

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

BOB ROBINSON, LLC, a Texas limited liability  
company,

MEGA EXPORT 2005 INC., a Canadian  
corporation,

MEGA EXPORT USA INC., a Delaware  
corporation,

NETCORE SOLUTIONS, LLC, a Texas limited  
liability company,

BOBBY J. ROBINSON, individually and as a  
manager of BOB ROBINSON, LLC and  
NETCORE SOLUTIONS, LLC, and

MICHAEL SIROIS, individually and as an officer  
of MEGA EXPORT 2005 INC. and MEGA  
EXPORT USA INC.,

Defendants.

Civ. No.:

17CV2411

**FILED UNDER SEAL**

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

Plaintiff, the Federal Trade Commission (“FTC”), for its Complaint alleges:

**SUMMARY OF THE CASE**

1. Defendants operate a scheme whereby they lure consumers into purchasing their online “system” or “opportunity” with the false promise that it will allow consumers to earn

thousands of dollars while working from home. Defendants then use their false earnings claims to open the door to further deception by working with various business associates to market business coaching services and a slew of other upgrades and “bonuses” to consumer victims. In perpetrating their scheme, Defendants have violated the Federal Trade Commission Act (“FTC Act”) and the Business Opportunity Rule by, among other things: (1) making false or unsubstantiated earnings claims regarding Defendants’ work-at-home opportunities; and (2) failing to furnish prospective purchasers of Defendants’ work-at-home opportunities with the required disclosure documents.

2. The FTC brings this action under Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and the Business Opportunity Rule, 16 C.F.R. Part 437, as amended, to obtain temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and in violation of the Business Opportunity Rule, 16 C.F.R. Part 437, as amended. The amended Business Opportunity Rule, which was extended in scope to cover certain work-at-home opportunities, became effective on March 1, 2012, and has since that date remained in full force and effect.

### **JURISDICTION AND VENUE**

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

4. Venue is proper in this district under 28 U.S.C. § 1391 (b)(2), (b)(3), (c)(1), (c)(2), (c)(3), and (d), and 15 U.S.C. § 53(b).

## PLAINTIFF

5. The FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces the Business Opportunity Rule, 16 C.F.R. Part 437, as amended. The Business Opportunity Rule addresses common deceptive or unfair practices engaged in by fraudulent business opportunity sellers such as inducing consumers to pay significant sums of money by means of false or unsubstantiated earnings claims.

6. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and the Business Opportunity Rule and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b) and 56(a)(2)(A), 56(a)(2)(B), 57b, and the Business Opportunity Rule, 16 C.F.R. Part 437, as amended.

## DEFENDANTS

7. Defendant **Bob Robinson, LLC** (“**BR LLC**”), also doing business as AbleHosting.com, BRLLC.ORG, Custom Bob’s, LLC, PS&M, Stop A Scam, and WAHUNIVERSITY.COM, is a Texas limited liability company with its principal place of business at 1001 S. Dairy Ashford, Suite 100, Houston, Texas 77077. BR LLC transacts or has transacted business in this district and throughout the United States. At times material to this Complaint, acting alone or in concert with others, BR LLC has advertised, marketed, distributed, or sold work-at-home opportunities to consumers throughout the United States.

8. Defendant **Mega Export 2005, Inc. (“Mega Canada”)** is a Canadian corporation with its principal place of business at 258 rue de l’Évangéline, L’Assomption, Quebec, Canada. Mega Canada transacts or has transacted business in this district and throughout the United States. At times material to this Complaint, acting alone or in concert with others, Mega Canada has advertised, marketed, distributed, or sold work-at-home opportunities to consumers throughout the United States.

9. Defendant **Mega Export USA, Inc. (“Mega USA”)** is a Delaware corporation with its principal place of business at 2915 Ogletown Road, #2600, Newark, Delaware 19713. Mega USA transacts or has transacted business in this district and throughout the United States. At times material to this Complaint, acting alone or in concert with others, Mega USA has advertised, marketed, distributed, or sold work-at-home opportunities to consumers throughout the United States.

10. Defendant **Netcore Solutions, LLC (“Netcore”)**, also doing business as Garciburn.com, Main Event Leads, Nutradiscounts.com, and WAHINSTITUTE.COM, is a Texas limited liability company with its principal place of business at 1001 S. Dairy Ashford, Suite 100, Houston, Texas 77077. Netcore transacts or has transacted business in this district and throughout the United States. At times material to this Complaint, acting alone or in concert with others, Netcore has advertised, marketed, distributed, or sold work-at-home opportunities to consumers throughout the United States.

11. Defendant **Bobby J. Robinson (“Robinson”)** is the manager of BR LLC and Netcore. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and

practices set forth in this Complaint. Robinson resides in this district and, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

12. Defendant **Michael Sirois (“Sirois”)** is an officer of Mega Canada and Mega USA, and the “technical manager” of BR LLC. At times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Sirois, in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

13. Defendants BR LLC, Mega Canada, Mega USA and Netcore (collectively, “Corporate Defendants”) have operated as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged below. Defendants have conducted the business practices described below through an interrelated network of companies that have unified advertising and common ownership, officers, managers, and business functions. Each Corporate Defendant is jointly and severally liable for the acts and practices alleged below. Defendants Robinson and Sirois have formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the Corporate Defendants that constitute the common enterprise.

#### **COMMERCE**

14. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

## DEFENDANTS' BUSINESS ACTIVITIES

15. Since at least 2011, Defendants have advertised, marketed, distributed, promoted and sold work-at-home opportunities to consumers throughout the United States.

16. Defendants have marketed their work-at-home opportunities under the following brand names: Work At Home Ecademy, Work At Home EDU, Work At Home Institute, Work At Home Program, Work At Home Revenue, and Work At Home University.

17. Defendants offer their work-at-home opportunities to consumers over the Internet through marketing websites, search engine marketing, social media, blogs, and emails.

18. In their advertising, Defendants represent that consumers who purchase Defendants' work-at-home opportunities are likely to earn income by using Defendants' "system" or "program."

19. Typical representations made in Defendants' advertising include the following:

- A. "No Scam: Texas Mom Makes Extra \$8000/Month in Her Spare Time on The Computer Without Selling Anything."
- B. "I'm talking about earning **hundreds of dollars per hour** from home, without any special skills or experience."
- C. "[O]ne of the **easiest and fastest** ways to start making up to **\$379 per day** working part time from home. **Without** any special skills. **Without** selling anything."
- D. "**Dozens of accounts**, each generating me anywhere from a few hundred to **tens of thousands of dollars** per month."

20. Defendants' representations are false and unsubstantiated. Few, if any, consumers who sign up for Defendants' work-at-home opportunities earn the income Defendants advertise. Most, if not all, enrolled consumers do not earn any income whatsoever with Defendants' work-at-home opportunities.

### **Defendants' Native Advertising Campaigns**

21. Defendants use native advertising campaigns to lure consumers into purchasing their work-at-home opportunities.

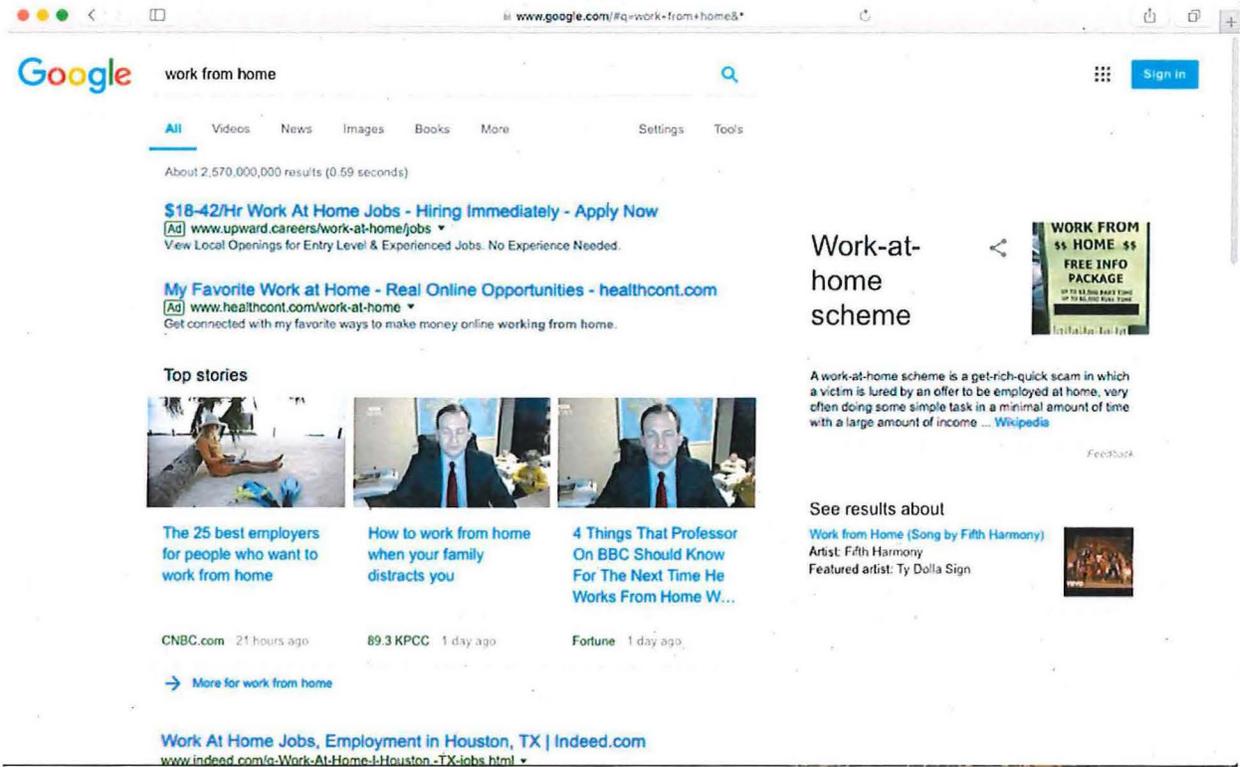
22. Native advertising is content that bears a similarity to the news, feature articles, product reviews, entertainment, and other material that surrounds it online.

23. In many instances, consumers encounter Defendants' native advertisements while conducting research about work-at-home opportunities using internet search engines, such as Google, Bing, or Yahoo!, or on news websites such as Forbes.com.

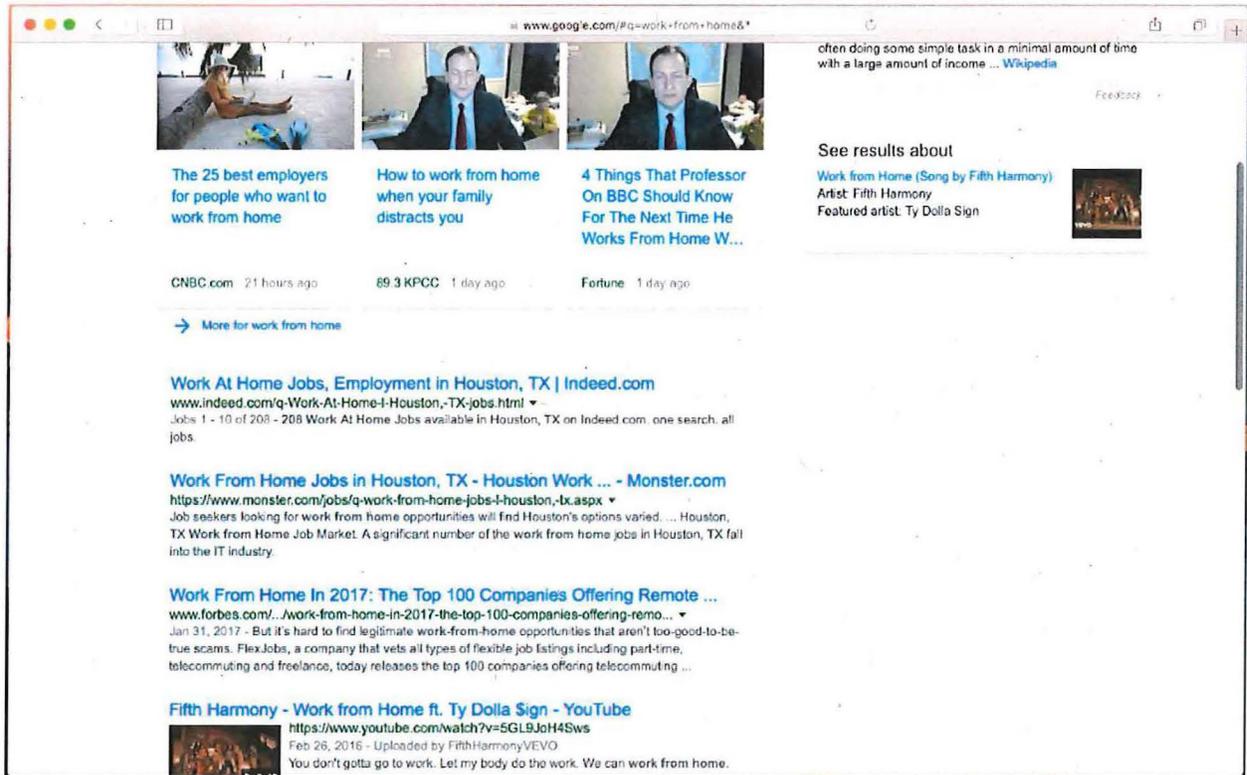
24. For example, paragraphs 26 through 72 of this Complaint describe the advertising and content for Work At Home EDU encountered by an FTC investigator on March 15, 2017. Where appropriate, personally identifiable information pertaining to the investigator's undercover identity is redacted from multiple screenshots depicted in paragraphs 26 through 72 of this Complaint. The word "REDACTED" appears directly below any screenshot that has been redacted.

25. Defendants' advertising and content described in paragraphs 26 through 72 of this Complaint is typical of, and substantially similar to, the advertising and content used by Defendants in their ongoing campaign to advertise, market, distribute, promote and sell their work-at-home opportunities.

26. On March 15, 2017, an FTC investigator conducted an internet search on google.com for the terms “work from home” which returned about 2,570,000,000 results. A screenshot of the top of the page on the google.com website displaying the results is shown here:



27. A screenshot of the portion of the page on the google.com website displaying the top four results is shown here:



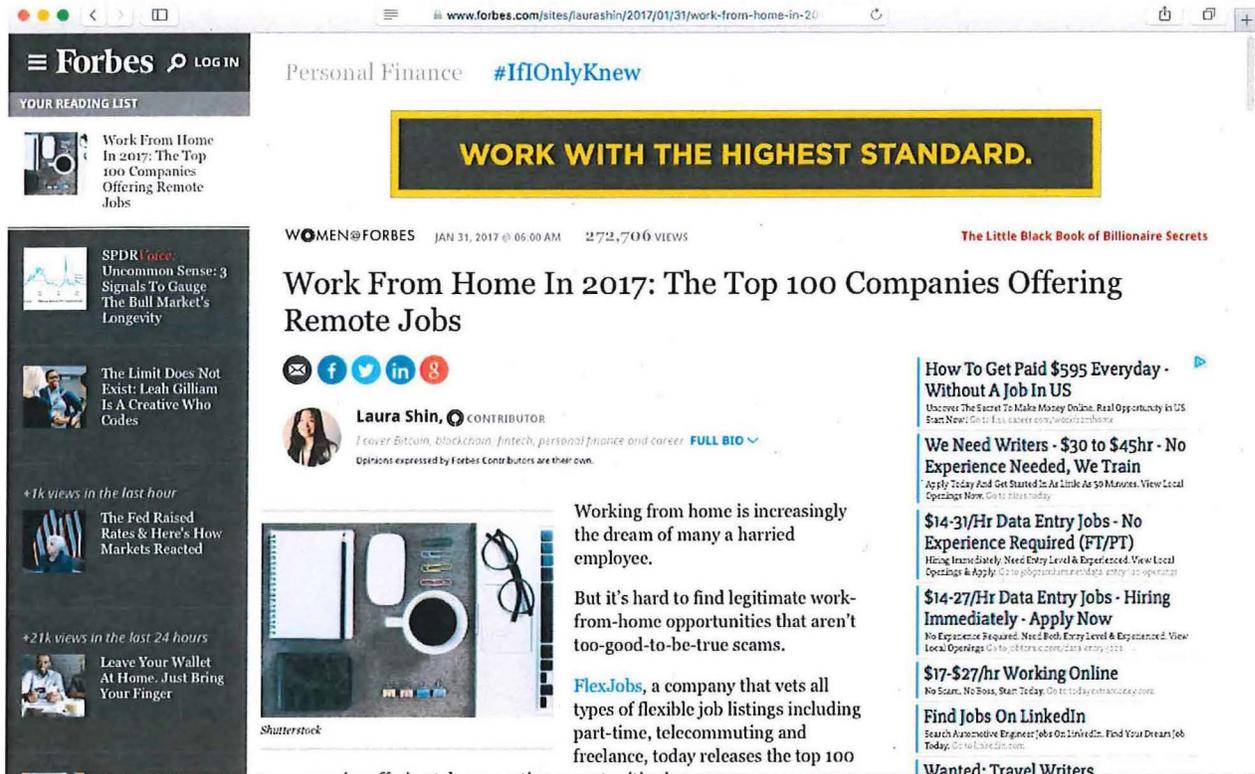
28. The investigator scrolled down to view the results appearing below the Google “Ads” and “Top Stories” box. The third result included the following title in the first blue line: “Work From Home In 2017: The Top 100 Companies Offering Remote....”

29. The second line of the third result, in green, referenced the URL or web address of a web page on the Forbes.com website. The following snippet appeared below the URL:

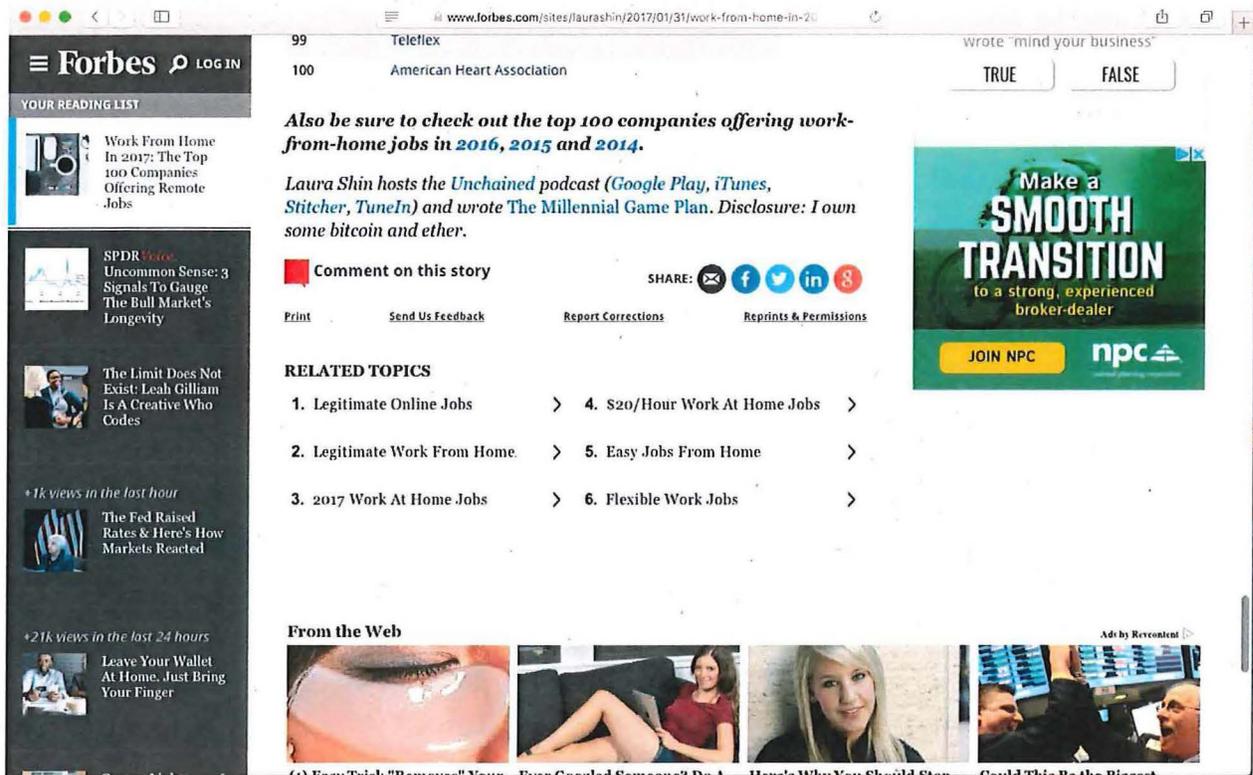
Jan 31, 2017 – But it’s hard to find legitimate work-from-home opportunities that aren’t too-good-to-be-true scams. FlexJobs, a company that vets all types of flexible job listings including part-time, telecommuting and freelance, today releases the top 100 companies offering telecommuting....

30. The investigator clicked on the blue hyperlink pertaining to the third result, and was directed to a web page on the Forbes.com website containing an article titled “Work From Home In 2017: The Top 100 Companies Offering Remote Jobs,” written by Forbes Contributor

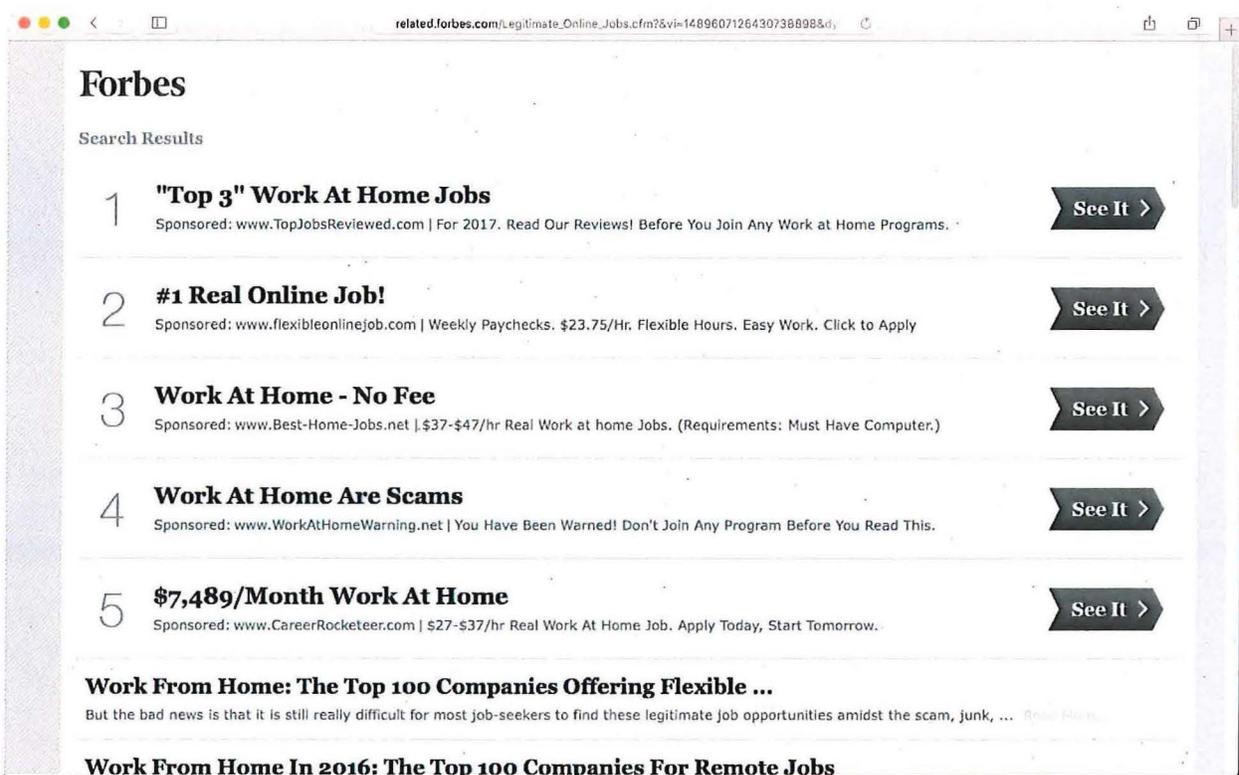
Laura Shin. A screenshot of the page on the Forbes.com website containing the article is shown below:



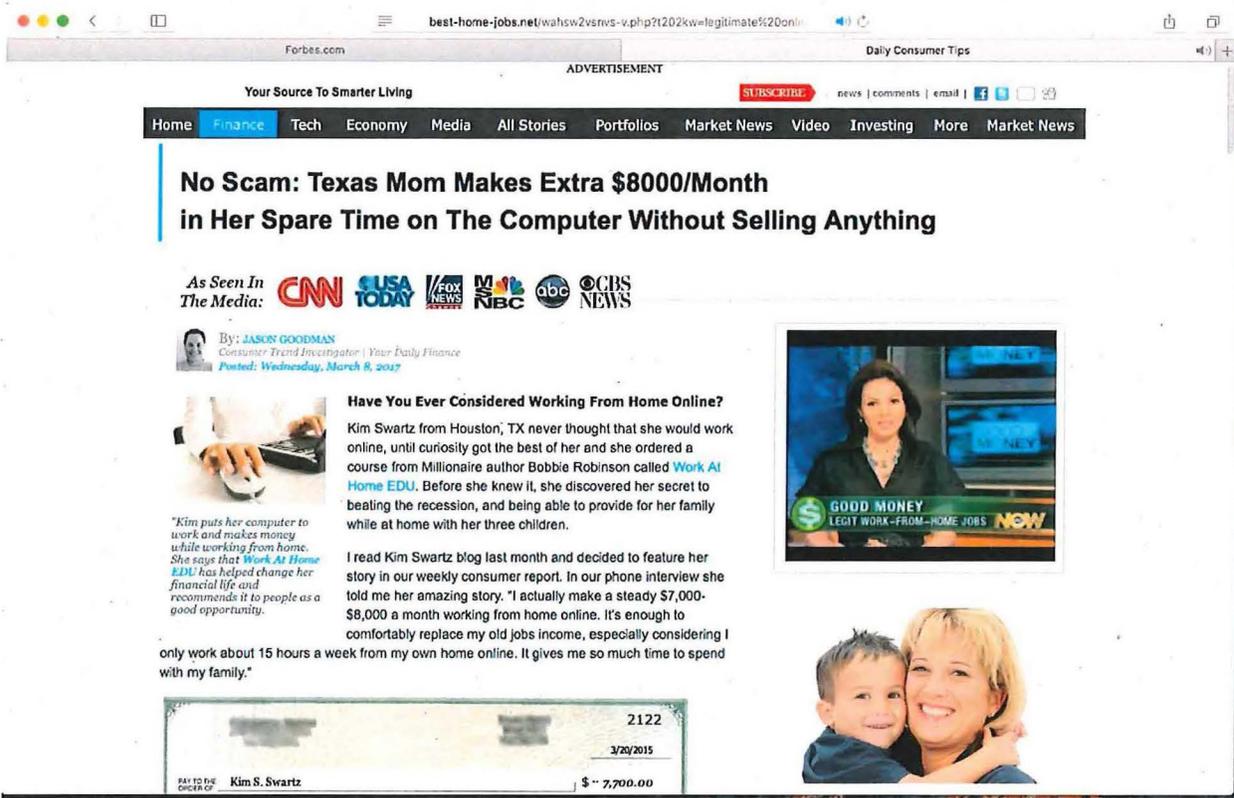
31. Directly below the article, the investigator observed links for “Related Topics.” A screenshot of the portion of the page on the Forbes.com website containing the links for “Related Topics” is shown below:



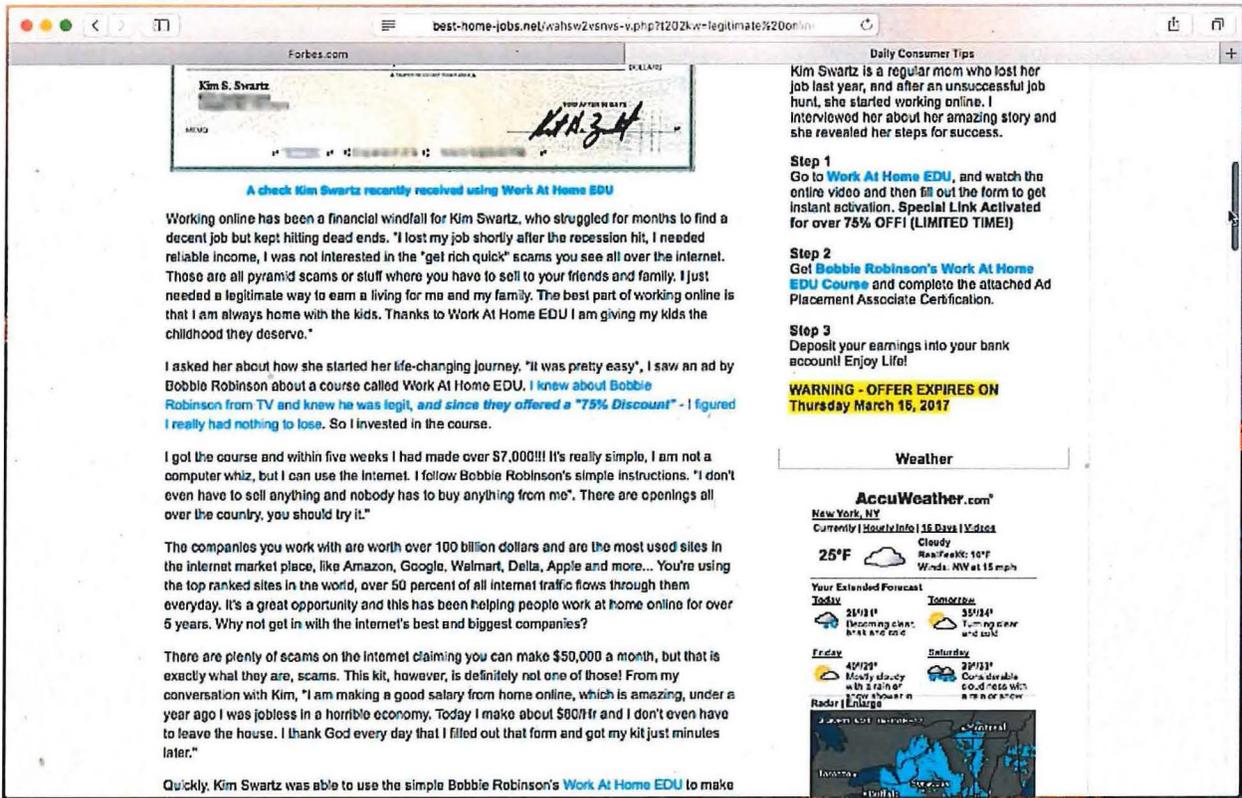
32. The investigator clicked on the first related topic listed on the page that was labeled “1. Legitimate Online Jobs” and was directed to another page on the Forbes website containing additional “Search Results.” A screenshot of the page on the Forbes.com website containing the additional “Search Results” is shown below:



33. The investigator clicked on the third search result listed on the page which was labeled “Work At Home – No Fee” and was directed to a website with the URL: www.Best-Home-Jobs.net (“Best Home Jobs Website”). The Best Home Jobs Website contained an article written by Jason Goodman titled, “No Scam: Texas Mom Makes Extra \$8000/Month in Her Spare Time on the Computer Without Selling Anything.” This article features Kim Swartz who is purportedly a “regular mom” that is able to “make a steady \$7,000-\$8,000 a month working from home online” by using “Bobbie Robinson[’s]” “Work At Home EDU.” A screenshot of the website containing the Jason Goodman article appears below:



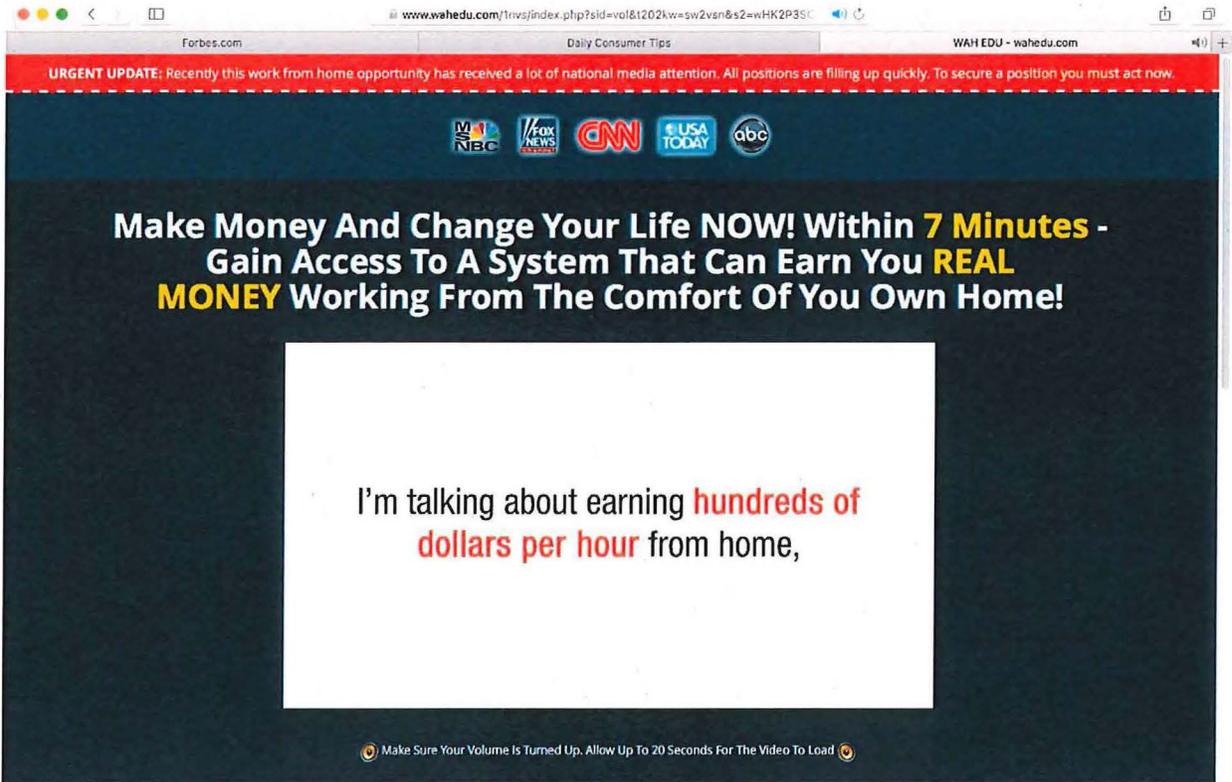
34. When the investigator scrolled down, the rest of the article became visible including a section further touting the Work At Home EDU kit and stating: “[t]he companies you work with are worth over 100 billion dollars and are the most used sites in the internet market place, like Amazon, Google, Walmart, Delta, Apple and more... You’re using the top ranked sites in the world, over 50 percent of all internet traffic flows through them everyday [sic]. It’s a great opportunity and this has been helping people work at home online for over 5 years. Why not get in with the internet’s best and biggest companies?” A screenshot of the www.Best-Home-Jobs.net website showing the relevant portion of the Jason Goodman article appears below:



**Defendants' Work At Home EDU Website**

35. Thereafter, the investigator clicked on the blue "Work At Home EDU" hyperlink appearing in a panel on the right side of the screen under the words "Step 1." Clicking this hyperlink directed the investigator to a website with the following URL: www.wahedu.com (the "Work At Home EDU Website").

36. Shortly after the investigator arrived at the Work At Home EDU Website, a video began playing on the site. The video included multiple earnings claims pertaining to the Work At Home EDU work-at-home opportunity. A screenshot of the Work At Home EDU Website showing one of several earnings claims displayed during the video appears below:



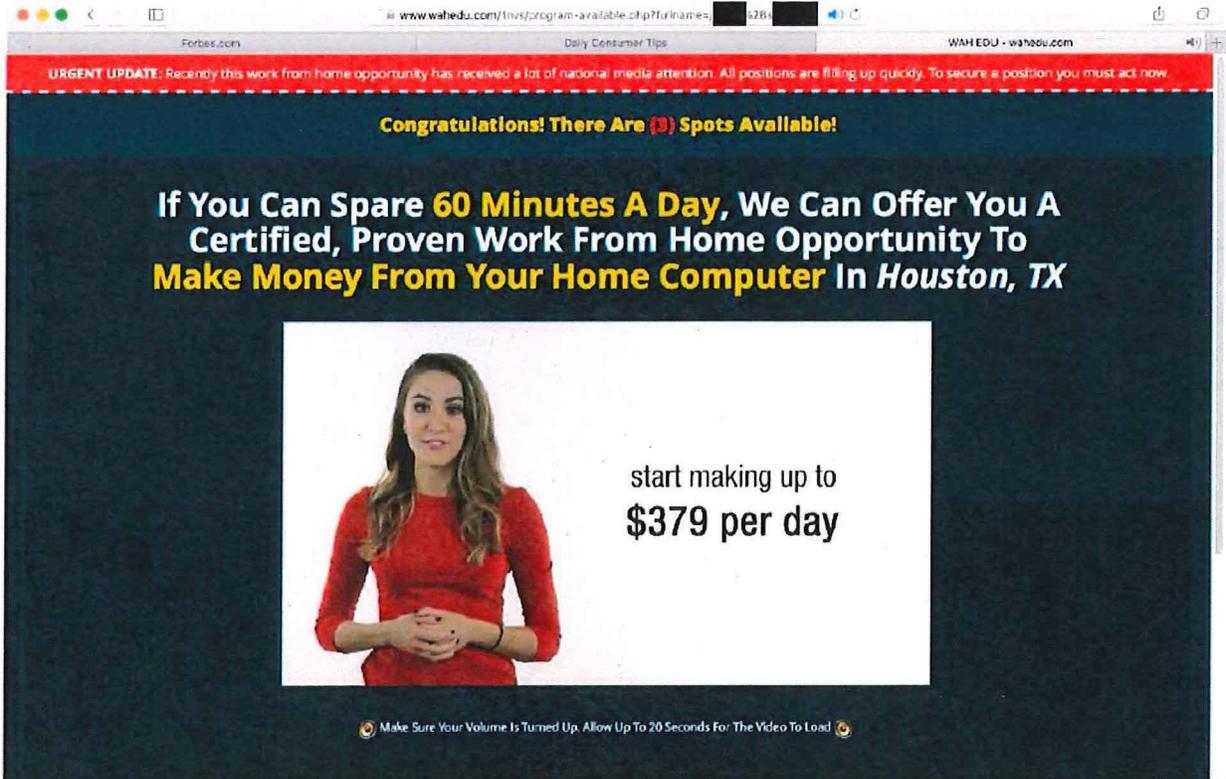
37. Near the end of the video, a woman appeared on the screen and invited the investigator to sign up and gain access to a second video. A screenshot of the Work At Home EDU Website showing the relevant portion of the video appears below:

The screenshot shows a web browser window with the URL [www.wahedu.com/Invs/index.php?sid=vol&t1202kww=sw2vsn&s2=wHK2P3SC](http://www.wahedu.com/Invs/index.php?sid=vol&t1202kww=sw2vsn&s2=wHK2P3SC). The browser tabs include 'Forbes.com', 'Daily Consumer Tips', and 'WAH EDU - wahedu.com'. A red banner at the top reads: 'URGENT UPDATE: Recently this work from home opportunity has received a lot of national media attention. All positions are filling up quickly. To secure a position you must act now.' Below the banner are logos for NBC, FOX NEWS, CNN, USA TODAY, and abc. The main text on the page says: 'Make Money And Change Your Life NOW! Within 7 Minutes - Gain Access To A System That Can Earn You REAL MONEY Working From The Comfort Of You Own Home!'. A video player shows a woman with long brown hair, wearing a black top, with her hands clasped. Text overlaid on the video reads: 'As soon as you sign up, you'll get instant access to the second video,'. At the bottom of the video player, there is a small icon and the text: 'Make Sure Your Volume Is Turned Up, Allow Up To 20 Seconds For The Video To Load'.

38. The investigator completed an online form that appeared on the Work At Home EDU Website and included fields for name, zip code and email. After completing the online form, the investigator clicked a button labeled “Check Availability Now!”

39. After clicking the “Check Availability Now!” button, the investigator was directed to another page on the Work At Home EDU Website where a second video began to play under a heading that read: “Congratulations! There Are (3) Spots Available! If You Can Spare 60 Minutes A Day, We Can Offer You A Certified, Proven Work From Home Opportunity To Make Money From Your Home Computer In *Houston, TX.*”

40. The second video also included multiple earnings claims pertaining to the Work At Home EDU opportunity. A screenshot of the Work At Home EDU Website showing one of several earnings claims displayed during the second video appears below:

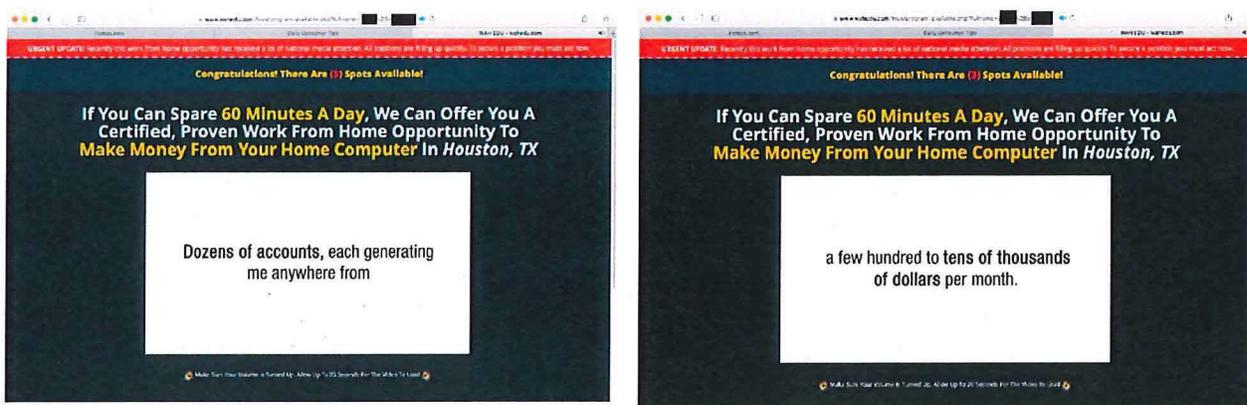


REDACTED

41. During the second video, the woman from the first video re-appears on the screen and introduces herself as “Bobbie Robinson.” She explains how as an unemployed “single mom drowning in debt” with “three children” she was able to start “making hundreds of thousands of dollars from home” by using a “unique System.” She then goes on to tell the story of how she was introduced to the system by “Mike – an online friend.” Mike had purportedly offered her an

opportunity to “post links on the internet” for “large Fortune 500 companies that he worked with.” And now, “Bobbie Robinson” wanted to “team up with Mike and share the methods” with purchasers of the Work At Home EDU opportunity.

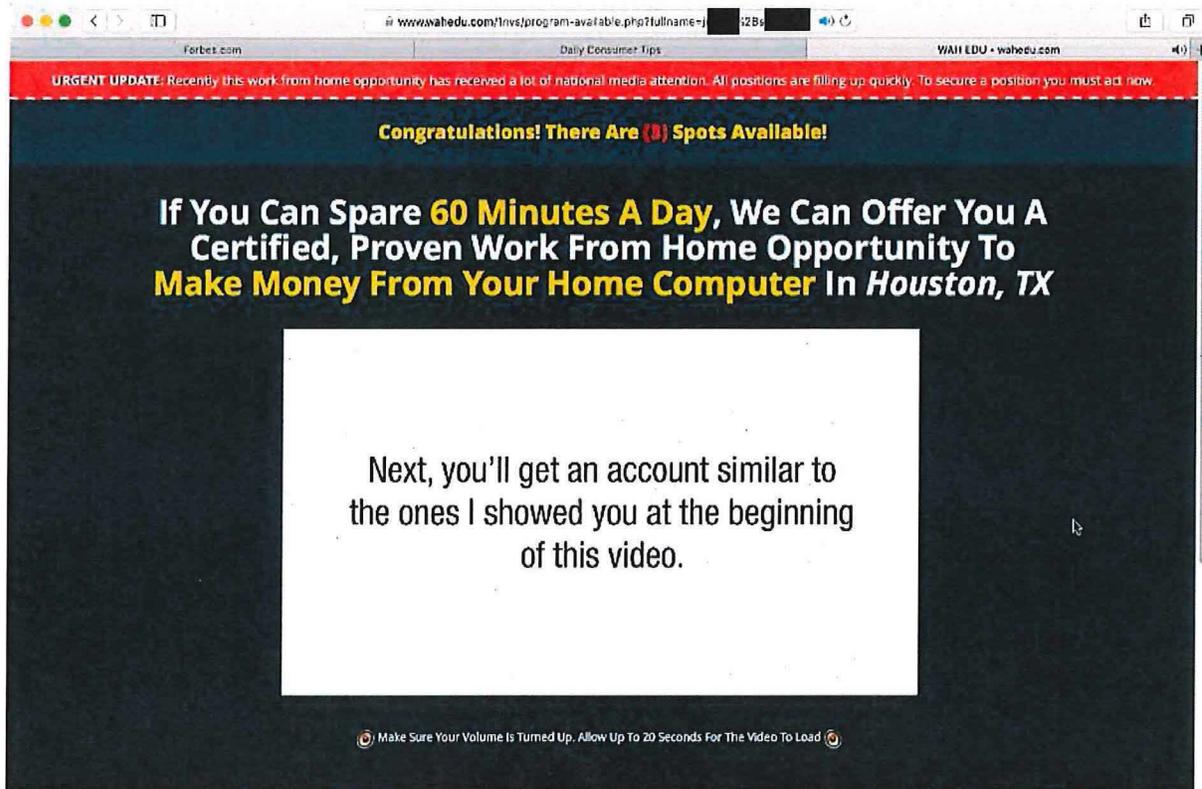
42. The second video also refers to the Work At Home EDU opportunity as “a ready-made internet business System” and represents that prospective purchasers will gain access to “dozens of accounts, each generating... a few hundred to tens of thousands of dollars per month.” Two screenshots of the Work At Home EDU Website showing the relevant portions of the second video appear below:



REDACTED

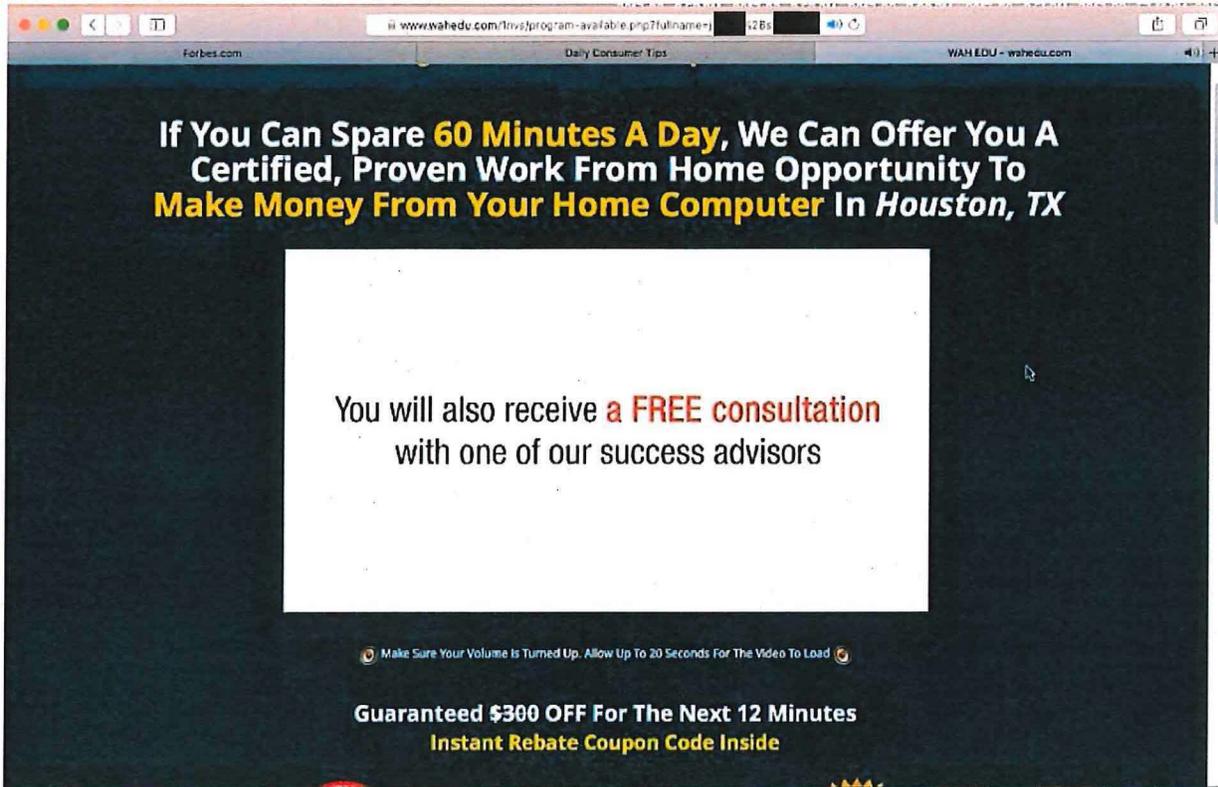
43. The second video represents that “No Prior Experience, Or Skills” are required and includes a segment of videotaped testimonials or “success stories” featuring multiple purported satisfied purchasers of the Work At Home EDU opportunity.

44. The second video represents that once prospective purchasers pay for the Work At Home EDU opportunity, they will “get an account similar to the ones [Ms. Robinson] showed” at the beginning of the second video.



REDACTED

45. During the second video, “Bobbie Robinson” also offers prospective purchasers of the Work At Home EDU opportunity a “30 Day Trial Risk Free,” “Top Secret ‘Link Posting Pro’ Software,” and “a FREE consultation with one of our success advisors.” A screenshot of the Work At Home EDU Website showing the portion of the second video offering a free consultation with a success advisor appears below:



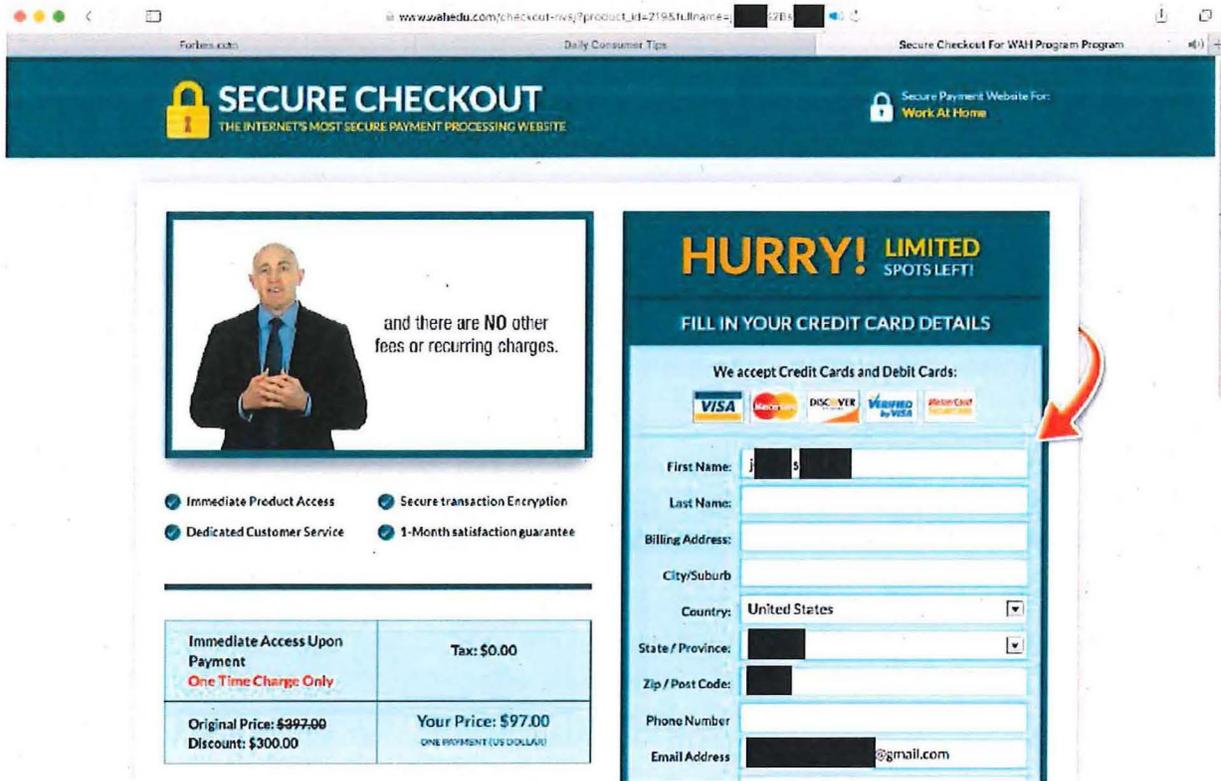
REDACTED

46. Near the end of the second video, prospective purchasers are invited to “get started instantly” by clicking the “order button” below the video. Below the order button, there is an onscreen countdown timer next to the following language: “Claim Your \$300 Off Instant Rebate! If You Don’t Claim Your Position Within The Next 12 Minutes, Your \$300 Off Discount Will Expire.” A screenshot of the Work At Home EDU Website showing the order button and the countdown timer appears below:



REDACTED

47. The FTC investigator clicked the order button labeled “Get Instant Access!” and was directed to another page on the Work At Home EDU Website where a partially pre-populated order form appeared and a third video began to play near the upper left corner of the screen. A box under the video and to the left of the order form included language offering the Work At Home EDU program for a \$97 “One Time Charge” after application of a \$300 discount. A screenshot of the top portion of the checkout page on Work At Home EDU Website appears below:

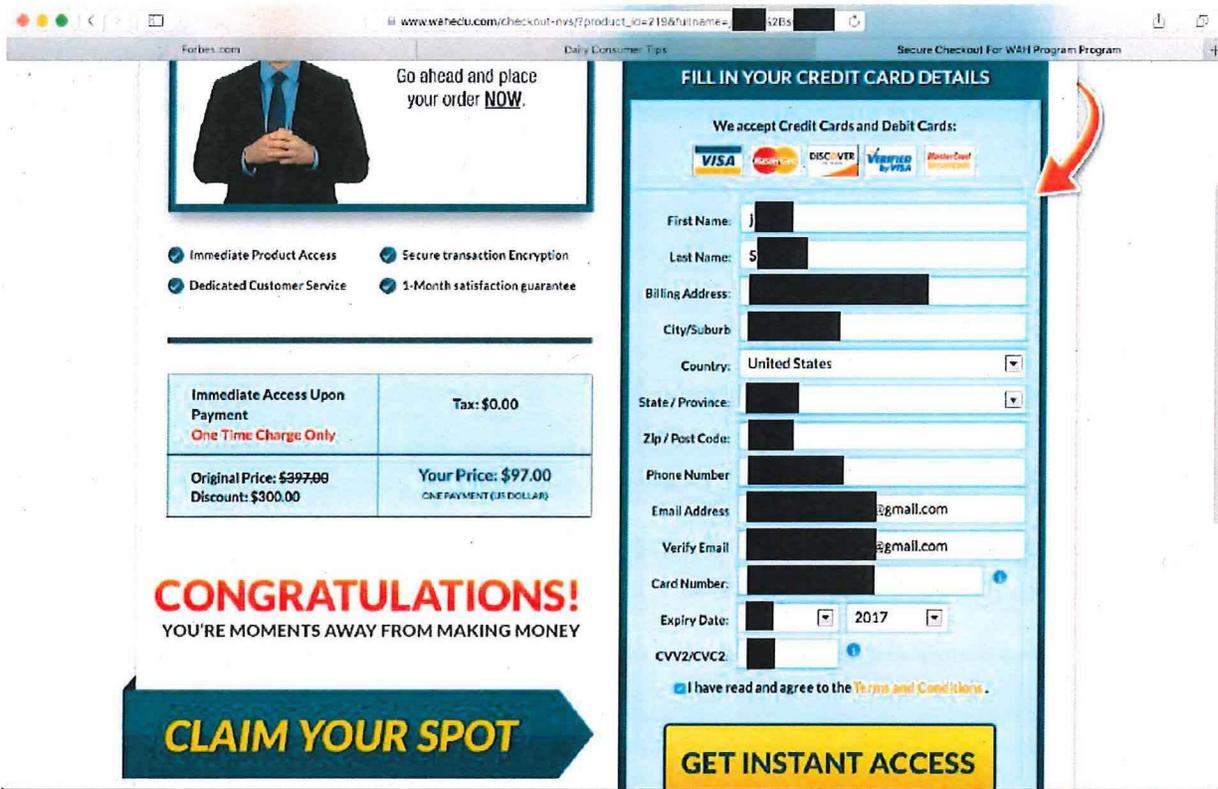


REDACTED

48. The video on the checkout page of the Work At Home EDU Website featured a man wearing a suit who made the following statement:

“CONGRATULATIONS! You are just minutes away from starting to **make money from home**. To claim your spot, enter your billing information in the SECURE FORM on this page. This is a one-time investment and there are NO other fees or recurring charges. Also, there’s absolutely ZERO risk to you, because **you’re protected** by our no questions asked 30-DAY money back guarantee. After completing your order you’ll get **INSTANT ACCESS** to the program and an email receipt along with your next steps. But you need to hurry because positions are LIMITED. Go ahead and place your order NOW.”

49. After viewing the checkout video, the FTC investigator entered billing information on the checkout form using an undercover identity, checked a box indicating agreement to the “Terms and Conditions,” and clicked the “GET INSTANT ACCESS” button below the form to purchase the Work At Home EDU program for \$97. A screenshot of the relevant portion of the checkout page on Work At Home EDU Website appears below:



REDACTED

50. After clicking the “GET INSTANT ACCESS” button and waiting for “processing” of the transaction, the investigator was directed to another page on the Work At Home EDU Website promoting an “exclusive upgrade” to “be part of the Exclusive Advanced

2.0 Program.” The Work At Home EDU Website offered the upgrade for “a \$194.95 one-time fee!” According to a video that plays on the left side of the screen, purchasers of the “Advanced 2.0 Program” will receive “a brand new business every month” and start making “six figures” per month online. A screenshot of the top portion of the exclusive upgrade page on Work At Home EDU Website appears below:



REDACTED

51. In truth and in fact, consumers who purchase the Exclusive Advanced 2.0 Upgrade do not receive a new business every month and do not make six figures per month online.

52. The FTC investigator did not purchase the Exclusive Advanced 2.0 Upgrade on March 15, 2017. On a later date, the FTC investigator purchased the Exclusive Advanced 2.0 Upgrade for purposes of evaluating the upgrade.

53. After purchasing the Work At Home EDU program on March 15, 2017, the FTC investigator received two emails from WAHEDU at an undercover email address the investigator provided during the buy.

54. The subject line of the first email the investigator received from WAHEDU on March 15, 2017 states "WAHEDU Receipt" ("Receipt Email"). The Receipt Email included a username, password, a link to the Work At Home EDU members area, a billing descriptor, and a description of the charges for the program. In addition, the body of the Receipt Email included the following text:

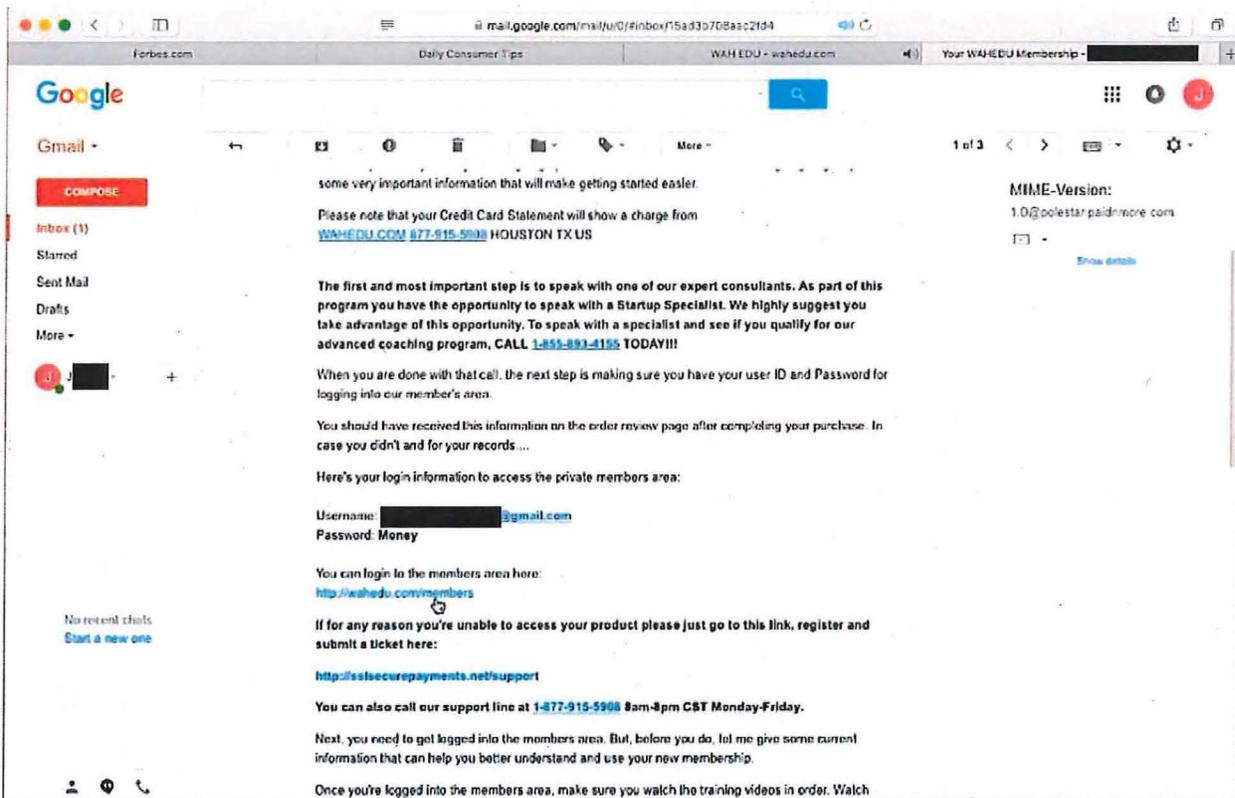
**The first and most important step is to speak with one of our expert consultants. As part of this program you have the opportunity to speak with a Startup Specialist. We highly suggest you take advantage of this opportunity. To speak with a specialist and see if you qualify for our advanced coaching program, CALL [1-855-893-4155](tel:1-855-893-4155) TODAY!!!**

The invitation to "speak with a Startup Specialist" is repeated multiple times in the Receipt Email. A true and correct printout of the Receipt Email is attached as **Attachment A**. Personally identifiable information pertaining to the investigator's undercover identity is redacted from Attachment A.

55. The subject line of the second email the investigator received from WAHEDU on March 15, 2017 states: "Your WAHEDU Membership" ("Membership Email"). The body of the

Membership Email repeats most of the information contained in the Receipt Email including the invitation to speak with a Startup Specialist. A true and correct printout of the Membership Email is attached as **Attachment B**. Personally identifiable information pertaining to the investigator's undercover identity is redacted from Attachment B.

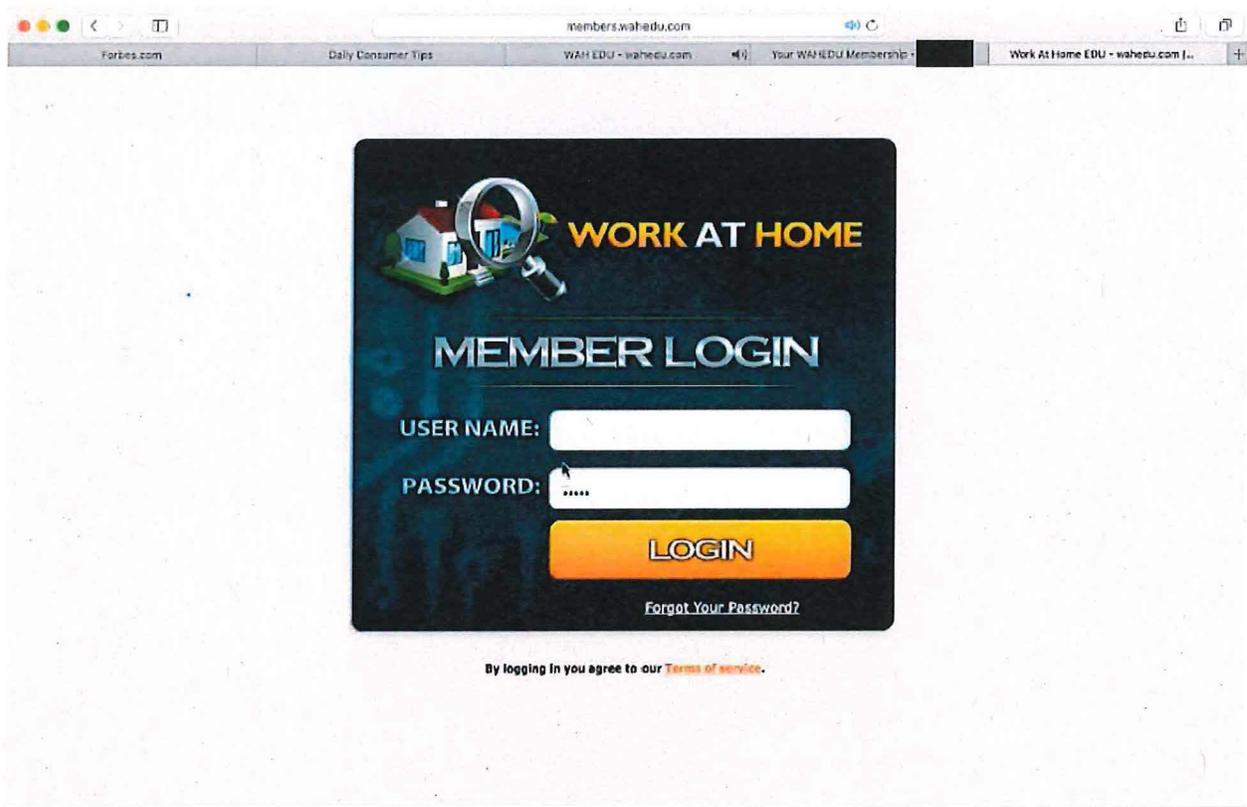
56. After reviewing the emails from WAHEDU, the investigator clicked on a hyperlink in the second email to login to the Work At Home EDU program's "members area." A screenshot showing the relevant portion of the second email and the hyperlink to the Work At Home EDU members area appears below:



REDACTED

**Defendants’ Work At Home EDU Members Site**

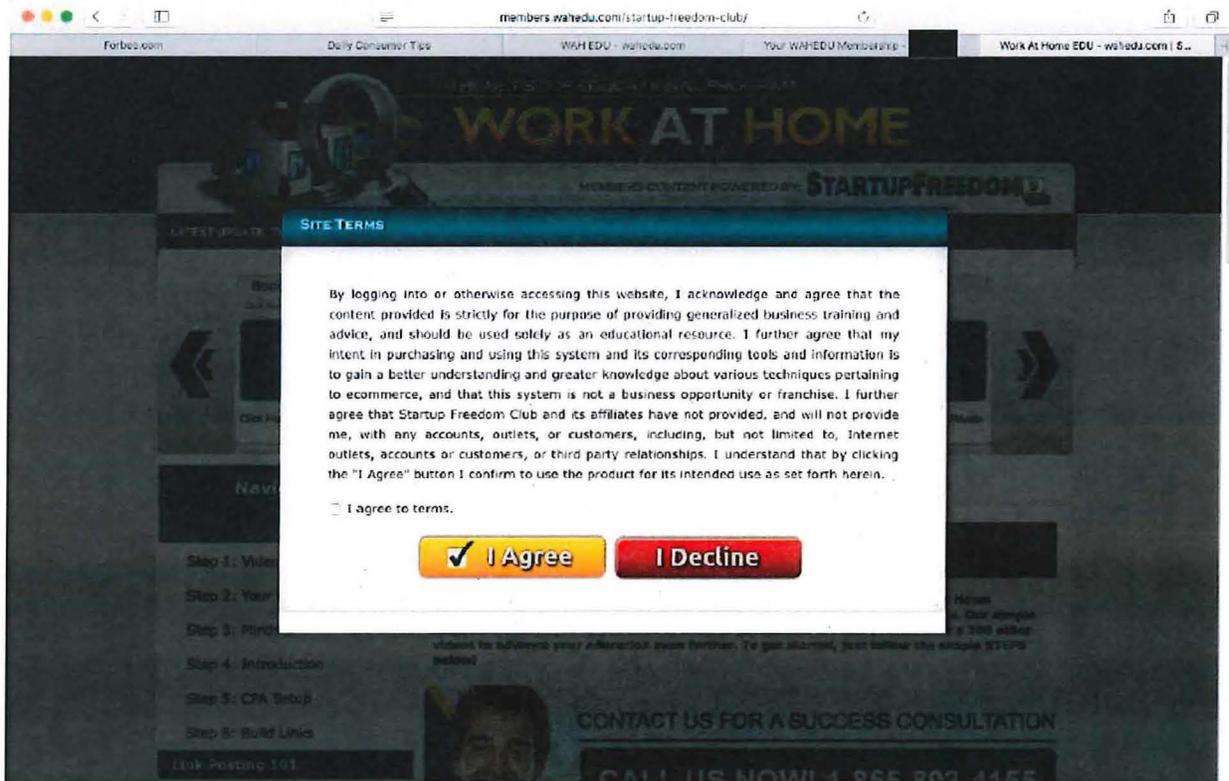
57. Clicking the Work At Home EDU members area hyperlink directed the FTC investigator to a login screen on a website with the following URL: members.wahedu.com (the “Work At Home EDU Members Site”). A screenshot of the login screen on the Work At Home EDU Members Site appears below:



REDACTED

58. The investigator entered the User Name and Password provided in the emails from WAHEDU and clicked on the “LOGIN” button.

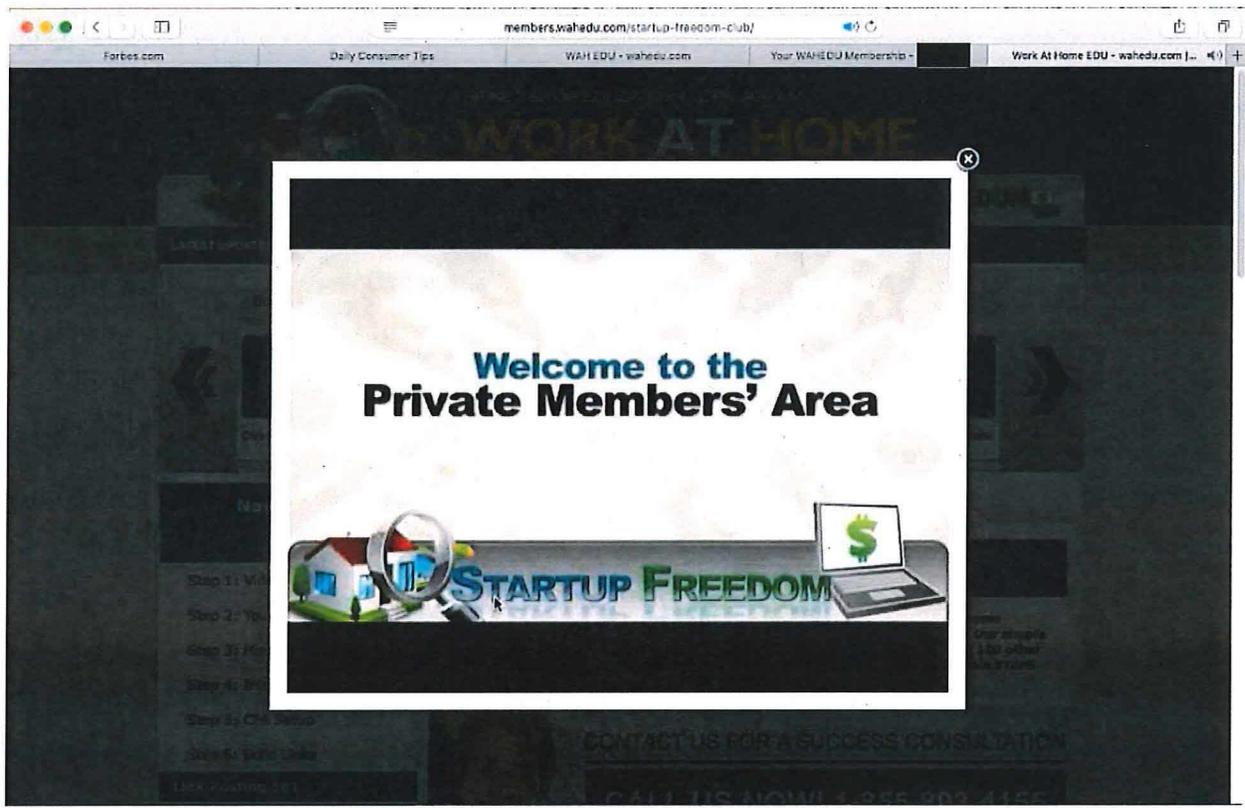
59. After clicking the “LOGIN” button, the investigator was directed to another page on the Work At Home EDU Members Site where a box labeled “Site Terms” appeared in the middle of the screen. The Site Terms box contained a disclaimer in small print followed by a small checkbox labeled “I agree to terms” and a large pre-checked yellow button stating “I Agree,” and a large red button stating “I Decline.” A screenshot of the page on the Work At Home EDU Members Site containing the Site Terms box appears below:



REDACTED

60. The investigator checked the checkbox labeled “I agree to terms” and clicked the pre-checked yellow button labeled “I Agree.”

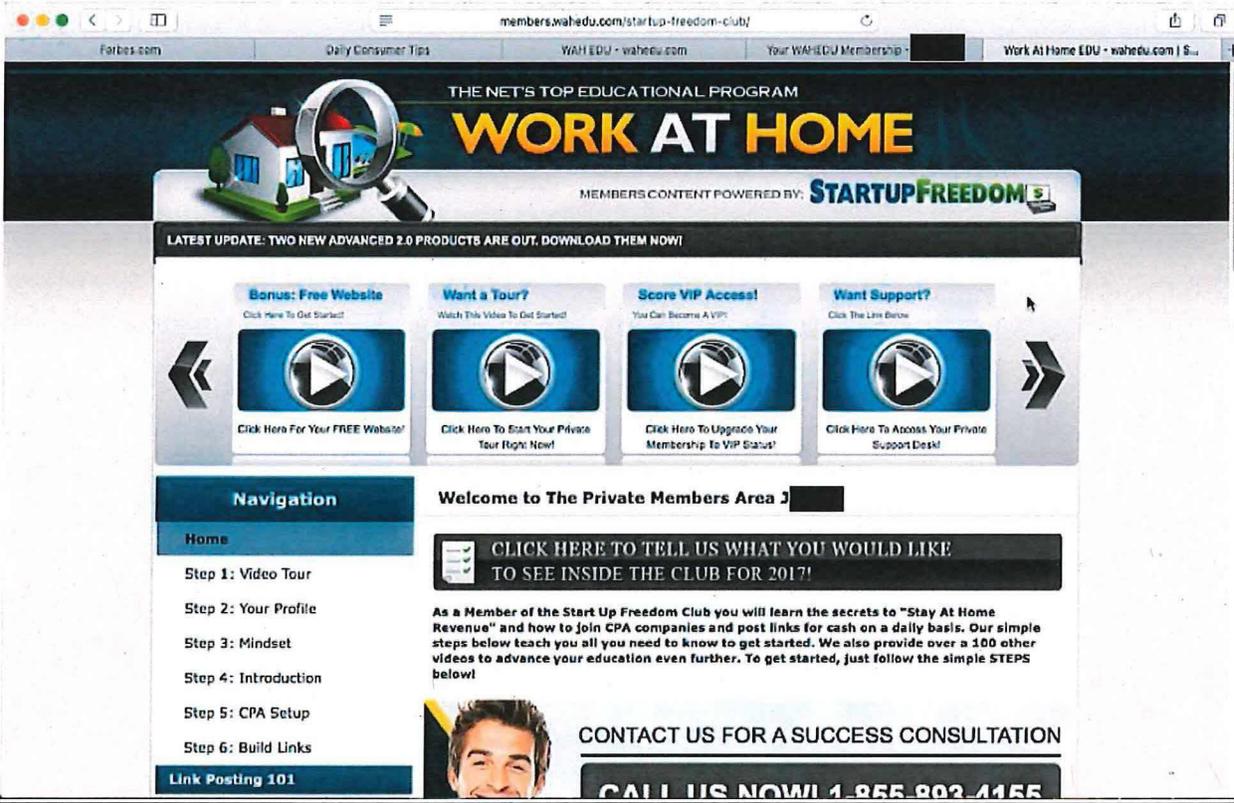
61. After clicking the “I Agree” button, the investigator was directed to another page on the Work At Home EDU Members Site where a video began playing in a box in the middle of the screen. The video provided a “tour” of the “STARTUP FREEDOM” “Private Members’ Area.” A screenshot of the page on the Work At Home EDU Members Site containing the video tour of the “Private Members’ Area” appears below:



REDACTED

62. After watching the video tour, the investigator clicked the X button in the upper right corner of the video box to close the video and was then able to view and explore the private

members' area of the Work At Home EDU Members Site ("Work At Home Members Area"). A screenshot of the top portion of the Work At Home Members Area appears below:



REDACTED

63. The Work At Home Members Area consists of a series of videos and materials ("WAH Content") that purport to show purchasers how to make money online using a variety of internet marketing techniques including affiliate marketing and internet link posting.

64. Throughout the WAH Content, Defendants make suggestions and recommendations for a variety of internet marketing tools and vendors that purchasers can use in

establishing or operating a new internet marketing business, including ClickBank and Offer Vault.

65. ClickBank and Offer Vault are affiliate marketing networks that provide their affiliates with accounts or customers willing to pay affiliates to market their internet offers. During the WAH Content, Defendants suggest and recommend that Work At Home EDU members become ClickBank and Offer Vault affiliates in order to gain customers or accounts for their new internet marketing businesses.

66. Defendants also use the Work At Home Members Area to repeat and reinforce the false or unsubstantiated earnings claims made during the online marketing of Work At Home EDU.

67. Contrary to Defendants' representations, consumers who purchase Defendants' work-at-home opportunities and attempt to deploy the internet marketing techniques featured in the WAH Content are unlikely to earn the income that Defendants advertise.

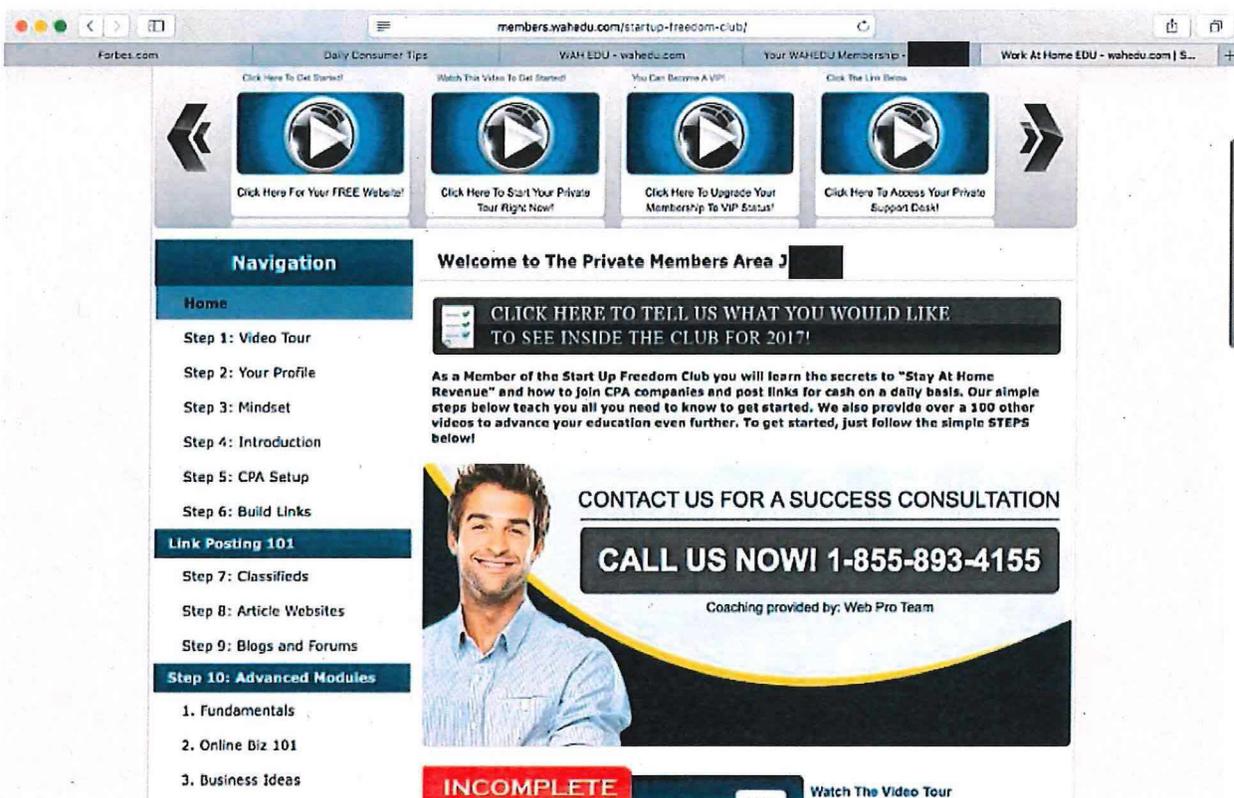
#### **"Bonus" Offerings and Upgrades**

68. Defendants also use the Work At Home Members Area to sell and promote a series of bonus offerings and upgrades, including business coaching (collectively "Upgrades").

69. On March 15, 2017, the Work At Home Members Area featured advertisements for a number of Upgrades including a "Bonus: Free Website," "New Advanced 2.0 Products," "VIP Status," and a "Success Consultation."

70. For example, a banner on the Work At Home EDU Members Area urges consumers to "CONTACT US FOR A SUCCESS CONSULTATION." A screenshot of the

portion of the Work At Home EDU Members Area containing the banner advertisement appears below:



REDACTED

71. Defendants or their business associates use the “Success Consultations” to sell business coaching and other services to consumers that often cost thousands of dollars.

72. Defendants induce consumers to purchase the Upgrades, including business coaching, through the false or unsubstantiated earnings claims they make in the Work At Home Members Area and in other marketing of Defendants’ work-at-home opportunities.

73. Defendants and their business associates profit from the marketing and sale of the Upgrades.

74. In some instances, Defendants contract to receive as much as 35% of the gross income from the business coaching sales generated from purchasers of the Upgrades and any sales of additional products sold by the business coaching providers or their affiliates to such purchasers.

**Defendants' Failure to Provide Disclosure and Earnings Claims Statements**

75. Defendants fail to provide a written disclosure document to consumers prior to consumers' purchase of Defendants' work-at-home opportunities, as required by the Business Opportunity Rule.

76. Although Defendants make claims to consumers about their likely earnings, they fail to provide consumers with an earnings claim statement as required by the Business Opportunity Rule.

**VIOLATIONS OF THE FTC ACT**

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

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

**Count I – Misrepresentations Regarding Earnings**

79. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of work-at-home opportunities, Defendants have represented, directly or indirectly, expressly or by implication, that consumers who purchase and use Defendants' work-

at-home opportunities are likely to earn a specific level or range of actual or potential sales, or gross or net income or profits. Such representations include:

- A. “No Scam: Texas Mom Makes Extra \$8000/Month in Her Spare Time on The Computer Without Selling Anything.”
- B. “I’m talking about earning **hundreds of dollars per hour** from home, without any special skills or experience.”
- C. “[O]ne of the **easiest and fastest** ways to start making up to **\$379 per day** working part time from home. **Without** selling anything. **Without** any special skills.”
- D. “**Dozens of accounts**, each generating me anywhere from a few hundred to **tens of thousands of dollars** per month.”

80. The representations set forth in Paragraph 79 are false or misleading or were not substantiated at the time the representations were made.

81. Therefore, Defendants’ representations as set forth in Paragraph 79 of this Complaint constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

#### **VIOLATIONS OF THE BUSINESS OPPORTUNITY RULE**

82. Defendants are “sellers” who have sold or offered to sell “business opportunities” as defined by the Business Opportunity Rule, 16 C.F.R. § 437.1(c) and (q). Under the Business Opportunity Rule, a “seller” is a person who offers for sale or sells a business opportunity. 16 C.F.R. § 437.1(q). Under the Rule, a “business opportunity” means a “commercial arrangement” in which a “seller solicits a prospective purchaser to enter into a new business;” the “prospective

purchaser makes a required payment;” and the “seller, expressly or by implication, orally or in writing, represents that the seller or one or more designated persons will ... [p]rovide outlets, accounts, or customers, including, but not limited to, Internet outlets, accounts, or customers, for the purchaser’s goods or services.” 16 C.F.R. 437.1 (c).

83. Among other things, the Business Opportunity Rule requires sellers to provide prospective purchasers with a disclosure document in the form and using the language set forth in the Business Opportunity Rule and its Appendix A, and any required attachments. In the disclosure document, the seller must disclose to prospective purchasers five categories of information, including basic identifying information about the seller, any earnings claims the seller makes, the seller’s litigation history, any cancellation and refund policy the seller offers, and contact information of prior purchasers. 16 C.F.R. § 437.3(a)(1)-(5). Furthermore, this information must be disclosed at least seven (7) days before the prospective purchaser signs a contract or makes a payment. 16 C.F.R. § 437.2. The pre-sale disclosure of this information enables a prospective purchaser to contact prior purchasers and take other steps to assess the potential risks involved in the purchase of the business opportunity.

84. Defendants have made earnings claims in connection with the sale of their business opportunities, as defined by the Business Opportunity Rule, 16 C.F.R. § 437.1(f). Under the Business Opportunity Rule, an “earnings claim” means “any oral, written, or visual representation to a prospective purchaser that conveys, expressly or by implication, a specific level or range of actual or potential sales, or gross or net income or profits.” 16 C.F.R. § 437.1(f).

85. The Business Opportunity Rule prohibits sellers from making earnings claims unless the seller: (1) has a reasonable basis for the claim at the time it is made; (2) has in its possession written materials to substantiate the claim at the time it is made; (3) furnishes an Earnings Claim statement to prospective purchasers in conjunction with the disclosure document, containing, among other things, information regarding the time frame captured by the earnings claim, the characteristics of the purchasers, and the number and percentage of all persons who purchased the business opportunity within the time frame who achieved at least the stated level of earnings; and (4) makes written substantiation of the earnings claim available to any prospective purchaser who requests it. 16 C.F.R. § 437.4(a).

86. Defendants have also made earnings claims in connection with the sale of their business opportunities in the general media, as defined by the Business Opportunity Rule, 16 C.F.R. § 437.1(h). Under the Business Opportunity Rule, “general media” means “any instrumentality through which a person may communicate with the public, including, but not limited to, television, radio, print, Internet, billboard, Web site, commercial bulk email, and mobile communications.” 16 C.F.R. § 437.1(h).

87. The Business Opportunity Rule prohibits sellers from making earnings claims in the general media unless the seller has a reasonable basis for and written substantiation of any earnings claims and states in immediate conjunction with those claims the beginning and ending dates when the represented earnings were achieved, and the number and percentage of all persons who purchased Defendants’ business opportunity prior to that ending date who achieved at least the stated level of earnings. 16 C.F.R. § 437.4(b).

88. Pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the Business Opportunity Rule constitutes an unfair or deceptive act or practice in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

### **Count II – Misrepresentations Regarding Income or Profits**

89. In numerous instances, Defendants have misrepresented the amount of sales, or gross or net income or profits a prospective purchaser may earn or that prior purchasers have earned in connection with the offering for sale, sale, or promotion of a business opportunity.

90. Defendants' acts and practices, as described in Paragraph 89 above, violate the Business Opportunity Rule, 16 C.F.R. § 437.6(d) and Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

### **Count III – Earnings Claims to Prospective Purchasers Violations**

91. In numerous instances, Defendants have made earnings claims to prospective purchasers in connection with the offering for sale, sale, or promotion of a business opportunity while, among other things, (1) lacking a reasonable basis for the earnings claim at the time it was made; (2) lacking written substantiation for the earnings claim at the time it was made; or (3) failing to provide an earnings claim statement to the prospective purchaser, as required by the Business Opportunity Rule.

92. Defendants' acts and practices, as described in Paragraph 91 above, violate the Business Opportunity Rule, 16 C.F.R. § 437.4(a) and Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

#### **Count IV – General Media Earnings Claims Violations**

93. In numerous instances, Defendants have made earnings claims in the general media in connection with the offering for sale, sale, or promotion of a business opportunity while, among other things, (1) lacking a reasonable basis for the earnings claim at the time it was made; (2) lacking written substantiation for the earnings claim at the time it was made; or (3) failing to state in immediate conjunction with those claims (i) the beginning and ending dates when the represented earnings were achieved, and (ii) the number and percentage of all persons who purchased Defendants' business opportunity prior to that ending date who achieved at least the stated level of earnings.

94. Defendants' acts and practices, as described in Paragraph 93 above, violate the Business Opportunity Rule, 16 C.F.R. § 437.4(b) and Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

#### **Count V – Disclosure Document Violations**

95. In numerous instances in connection with the offer for sale, sale, or promotion of business opportunities, Defendants have failed to furnish prospective purchasers with the disclosure document and attachments required by the Business Opportunity Rule, within the time period prescribed by the Rule.

96. Defendants' acts and practices, as described in Paragraph 95 above, violate the Business Opportunity Rule, 16 C.F.R. §§ 437.2 and 437.3(a), and Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

### **CONSUMER INJURY**

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

### **THIS COURT'S POWER TO GRANT RELIEF**

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

99. Section 19 of the FTC Act, 15 U.S.C. § 57b, authorizes this Court to grant such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the Business Opportunity Rule, including the rescission or reformation of contracts, and the refund of money.

### **PRAYER FOR RELIEF**

Wherefore, Plaintiff FTC, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and the Business Opportunity Rule, and the Court's own equitable powers, requests that the Court:

A. Award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief, including but not limited to, temporary and preliminary injunctions, an order freezing assets, immediate access, appointment of a receiver;

B. Enter a permanent injunction to prevent future violations of the FTC Act and the Business Opportunity Rule by Defendants;

C. Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the FTC Act and the Business Opportunity Rule, including but not limited to, rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and

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

Respectfully submitted,

David C. Shonka  
Acting General Counsel



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Dated: August 7, 2017

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Attorneys for Plaintiff  
FEDERAL TRADE COMMISSION



J [REDACTED] S [REDACTED] &lt;[REDACTED]@gmail.com&gt;

---

**WAHEDU Receipt**

1 message

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**WAHEDU** <noreply@wahedu.com>  
Reply-To: noreply@wahedu.com  
To: [REDACTED]@gmail.com  
Cc: "MIME-Version:" <1.0@polestar.paidnmore.com>

Wed, Mar 15, 2017 at 4:44 PM

## Thanks for Your Order!

---

Hello j [REDACTED]

I want to personally thank you for signing up. Please read this entire email as I am going to give you some very important information that will make getting started easier.

Please note that your Credit Card Statement will show a charge from  
[WAHEDU.COM](http://WAHEDU.COM) 877-915-5908 HOUSTON TX US

**The first and most important step is to speak with one of our expert consultants. As part of this program you have the opportunity to speak with a Startup Specialist. We highly suggest you take advantage of this opportunity. To speak with a specialist and see if you qualify for our advanced coaching program, CALL 1-855-893-4155 TODAY!!!**

When you are done with that call, the next step is making sure you have your user ID and Password for logging into our member's area.

You should have received this information on the order review page after completing your purchase. In case you didn't and for your records....

Here's your login information to access the private members area:

Username: [REDACTED]@gmail.com  
Password: **Money**

You can login to the members area here:

<http://wahedu.com/members>

**If for any reason you're unable to access your product please just go to this link, register and submit a ticket here:**

<http://sslsecurepayments.net/support>

**You can also call our support line at 1-877-915-5908 8am-8pm CST Monday-Friday.**

Next, you need to get logged into the members area. But, before you do, let me give some current information that can help you better understand and use your new membership.

Once you're logged into the members area, make sure you watch the training videos in order. Watch each one and just take some notes on it. I advise you to watch them all through at least once and if you're like me, a second time around doesn't hurt.

You will also need to decide if you want to create a website or not. If you do, then we have a great process that will save both time and money to get that up and running in just a couple of days. Remember to give it time to build up. This is NOT a get rich quick scheme. You have to do the work to get things going. You also have to have some patience in the beginning and make sure you have some understanding before proceeding.

You can open a trouble ticket or call us an any step of the process. If you get stuck, need help or more personalized direction... We are here to assist you.

You have a wealth of tools and information in the member's area and everything you need to start making money!

Another thing, as part of this program you have the opportunity to speak with a Startup Specialist. Again, I highly suggest you take advantage of this opportunity before you begin the training. Take the time to speak with a specialist and see if you qualify for our advanced coaching program, CALL [1-855-893-4155](tel:1-855-893-4155) TODAY!!!

In closing, I want to thank you again for joining up and taking the first step to improving your financial status. We are here to help, so let us know if you have questions, or just need some help. You can contact us at the support site or by phone listed above in this email.

To Your Success,

WAHEDU

Your order ID is # [REDACTED]

### Billing Address

[REDACTED]  
[REDACTED] Virginia [REDACTED]  
United States  
[REDACTED]

### Billing Information

Transaction Date: March 15, 2017

Payment Method: [REDACTED]

Transaction ID: [REDACTED]

Authorization Code: [REDACTED]

### Your Order Contains the Following Items...

4/5/2017

Gmail - WAHEDU Receipt

Cart Items	Qty	Item Price	Item Total
<b>WAH Membership</b>	1	\$97.00 USD	<b>\$97.00 USD</b>

Items: \$97.00 USD

**Total Cost: \$97.00 USD**

**wahedu.com**

<http://wahedu.com/>

**Startup Specialist Phone Number:**

[1-855-893-4155](tel:1-855-893-4155)

Coaching Offered By :Web Pro Team



J [REDACTED] S [REDACTED] [REDACTED]@gmail.com&gt;

## Your WAHEDU Membership

1 message

WAHEDU <noreply@wahedu.com>  
Reply-To: noreply@wahedu.com  
To: [REDACTED]@gmail.com  
Cc: "MIME-Version:" <1.0@polestar.paidnmore.com>

Wed, Mar 15, 2017 at 4:44 PM

### Your Membership Information

---

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I want to personally thank you for signing up. Please read this entire email as I am going to give you some very important information that will make getting started easier.

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[WAHEDU.COM](http://WAHEDU.COM) 877-915-5908 HOUSTON TX US

**The first and most important step is to speak with one of our expert consultants. As part of this program you have the opportunity to speak with a Startup Specialist. We highly suggest you take advantage of this opportunity. To speak with a specialist and see if you qualify for our advanced coaching program, CALL [1-855-893-4155](tel:1-855-893-4155) TODAY!!!**

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To Your Success,

WAHEDU

**wahedu.com**

<http://wahedu.com/>