SBM International, and Enhanced Capital Funding have all used the following addresses:  
17 Rambla Lorenzo Batlle Pacheco y Parada 33, Apt. 304, Punta Del Este, Maldonado,  
18 Uruguay; and 6537 Alejandro Schroeder, Montevideo, Uruguay.  
19  
20

21           144. Beginning in or around July 2017, Defendants Jay Noland, Lina Noland,  
22 Scott Harris, and Thomas Sacca operated Success By Health as an unincorporated  
23 division of Success By Media.  
24

25           145. After July 1, 2017, over 97% of Enhanced Capital Funding's income came  
26 from Success By Media. Over 96% of Success By Media's revenues, in turn, came from  
27 SBH Affiliates.  
28



1           146. The Nolands used Enhanced Capital Funding to funnel money from  
2 Success By Media to themselves. Jay Noland, for example, received undocumented  
3 “loans” from Success By Media that were paid to Enhanced Capital Funding and were  
4 never repaid. He made car payments directly from Enhanced Capital Funding for the  
5 Nolands’ personal benefit.  
6

7           147. In January 2017, Success By Media entered into a license agreement with  
8 Enhanced Capital Funding, which at the time had not been incorporated in any state.  
9 Lina Noland signed the agreement for Success By Media, and Jay Noland signed for  
10 Enhanced Capital Funding. Pursuant to the license agreement, Success By Media agreed  
11 to pay \$500,000 plus 15% of net profits to Enhanced Capital Funding for the right to sell  
12 unspecified products in the United States for 10 years. Jay Noland described the license  
13 as ‘exclusive’ without any time or geographic limitation in SEC filings for SBM  
14 Holdings. The license agreement was not negotiated at arm’s length, and Defendants  
15 conducted no analysis of the fair market value of the product license. Later, the  
16 companies amended the agreement to require Success By Media to pay interest, without  
17 any consideration.  
18  
19  
20  
21

22           148. Defendants claim Success By Media licenses “training materials” and  
23 software from Enhanced Capital Funding. No written contracts exist.

24           149. From July 1, 2017 through the filing of this case, SBH Affiliates accounted  
25 for 98% of purchases of Enhanced Capital Funding-owned or –managed training  
26 materials.  
27  
28



1 157. Misrepresentations or deceptive omissions of material fact constitute  
2 deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

3 **Count I – Illegal Pyramids**  
4

5 158. As alleged above, Defendants operate or promote participation in unlawful  
6 schemes (Success By Health and VOZ Travel) in which participants pay money to the  
7 company in return for which they receive (1) the right to sell products or services, and (2)  
8 in return for recruiting other participants into the programs, the right to receive rewards  
9 that are unrelated to the sale of products to ultimate users.  
10

11 159. Defendants' operation or promotion of this type of scheme, often referred  
12 to as a pyramid scheme, constitutes a deceptive act or practice in violation of Section 5(a)  
13 of the FTC Act, 15 U.S.C. § 45(a).  
14

15 **Count II – Income Misrepresentations**  
16

17 160. In numerous instances in connection with the advertising, marketing,  
18 promotion, offering for sale, or sale of the right to participate, or further participate, in the  
19 SBH and VOZ Travel programs, Defendants have represented, directly or indirectly,  
20 expressly or by implication, that SBH Affiliates and VOZ Travel members are likely to  
21 earn substantial income.  
22

23 161. In truth and in fact, in numerous instances in which Defendants have made  
24 the representations set forth in paragraph 160, SBH Affiliates and VOZ Travel members  
25 are not likely to earn substantial income.  
26

27 162. Therefore, Defendants' practices, as set forth in paragraph 160, constitute a  
28 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

**Count III – Means and Instrumentalities**

1  
2 163. By furnishing SBH Affiliates and VOZ Travel members with promotional  
3 materials and instructions to be used in recruiting new participants that contain false or  
4 misleading representations, Defendants have provided the means and instrumentalities for  
5 the commission of deceptive acts and practices.  
6

7 164. Therefore, Defendants’ practices, as set forth in paragraph 163, constitute a  
8 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).  
9

10 **VIOLATIONS OF THE MAIL, INTERNET, OR**  
11 **TELEPHONE ORDER MERCHANDISE RULE**

12 165. The Merchandise Rule, 16 C.F.R. Part 435, prohibits sellers from soliciting  
13 any order for the sale of merchandise ordered through the mail, via Internet or by  
14 telephone “unless at the time of the solicitation, the seller has a reasonable basis to expect  
15 that it will be able to ship any ordered merchandise to the buyer” either “[w]ithin that  
16 time clearly and conspicuously stated in any such solicitation; or [i]f no time is clearly  
17 and conspicuously stated, within 30 days after receipt of a properly completed order from  
18 the buyer.” 16 C.F.R. § 435.2(a)(1).  
19

20  
21 166. “Receipt of a properly completed order” means “where the buyer tenders  
22 full or partial payment . . . the time at which the seller receives both said payment and an  
23 order from the buyer containing all of the information needed by the seller to process and  
24 ship the order.” 16 C.F.R. § 435.1(c).  
25

26 167. Where a seller is unable to ship merchandise within the seller’s advertised  
27 time or within 30 days, if no time is given, the seller must offer to the buyer “clearly and  
28

1 conspicuously and without prior demand, an option either to consent to a delay in  
2 shipping or to cancel the buyer's order and receive a prompt refund." 16 C.F.R.  
3 § 435.2(b)(1).  
4

5 a. Any such offer "shall be made within a reasonable time after the  
6 seller first becomes aware of its inability to ship." 16 C.F.R. § 435.2(b)(1).

7 b. The offer must fully inform the buyer of the buyer's right to cancel  
8 and provide a definite revised shipping date or inform the buyer that the seller  
9 cannot make any representation regarding the length of the delay. 16 C.F.R. §  
10 435.2(b)(1)(i).  
11

12 168. A seller must "deem an order canceled and . . . make a prompt refund to the  
13 buyer whenever the seller receives, prior to the time of shipment, notification from the  
14 buyer cancelling the order pursuant to any option [under the Merchandise Rule] . . . [or]  
15 [t]he seller fails to offer the option [to consent to a delay or cancel required by  
16 § 435.2(b)(1)] and has not shipped the merchandise" within the time required by the  
17 Merchandise Rule. 16 C.F.R. § 435.2(c), (c)(1), (c)(5).  
18  
19

20 169. Pursuant to Section 18 of the FTC Act, 15 U.S.C. § 57a(d)(3), and 16  
21 C.F.R. § 435.2, a violation of the Merchandise Rule constitutes an unfair or deceptive act  
22 or practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15  
23 U.S.C. § 45(a).  
24  
25  
26  
27  
28

1                                   **Count IV – Failure to Seek Consent or Offer Cancellation**

2           170. In numerous instances, when Defendants failed to ship orders within the  
3 timeframe required by the Merchandise Rule, they failed to offer customers the  
4 opportunity to consent to a delay in shipping or to cancel their order.  
5

6           171. Defendants’ practices as alleged in paragraph 170 violate the Merchandise  
7 Rule, 16 C.F.R. § 435.2(b), and therefore are unfair or deceptive acts or practices in  
8 violation of Section 5 of the FTC Act, 15 U.S.C. § 5(a).  
9

10                                   **Count V – Failure to Provide Cancellation or Refund**

11           172. In numerous instances, when Defendants failed to ship orders within the  
12 timeframe required by the Merchandise Rule and failed to offer consumers the  
13 opportunity to consent to a delay in shipping or to cancel their order, they did not cancel  
14 those orders or provide consumers a refund. In addition, if buyers notified Defendants of  
15 an order cancellation pursuant to any option under the Merchandise Rule, Defendants did  
16 not deem those orders cancelled or provide a prompt refund.  
17

18           173. Defendants’ practices as alleged in paragraph 172 violate the Merchandise  
19 Rule, 16 C.F.R. § 435.2(c), and therefore are unfair or deceptive acts or practices in  
20 violation of Section 5 of the FTC Act, 15 U.S.C. § 5(a).  
21  
22

23                                   **VIOLATIONS OF THE RULE CONCERNING COOLING-OFF PERIODS FOR**  
24                                   **SALES MADE AT HOME OR CERTAIN OTHER LOCATIONS**

25           174. The Cooling-Off Rule, 16 C.F.R. Part 429, gives purchasers of certain  
26 goods and services three days to cancel purchases of \$25 or more when the sale takes  
27 place at the purchaser’s home, or \$130 or more when the sale takes place at any location  
28

1 other than the seller's place of business (e.g., hotel rooms or convention centers). 16  
2 C.F.R. §§ 429.0(a), 429.1.

3 175. The Cooling-Off Rule requires the seller to furnish the purchaser with a  
4 fully completed receipt or copy of any contract pertaining to such sale at the time of its  
5 execution, which must contain a statement summarizing the purchaser's right to cancel  
6 within three business days. 16 C.F.R. § 429.1(a).  
7

8 176. The Cooling-Off Rule also requires the seller to inform purchasers about  
9 cancellation rights at the time of the sale by giving the purchaser two copies of a  
10 cancellation form (one to keep and one to send). The Cooling-Off Rule also requires the  
11 cancellation form to be captioned either "NOTICE OF RIGHT TO CANCEL" or  
12 "NOTICE OF CANCELLATION" and sets forth the language that must be contained in  
13 the cancellation notice. 16 C.F.R. § 429.1(b), (c).  
14

15 177. The Cooling-Off Rule also requires that, at the time the purchaser signs the  
16 contract or purchases the goods or services, the seller orally inform the purchaser of the  
17 purchaser's right to cancel. 16 C.F.R. § 429.1(e).  
18

19 178. Pursuant to Section 18 of the FTC Act, 15 U.S.C. § 57a(d)(3), and 16  
20 C.F.R. § 429.1, a violation of the Cooling-Off Rule constitutes an unfair or deceptive act  
21 or practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15  
22 U.S.C. § 45(a).  
23  
24  
25  
26  
27  
28

1    **Count VI – Failure to Notify Consumers of Cancellation Rights**

2                    179. Defendants are “sellers” as that term is defined in Section 429.0(c) of the  
3 Cooling-Off Rule, and have been engaged in “door-to-door sales” of “consumer goods  
4 and services,” as those terms are defined in Section 429.0(a), (b) of the Cooling-Off Rule.  
5

6                    180. In numerous instances, in connection with the door-to-door sales of SBH  
7 and VOZ products, memberships, and training events, Defendants have:  
8

9                                    a. Failed to furnish purchasers with a receipt or contract informing  
10 them of their right to cancel the transaction within three business days;

11                                    b. Failed to furnish purchasers with a “Notice of Cancellation” or  
12 “Notice of Right to Cancel” that purchasers can use to cancel the transaction; and  
13

14                                    c. Failed to orally inform purchasers of their right to cancel the  
15 transaction.  
16

17                    181. Defendants’ practices as alleged in paragraph 180 violate the Cooling-Off  
18 Rule, 16 C.F.R. § 435.1, and therefore are unfair or deceptive acts or practices in  
19 violation of Section 5 of the FTC Act, 15 U.S.C. § 5(a).  
20

21    **CONSUMER INJURY**

22                    182. Consumers are suffering, have suffered, and will continue to suffer  
23 substantial injury as a result of Defendants’ violations of the FTC Act, the Merchandise  
24 Rule, and the Cooling-Off Rule. In addition, Defendants have been unjustly enriched as  
25 a result of their unlawful acts or practices. Absent injunctive relief by this Court,  
26 Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm  
27 the public interest.  
28





