

UNDERSEAL

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CLERK, U.S. DISTRICT COURT
NORTH DISTRICT OF CALIFORNIA

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Plaintiff,

vs.

AH MEDIA GROUP, LLC, a Delaware Limited Liability Company,

HENRY BLOCK, individually, and as an officer of AH MEDIA GROUP, LLC,

ALAN SCHILL, individually, and as an owner of AH MEDIA GROUP, LLC,

Defendants,

and

ZANELO, LLC, a Puerto Rico Limited Liability Company,

Relief Defendant.

CV 19 - 4022 SK
Case No. _____

FILED UNDER SEAL

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

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

2 1. The FTC brings this action under Sections 13(b) and 19 of the Federal Trade
3 Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, Section 5 of the Restore Online
4 Shoppers’ Confidence Act (“ROSCA”), 15 U.S.C. § 8404, and Section 918(c) of the Electronic
5 Fund Transfer Act (“EFTA”), 15 U.S.C. § 1693o(c), to obtain preliminary and permanent
6 injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid,
7 disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or practices in
8 violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), Section 4 of ROSCA, 15 U.S.C.
9 § 8403, Section 907(a) of EFTA, 15 U.S.C. § 1693e(a), and Section 1005.10(b) of Regulation E,
10 12 C.F.R. § 1005.10(b).

11 **JURISDICTION, VENUE, AND INTRADISTRICT ASSIGNMENT**

12 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a),
13 and 1345.

14 3. Venue is proper in this District under 28 U.S.C. §§ 1391(b)(2), (c)(2), and (d), and
15 15 U.S.C. §§ 53(b) and 57b.

16 4. Assignment to the San Francisco Division is proper because Defendants have
17 advertised and sold their products in San Francisco County to numerous consumers who reside in
18 the county.

19 **PLAINTIFF**

20 5. The FTC is an independent agency of the United States Government created by
21 statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a),
22 which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also
23 enforces ROSCA, 15 U.S.C. §§ 8401-8405, which prohibits merchants from selling goods or
24 services on the Internet through negative option marketing without meeting certain requirements
25 to protect consumers. A negative option is an offer in which the seller treats a consumer’s
26 silence as consent to be charged for goods or services. Additionally, the FTC enforces EFTA, 15
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1 U.S.C. § 1693-1693r, which regulates the rights, liabilities, and responsibilities of participants in
2 electronic fund transfer systems.

3 6. The FTC is authorized to initiate federal district court proceedings by its own
4 attorneys, to enjoin violations of the FTC Act, ROSCA, and EFTA, and to secure such equitable
5 relief as may be appropriate in each case, including rescission or reformation of contracts,
6 restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C.
7 §§ 53(b), 57b, 8404 and 1693o(c).

8 **DEFENDANTS**

9 7. Defendant **AH Media Group, LLC** (“AH Media”) is a Delaware limited liability
10 company that has held itself out as doing business at 5455 Landmark Place, #809, Greenwood
11 Village, Colorado 80111. At all times material to this Complaint, acting alone or in concert with
12 others, AH Media has advertised, marketed, distributed, or sold personal care products and
13 dietary supplements to consumers throughout the United States. AH Media transacts or has
14 transacted business in this District, including by advertising and selling products to consumers in
15 this District, and throughout the United States.

16 8. Defendant **Henry Block** (“Block”) is the Manager of and Registered Agent for
17 AH Media, as well as the authorized signer on AH Media’s bank account. Block is also the
18 Managing Member of H Block Investments, LLC (“HBI”), a Colorado limited liability company
19 which is a Member of and holds a 50% ownership interest in AH Media. Block signed AH
20 Media’s Operating Agreement on behalf of HBI and is also the authorized signer for HBI’s bank
21 account.

22 9. At all times material to this Complaint, acting alone or in concert with others,
23 Block has formulated, directed, controlled, had the authority to control, or participated in the acts
24 and practices of AH Media, including the acts and practices set forth in this Complaint. Among
25 other things, Block has had the authority to control the advertising, marketing, promotion,
26 offering for sale, or sale of AH Media’s products, including the registering of websites; the
27 processing of consumers’ payments; and the handling of consumer complaints. In connection
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1 with the matters alleged herein, Block transacts or has transacted business in this District,
2 including by advertising and selling products to consumers in this District, and throughout the
3 United States.

4 10. Defendant **Alan Schill** (“Schill”) is one of two signatories on AH Media’s
5 Operating Agreement. Schill signed the agreement on behalf of XI Family, LP (“XI Family”), a
6 Delaware Limited Partnership, which is a Member of and holds a 50% ownership interest in AH
7 Media. Schill is the Managing Member of XI Management, LLC, a Delaware limited liability
8 company, which is the General Partner of XI Family. Schill is also the sole Authorized Person
9 for Relief Defendant Zanelo, LLC (“Zanelo”).

10 11. At all times material to this Complaint, acting alone or in concert with others,
11 Schill has formulated, directed, controlled, had the authority to control, or participated in the acts
12 and practices of AH Media, including the acts and practices set forth in this Complaint. Among
13 other things, Schill has had the authority to control AH Media through XI Family’s 50%
14 ownership stake, and has participated directly in Defendants’ responses to consumer complaints.
15 In connection with the matters alleged herein, Schill transacts or has transacted business in this
16 District, including by advertising and selling products to consumers in this District, and
17 throughout the United States.

18 **RELIEF DEFENDANT**

19 12. Relief Defendant **Zanelo, LLC** is a Puerto Rico limited liability company that has
20 received funds that can be traced directly to Defendants’ deceptive, unfair, and unlawful acts or
21 practices alleged below, and has no legitimate claim to those funds. Relief Defendant Zanelo has
22 held itself out as doing business at 7 Calle Manuel Rodriguez Sierra, Apartment 6, San Juan,
23 Puerto Rico 00907.

24 **COMMERCE**

25 13. At all times material to this Complaint, Defendants have maintained a substantial
26 course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act,
27 15 U.S.C. § 44.
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DEFENDANTS' DECEPTIVE BUSINESS PRACTICES

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2 14. Since at least April 2016 and through the present, Defendants have operated an
3 online subscription scam, involving online marketing and sales of at least eight different product
4 lines. Defendants sell mainly personal care products and dietary supplements, including
5 Amabella Allure, Adelina, Parisian Glow, and Tone Fire Garcinia, which allegedly promote
6 youthful skin and weight loss. Defendants offer low-cost “trials” of their products for just the
7 cost of shipping and handling, typically \$4.99 or less. When consumers order these trial
8 products, however, Defendants enroll consumers into a continuity plan without their knowledge
9 or consent. After an initial two-week trial period, Defendants automatically charge consumers
10 the full price for the product—approximately \$90. Defendants continue to charge consumers the
11 product’s full price, plus an additional shipping and handling fee, each month until consumers
12 cancel their continuity plan. Additionally, Defendants frequently charge consumers for
13 additional products and enroll consumers in continuity programs related to these additional
14 products, all without consumers’ knowledge or consent. As a result of their deceptive, unfair,
15 and unlawful conduct, Defendants have taken more than \$35 million from consumers across the
16 United States.

17 15. Defendants have furthered their scheme by using a network of shell companies
18 and straw owners to process consumer payments. Defendants formed, or caused to be formed,
19 over 60 limited liability companies in Wyoming between April 2016 and the present (“the
20 Wyoming LLCs”). Defendants process payments through the Wyoming LLCs, hiding behind
21 purportedly independent entities to circumvent credit card associations’ monitoring programs,
22 avoid detection by consumers and law enforcement, and contest consumer disputes using
23 fraudulent documentation.

24 16. Most of the scheme’s business activities are conducted through AH Media. Block
25 directs much of the day-to-day work of AH Media, including working with the product
26 fulfillment center, coordinating domain registration for Defendants’ websites, and serving as the
27 bank account signatory for AH Media and the Wyoming LLCs. Block controls AH Media
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1 through HBI, which is an owner of AH Media. Block has received millions of dollars funds
2 from the scheme described herein through HBI.

3 17. Schill is involved in at least some of the regular affairs of the business (*e.g.*,
4 receiving consumer complaints, maintaining an AH Media Group email account). Schill controls
5 AH Media through XI Management and XI Family, the latter of which is also an owner of AH
6 Media. Schill has received at least \$900,000 dollars of funds from the scheme described herein
7 directly from AH Media. Zanelo, of which Schill is the sole Authorized Person, has also
8 received over a million dollars from AH Media.

9 **Defendants' Deceptive Trial Offers**

10 18. Defendants engage third-party affiliate marketers to advertise Defendants'
11 products online. The affiliate marketers do so through various internet marketing and social
12 media channels. These advertisements often state that consumers can receive a "trial" of one of
13 Defendants' products for just the cost of shipping and handling. Some of these advertisements
14 also falsely state that a celebrity has endorsed the product.

15 19. When consumers click on the affiliate marketers' advertisements, a hyperlink
16 sends them to one of Defendants' websites. Defendants have registered more than 300 websites,
17 at least some of which they use or have used to market and sell their products. The account used
18 to register the websites is associated with Henry Block's name and email address.

19 20. Like the affiliate marketers' advertisements, Defendants' websites purport to offer
20 product "trials" for only the cost of shipping and handling, typically \$4.99.

21 **Defendants' Trial Offer Ordering Process**

22 **Defendants' Landing Pages**

23 21. After consumers click on links in the affiliate marketers' advertisements for
24 Defendants' products, the links transfer consumers to webpages on Defendants' websites called
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1 “landing pages.” Numerous landing pages contain claims regarding the efficacy of the products.
2 They also say that consumers can receive a trial product.¹

3 22. Defendants’ landing pages create a sense of urgency by stating that there is a
4 limited supply of the trial product and that consumers need to act quickly. Representative
5 statements include:

- 6 • “ATTENTION: Due to high demand from recent media coverage we can no
7 longer guarantee supply. As of [today’s date] we currently have product in-stock
8 and will ship within 24 hours of purchase.”
- 9 • “ONLY [number] TRIALS AVAILABLE NOW!”
- 10 • “HURRY! CLAIM YOUR TRIAL TODAY”
- 11 • “Limit 1 Trial per Customer
12 Don’t get left behind!”

13 23. Defendants request that consumers who are interested in the trial offer provide
14 their name and contact information. After consumers do so, Defendants direct consumers to a
15 payment page, as described below.


16 24. Defendants’ landing pages do not include clear or conspicuous disclosures
17 explaining the terms of the trial offer. The landing pages do not include any visible statements
18 about the terms and conditions of the trial offer, such as (1) that Defendants will charge
19 consumers the full cost of the product if they do not cancel the trial offer within a short period of
20 time; (2) the cost of the product; (3) that Defendants will enroll consumers automatically in a
21 continuity plan, pursuant to which Defendants will send them additional products each month
22 and will charge them accordingly until they successfully cancel the continuity plan; or (4) that
23 the trial offer includes restrictive cancellation and refund policies.

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26 ¹ Figures 1 through 4 are excerpts from a May 16, 2018 recorded purchase of one of Defendants’ products, Adelina
27 Skin Cream. The complete recording of the purchase has been reproduced as **Exhibit A** to Complaint. The
28 recording was captured beginning at the website:
<https://tryadelinaskin.com/d/v1/index.php?affId=A5EC8C24&c1=206070&c2=&c3=>.

1 25. On some of Defendants' websites, at the very bottom on the landing page, there is
 2 a small link leading to the terms and conditions. In sharp contrast to the prominent and vibrantly
 3 colored statements concerning the trial offer, the terms and conditions link appears in small, grey
 4 font. To find the terms and conditions link, consumers would have to scroll down several page
 5 lengths, to the very bottom of the landing page. Only by clicking on the link may consumers
 6 view information (buried under other details and requiring the consumer to scroll down)
 7 regarding their enrollment in a continuity plan with recurring monthly charges.

8 26. For example, Figure 1 shows Defendants' Adelina Skin Cream landing page. On
 9 this page, a bright green button stating "RUSH MY TRIAL" urges consumers to provide their
 10 contact information and request a trial of Defendants' product.

12 **ATTENTION:** Due to high demand from recent media coverage we can no longer guarantee supply.
 13 As of May 16, 2018 we currently have product in-stock and will ship within 24 hours of purchase.

14 Internet Exclusive Offer Available to US Residents Only 

15 **Adelina**

16 ACHIEVE VISIBLY YOUNGER LOOKING SKIN

17 Brighten Skin's Appearance

18 Restore Your Radiant, Firmer Skin

19 Smooth Look of Stubborn Fine Lines

20 **HURRY! CLAIM YOUR TRIAL TODAY**

21 Limit 1 Trial per Customer Don't get left behind!

22 **ONLY 100 TRIALS AVAILABLE NOW!**

23 **TELL US WHERE TO SEND YOUR TRIAL BOTTLE**

24 First Name:

25 Last Name:

26 Address:

27 Zip code:

28 City:

 State:

 Phone:

 Email:

 Secure 256 Bit Encrypted Connection

 RUSH MY TRIAL

 McAfee SECURE Norton

25 **Figure 1** (portion of a landing page for Adelina Skin Cream).

Defendants' Payment Pages

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2 27. On the payment pages of their websites, Defendants request consumers' credit or
3 debit card information and state that consumers need to pay only a shipping and handling fee,
4 generally \$4.99 or less, to receive a trial of Defendants' product.

5 28. The payment pages prominently state that the total cost of the product is equal to
6 the cost of the shipping and handling fee. Thus, the payment pages reiterate the message from
7 Defendants' landing pages that, other than the obligation to pay shipping and handling, the trial
8 product is free.

9 29. Defendants' payment pages routinely lack any visible statements regarding the
10 terms of the trial offer. Consumers usually can learn about the short trial period, the fact that
11 they will be charged the full cost of the product at the end of the trial period, and that ordering
12 the trial will enroll them in a continuity plan, only by clicking a small terms and conditions link
13 (and then combing through dense text).

14 30. For example, as shown in Figure 2, Defendants' payment page for Adelina Skin
15 Cream states, "Just pay a small shipping fee," and lists the "NEW TOTAL" as \$4.99, equivalent
16 to the cost of the shipping and handling fee. The "Terms" link is in small print toward the
17 bottom of the webpage, away from the bright green "COMPLETE CHECKOUT" button, and
18 overshadowed by brighter, larger text and graphics on the page.

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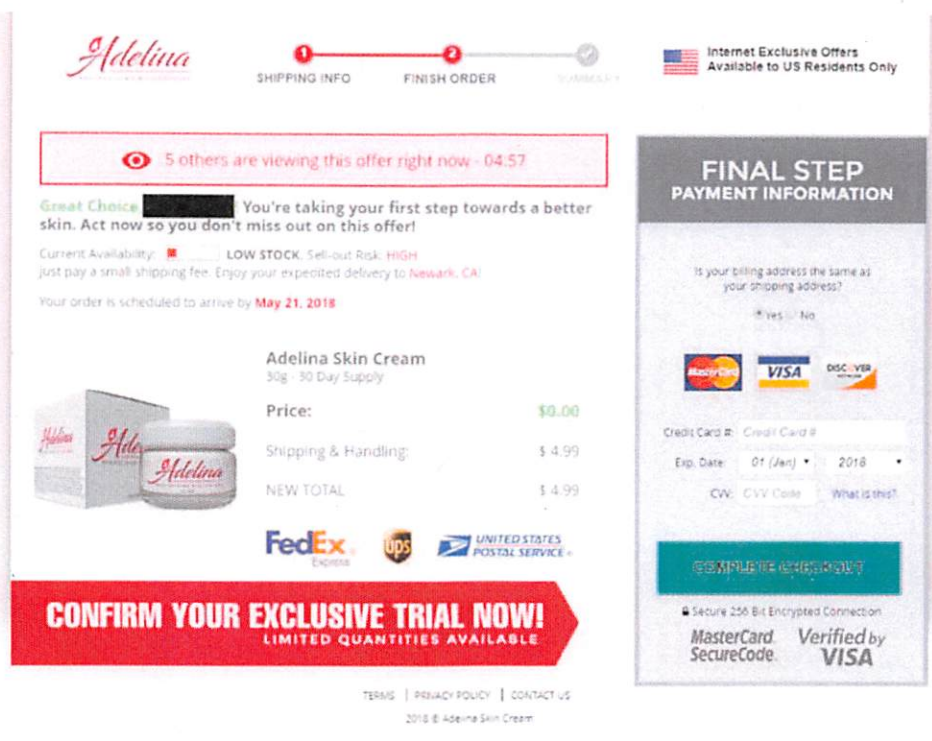
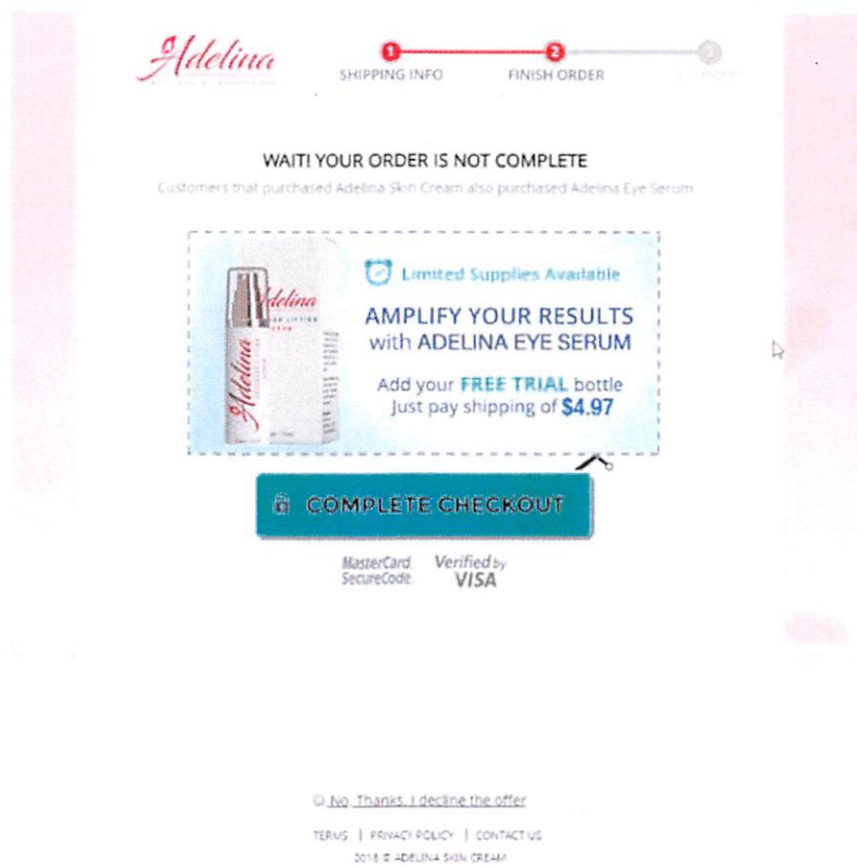


Figure 2 (excerpt of payment page for Adelina Skin Cream).

Defendants' Order Completion Pages

31. After consumers enter their credit or debit card information and submit their requests for trials of Defendants' products, and before they reach the final order summary page, Defendants often direct consumers to webpages that invite them to sign up for additional trial offers, allegedly for related products.

1 32. For example, consumers who click “COMPLETE CHECKOUT” on the payment
 2 page for Defendants’ Adelina Skin Cream (see Figure 2 above) are taken to an order completion
 3 page, reproduced as Figure 3 below. The order completion page displays an Adelina banner at
 4 the top. The page states in large, bold text “WAIT! YOUR ORDER IS NOT COMPLETE.”
 5 The page then offers a “FREE TRIAL” of the product Adelina Eye Serum, which will
 6 purportedly “amplify your results.” To get the “FREE TRIAL” of the eye serum, the text clearly
 7 states, “Just pay shipping of \$4.97.” This page does not state that there is any additional cost
 8 associated with the eye serum or any additional terms or conditions of the eye serum trial offer.



24 **Figure 3** (excerpt of order completion page for Adelina Eye Serum).

25 33. As noted in Figure 3, Defendants’ webpage indicates that consumers have not
 26 completed their order of the initial product until they click the bright, prominent “COMPLETE
 27 CHECKOUT” button, located under the advertisement for the second product. This webpage
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1 does not state that, by clicking “COMPLETE CHECKOUT,” Defendants will add another item
2 to the consumers’ orders. However, when consumers do click the “COMPLETE CHECKOUT”
3 button, Defendants enroll the consumers in an additional continuity plan for the second product.

4 34. In contrast to the prominent “COMPLETE CHECKOUT” buttons, the websites’
5 order completion pages also contain a small link at the bottom that, if clicked, allows consumers
6 to complete their transaction without agreeing to another trial offer.

7 35. For example, Figure 3 includes a small, gray link that says “No, Thanks. I decline
8 the offer.” This link appears well below the bright green “COMPLETE CHECKOUT” button
9 and does not specify whether, by clicking the link, the consumer is declining the initial trial offer
10 or the trial offer for the second product.

11 36. As with the initial trial offer, the order completion pages also fail to disclose
12 important terms and conditions of the offer. Defendants represent that the additional product is
13 free with payment of only a small shipping fee. However, in fact, Defendants charge consumers
14 the full price of the additional product approximately 14 days after they request the trial product.
15 Defendants also enroll consumers who click the “COMPLETE CHECKOUT” button in an
16 additional continuity plan for the additional product, meaning that Defendants will charge
17 consumers monthly for the full price of both the original product and the additional product until
18 consumers cancel the continuity plan. Consumers can see statements about the terms and
19 conditions of the trial offer only by clicking the small terms and conditions link at the bottom of
20 the page.

21 37. Regardless of whether consumers click on the “COMPLETE CHECKOUT”
22 button or click on the link to decline the additional trial offer, Defendants often redirect them to
23 another page with additional offers. Consumers must decline those offers as well to move to the
24 final order summary page described below.

25 Defendants’ Order Summary Pages

26 38. After navigating through one or more order completion pages, consumers finally
27 arrive at an order summary page on Defendants’ websites. The order summary pages
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1 prominently list the products ordered and give a total cost reflecting only the cost of the shipping
2 and handling fee. Some order pages contain a small statement toward the bottom of the
3 webpage, which describes some terms regarding the order. Some order pages contain no such
4 statement at all.

5 39. For example, in Defendants' order summary page for Adelina, reproduced as
6 Figure 4 below, the page lists the "Items Ordered." Under the "Items Ordered" heading,
7 Defendants provide a cost breakdown and "Grand Total" showing only the shipping and
8 handling fee. The page also restates the consumer's billing and shipping information. Under
9 these details, and below the page break on the computer screen, there is a statement in light grey
10 font, which provides some limited information about the continuity plan, the product price, and
11 terms for cancellation. The statement is significantly smaller and lighter than other text on the
12 page. Given the small font size and light-colored text used in Defendants' statement, it is largely
13 unreadable; for this reason, Figure 4 includes an added red callout box that enlarges the text of
14 the statement. Consumers visiting this website would not have the benefit of the callout box.

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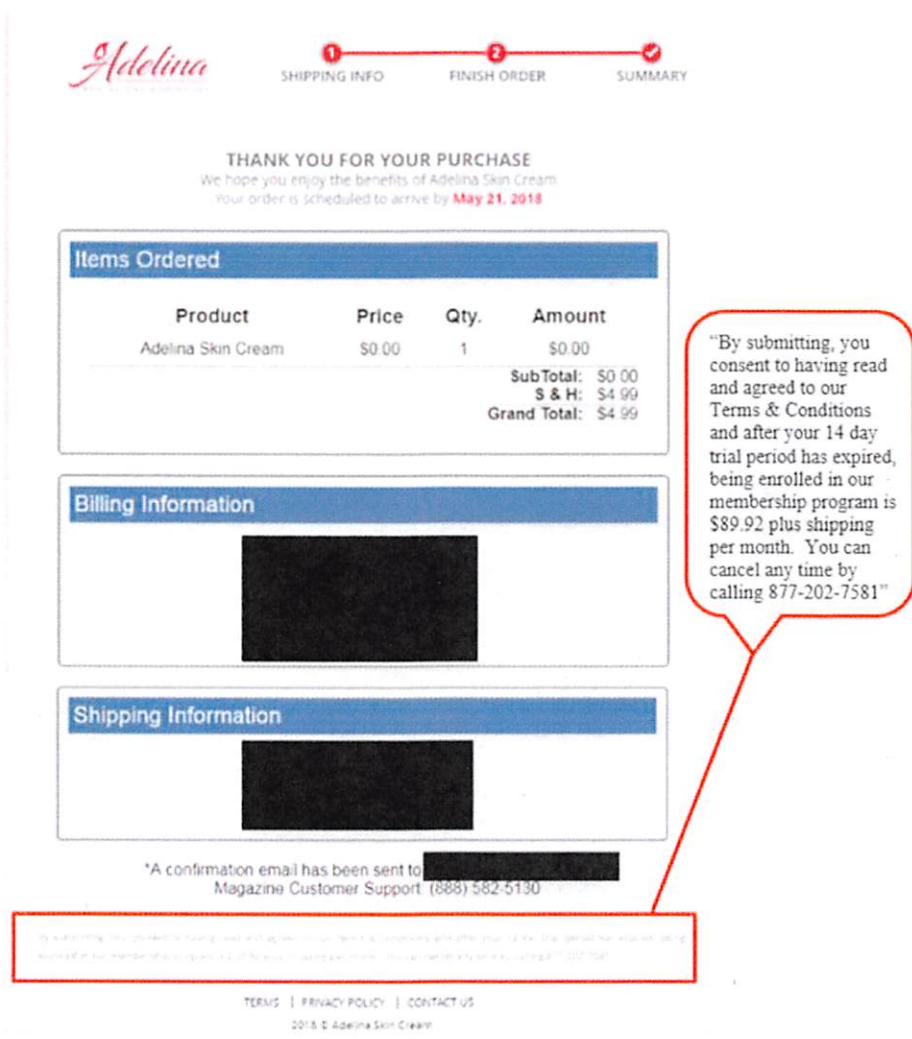


Figure 4 (excerpt of order summary page for Adelina Skin Cream; red graphics and callout box added to highlight and make more prominent the text of the statement).

40. These statements displayed on Defendants’ order summary pages, when they are present, are neither clear nor conspicuous, and are provided only after consumers have already completed the order for the trial product and therefore have already been enrolled in one or more continuity plans.

41. After consumers request a trial of Defendants’ products, Defendants often fail to send any confirmation email whatsoever. When Defendants do send consumers a confirmation email, it lists only the shipping and handling fee as the “Grand Total” of the order. The confirmation emails do not provide information about the continuity plan, additional payments,

1 or cancellation procedures. The confirmation emails thus reinforce the false impression from the
2 websites that, other than the obligation to pay the shipping and handling fee, the trial product is
3 free.

4 42. Consumers often learn that the trial is not free and that they have been enrolled in
5 a continuity plan only when they see Defendants' monthly charges on their credit card or bank
6 statements or receive unexpected products.

7 **Defendants' Restrictive Cancellation and Refund Practices**

8 43. After consumers discover that Defendants are charging them on a monthly basis
9 for one or more of Defendants' products, many attempt to cancel their enrollment in the
10 continuity plan and to obtain a refund of Defendants' unauthorized charges.

11 44. Defendants require that consumers call a customer service phone number to
12 cancel their enrollment. Consumers cannot cancel their continuity plan enrollment online. Some
13 consumers have difficulty locating a working phone number to reach a customer service
14 representative. Consumers who call Defendants' customer service phone number often have
15 difficulty reaching Defendants' customer service representatives, despite calling numerous times.
16 In some instances, consumers have been left on hold with customer service for long periods.
17 Even after consumers request that Defendants cancel their enrollment, some consumers report
18 that Defendants have continued charging them for monthly product shipments.

19 45. Many consumers who manage to reach a customer service representative also
20 encounter a range of difficulties in obtaining refunds from Defendants for the unauthorized
21 charges. Defendants, or their agents, refuse some consumers refunds because the requests were
22 untimely: customer service representatives tell consumers that the products' terms and conditions
23 require refund requests to be made within 30 days of ordering. When this purported refund
24 period has not lapsed, Defendants' customer service representatives tell some consumers that
25 they can receive a refund only if the trial product is returned unopened and at the consumer's
26 expense. Defendants still refuse refunds to some consumers who attempt to return products by
27 claiming that the company never received the products.

1 46. In many instances, consumers attempt to get their money back by initiating
2 chargebacks with their credit card companies. As described below, Defendants use fraudulent
3 versions of their websites to dispute consumers' chargeback requests.

4 47. In other instances, consumers receive refunds directly from Defendants only after
5 consumers complain to the Better Business Bureau or a state regulatory agency. Even in those
6 instances, however, Defendants have not always issued full refunds.

7 **Defendants Further the Fraud Through Shell Companies With Fake Websites, Which**
8 **Defendants Use to Launder Credit Card Payments and Contest Chargebacks**

9 **Background on Merchant Accounts and Credit Card Laundering**

10 48. To accept credit card payments from consumers, a merchant must establish a
11 merchant account with a merchant acquiring bank ("acquirer"). A merchant account is a type of
12 account that allows businesses to process consumer purchases made using credit or debit cards.

13 49. Acquirers enter into contracts with payment processors, which manage the bank's
14 merchant processing program. Payment processors in turn frequently enter contracts with
15 multiple "independent sales organizations" ("ISOs") that sign up merchants for merchant
16 accounts with the acquirer.

17 50. The acquirer has access to the credit card associations ("card networks"), such as
18 MasterCard and VISA. The card networks require all participants in their networks, including
19 the acquirers and their registered ISOs, to comply with detailed rules governing the use of the
20 card networks. These rules include screening processes and underwriting standards for
21 merchants, to ensure that they are legitimate, bona fide businesses, and to screen out merchants
22 engaged in potentially fraudulent or illegal practices. The rules also prohibit credit card
23 laundering, which is the practice of processing credit card transactions through another
24 company's merchant account.

25 51. To detect and prevent illegal, fraudulent, or unauthorized merchant activity, the
26 card networks operate various chargeback monitoring and fraud monitoring programs. A
27 "chargeback" is when a consumer disputes a credit card charge by contacting the bank that
28 issued the credit or debit card; when a chargeback is successful, the consumer recovers the

1 disputed funds from the acquirer, which in turn collects the amount from the merchant. If a
2 merchant generates excessive levels of chargebacks that exceed the thresholds set under a card
3 network's chargeback monitoring program, the merchant is subject to additional monitoring
4 requirements and, in some cases, penalties and termination.

5 52. Credit card laundering is commonly used by fraudulent merchants who cannot
6 meet a bank's underwriting criteria or who cannot obtain merchant accounts under their own
7 names (whether because of excessive chargebacks, complaints, or other signs of illegal activity).

8 53. Even when fraudulent merchants can qualify for a merchant account, they may
9 engage in laundering as a way to conceal their true identities from consumers, the card networks,
10 and law enforcement agencies.

11 54. To conceal their identities, fraudulent merchants often create shell companies to
12 act as fronts, and apply for merchant accounts under these shell companies. Once the merchant
13 accounts are approved, the fraudulent merchant then launders its own transactions through the
14 shell company's merchant accounts.

15 55. Using multiple merchant accounts allows fraudulent merchants to go undetected
16 and maintain continued access to the card networks. The fraudulent merchant may use each
17 merchant account for only a short period in order to go unnoticed. With multiple merchant
18 accounts, the fraudulent merchant can also manage chargeback rates: when one merchant
19 account receives too many chargebacks, the fraudulent merchant can switch to a new merchant
20 account. Using multiple merchant accounts also may allow the merchant to maintain continued
21 access to the card networks in the event any of the merchant's accounts are terminated.

22 Defendants Launder Transactions Through Dozens of Shell Companies

23 56. As noted above, Defendants created, or caused to be created, over 60 Wyoming
24 LLCs that acted as shell companies for AH Media (the "Wyoming LLCs"). The Wyoming LLCs
25 include those listed in **Exhibit B** to this Complaint. Defendants further their fraud through the
26 Wyoming LLCs in two main ways.

1 57. First, Defendants use the Wyoming LLCs to engage in credit card laundering.
2 Defendants obtain merchant accounts through the shell companies, hiding behind these entities
3 to evade underwriting standards that target fraudulent and high-risk businesses. Defendants use
4 the shell companies' merchant accounts to process, or launder, consumer payments made
5 through Defendants' websites.

6 58. The purported directors of the Wyoming LLCs are all straw owners, some of
7 whom appear to be relatives or friends of Block or Schill. The straw owners are listed on the
8 corporate documents and are held out as signatories in merchant account applications, but do not
9 otherwise appear to engage in any business functions on behalf of the Wyoming LLCs.

10 59. The Wyoming LLCs do not appear to have any employees or to conduct any
11 business other than debiting consumers' credit cards and financial accounts.

12 60. Defendants appear to have sole control over the Wyoming LLCs, with Block
13 controlling the Wyoming LLCs' business bank accounts.

14 61. Defendants applied for numerous merchant accounts in the name of shell
15 companies, through which they launder charges to consumers' credit or debit cards. From April
16 2016 to the present, Defendants, directly or through agents acting on their behalf and for their
17 benefit, submitted over a hundred deceptive merchant applications in the name of numerous shell
18 companies to ISOs.

19 62. Multiple ISOs approved the merchant account applications, set up merchant
20 accounts for the Wyoming LLCs, and began processing payments through acquiring banks.

21 63. From April 2016 to the present, the Defendants have used merchant accounts in
22 the name of certain Wyoming LLCs to process consumers' payments for purported skin care and
23 weight loss products under brand names such as Amabella Allure, Adelina, AmbroSina, Parisian
24 Glow, TrimOrganix Garcinia, and Tone Fire Garcinia.

25 64. When payments for Defendants' products are processed through the merchant
26 accounts that Defendants secured in the names of the Wyoming LLCs, the sales revenues are
27 automatically transferred into the corresponding Wyoming LLCs' First National Bank accounts.
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1 From there, the Wyoming LLCs transfer consumers' money, directly or through intermediary
2 accounts, into a single, centralized account held by AH Media at First National Bank (the "AH
3 Media FNB Account"). The AH Media FNB Account pays expenses for Defendants' operation
4 and also distributes funds to HBI, Schill, and Zanelo.

5 65. Even though Defendants spread their transactions across multiple accounts to help
6 manage chargeback levels, a number of merchant accounts held in the name of the Wyoming
7 LLCs were closed due to excessive chargeback levels.

8 Defendants Use Dummy Websites to

9 Obtain Merchant Accounts and Dispute Chargeback Requests

10 66. Defendants also further their fraud by using the Wyoming LLCs to establish
11 "dummy" websites that they use in contesting chargebacks.

12 67. Underwriters for payment processors and banks (who decide whether a processor
13 or bank should open an account for a merchant) may look at a merchant account applicant's
14 websites to learn about the applicant, including whether the applicant's business practices might
15 expose the processor to risk.

16 68. To evade this scrutiny, Defendants create dummy underwriting websites to show
17 payment processors when they seek new merchant accounts. Defendants' dummy websites
18 differ significantly from the websites that actually generate Defendants' sales.

19 69. Defendants' dummy websites have more prominent disclosures about the terms of
20 the trial offers, including information about the continuity plan and how to avoid incurring
21 further charges. These dummy websites explain, in text directly below the contact information
22 fields, that consumers have the option to cancel within a short period at no cost, or to be charged
23 the full price of the trial product and enrolled in a monthly subscription program with monthly
24 charges. The landing pages for the dummy websites also include a box for consumers to check
25 stating that they had agreed to the terms of the offer. .

1 70. For example, Figure 5 is a reproduction of the dummy website landing page that
 2 Wyoming shell company Peeps Investments LLC submitted in support of a merchant account
 3 application.

Peeps Eye Serum

- May Help Reduce the Look of Dark Under-Eye Circles
- May Help Brighten the Look of the Skin Around Your Eyes
- May Help Hydrate and Help Diminish Puffiness

CONFIRM YOUR EXCLUSIVE PRODUCT!

TELL US WHERE TO SEND YOUR PRODUCT

First Name:

Last Name:

Address:

City:

State:

Country:

Zip Code:

Phone Number:

Email Address:

By placing an order with us, you agree to our full [Terms and Conditions](#) and the enrollment our monthly auto-ship program, where you will immediately be billed the shipping and handling amount of \$4.97. We will then immediately ship you your first bottle of Peeps Eye Serum. In 18 days (approximately 4 days for shipping and 14 days to try the product), your credit card will be automatically charged the full retail price of \$24.95. Once your trial has ended you will be shipped a recurring supply of Peeps Eye Serum every 30 days and will be charged \$24.95 + \$4.97(S&H) for the total amount of \$29.92 for each recurring product that is shipped to you until you cancel. If our product is not right for you, simply call 888-866-1983 or contact us via email care@peepsyaserum.com to cancel your membership and owe nothing more. Charges will appear as PeepEyeSerum on your billing statement.

ORDER NOW

20 **Figure 5** (excerpt of landing page for Peeps Eye Serum submitted in merchant application).

21 71. Defendants do not appear to use these dummy websites to sell products. Unlike
 22 Defendants' consumer-facing websites (where Defendants actually sell products to consumers),
 23 the dummy sites do not have the security protocol typically used by merchants to accept
 24 payments through websites. Moreover, it appears that Defendants do not sell the products
 25 identified on the dummy sites.

26 72. As described above in Paragraphs 18 through 42, Defendants process their actual
 27 sales from consumer-facing websites, which lack clear and conspicuous disclosures about the
 28 trial offers. In sharp contrast to the dummy websites, the consumer-facing websites that

1 Defendants use to sell their products fail to make any statements directly under the contact
2 information fields. Instead, Defendants bury information about the continuity plans on the
3 consumer-facing websites in small terms and conditions links, and in statements displayed in
4 small font size and light-colored text that appear only after a consumer orders a product. In
5 addition, Defendants' consumer-facing websites do not have a checkbox that consumers click on
6 to agree to the terms of the order.

7 73. Defendants use the dummy websites to fraudulently challenge consumers'
8 chargeback requests. When consumers dispute Defendants' charges, Defendants submit copies
9 of their dummy websites to consumers' credit card companies. In some instances, Defendants
10 provide the credit card companies with copies of the dummy websites that include annotations.
11 As demonstrated in one such annotated copy, reproduced below as Figure 6, these annotations
12 include callouts to, and comments about, the disclosures on the dummy website as reasons
13 consumers should not receive a chargeback.

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Figure 6 (excerpt of Defendants’ submission to a credit card company to dispute a chargeback).

74. Credit card companies sometimes relied on Defendants’ fraudulent submission of dummy website images as a reason to refuse consumers’ requests for chargebacks.

75. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the Commission.

VIOLATIONS OF THE FTC ACT

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

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

1 78. Acts or practices are unfair under Section 5 of the FTC Act if they cause or are
2 likely to cause substantial injury to consumers that consumers cannot reasonably avoid
3 themselves and that is not outweighed by countervailing benefits to consumers or competition.
4 15 U.S.C. § 45(n).

5 **Count I**

6 **Misrepresentations of the Price of Trial Offers**

7 79. In numerous instances, in connection with the advertising, marketing, promotion,
8 offering for sale, or sale of personal care products and dietary supplements, Defendants
9 represent, directly or indirectly, expressly or by implication, that Defendants will charge
10 consumers at most only a shipping and handling fee for a one-time shipment of Defendants'
11 product.

12 80. In truth and in fact, in numerous instances in which Defendants have made the
13 representation set forth in Paragraph 79 of this Complaint, Defendants charge consumers more
14 than a shipping and handling fee for one or more shipments of Defendants' product.

15 81. Therefore, Defendants' representation described in Paragraph 79 of this
16 Complaint is false and misleading, and constitutes a deceptive act or practice in violation of
17 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

18 **Count II**

19 **Misrepresentations Regarding the Offer of Additional Products**

20 82. In numerous instances, in connection with the advertising, marketing, promotion,
21 offering for sale, or sale of personal care products and dietary supplements to consumers who
22 have already ordered a trial of one of Defendants' products, Defendants represent, directly or
23 indirectly, expressly or by implication, that clicking the "COMPLETE CHECKOUT" or similar
24 button will merely complete their initial orders.

25 83. In truth and in fact, in numerous instances in which Defendants have made the
26 representation set forth in Paragraph 82 of this Complaint, consumers clicking the "COMPLETE
27 CHECKOUT" button ordered an additional product and enrolled in a continuity plan for that
28 product.

1 84. Therefore, Defendants' representation described in Paragraph 82 of this
2 Complaint is false and misleading, and constitutes a deceptive act or practice in violation of
3 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

4 **Count III**

5 **Failure to Disclose Adequately Material Terms of Trial Offer**

6 85. In numerous instances, in connection with the advertising, marketing, promotion,
7 offering for sale, or sale of personal care products and dietary supplements, Defendants
8 represent, directly or indirectly, expressly or by implication, that consumers can obtain a trial of
9 Defendants' product for the cost of shipping and handling, or for free.

10 86. In numerous instances in which Defendants make the representation set forth in
11 Paragraph 85 of this Complaint, Defendants fail to disclose, or to disclose adequately to
12 consumers, material terms and conditions in their offer, including:

- 13 a) The total cost of the product;
- 14 b) That Defendants will charge consumers the total cost of the product upon
15 expiration of the trial period, often 14 days;
- 16 c) That Defendants will automatically enroll consumers in a continuity plan with
17 additional charges;
- 18 d) The cost of the continuity plan, and the frequency and duration of recurring
19 charges; and
- 20 e) The terms of Defendants' return policies.

21 87. In light of the representation described in Paragraph 85, Defendants' failure to
22 disclose, or to disclose adequately, the material information as set forth in Paragraph 86
23 constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C.
24 § 45(a).

25 **Count IV**

26 **Unfairly Charging Consumers Without Authorization**

27 88. In numerous instances, Defendants have charged consumers without their express
28 informed consent. Consumers were unaware of these pending unauthorized charges, and thus

1 unable to prevent them. Defendants often refused to refund consumers the full amount of the
2 unauthorized charges.

3 89. Defendants' actions cause or are likely to cause substantial injury to consumers
4 that consumers cannot reasonably avoid themselves and that is not outweighed by countervailing
5 benefits to consumers or competition.

6 90. Therefore, Defendants' acts or practices as described in Paragraph 88 constitute
7 unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), (n).

8 **Count V**

9 **Unfairly Injuring Consumers by Engaging in Credit Card Laundering**

10 91. In numerous instances, in connection with submitting applications to open
11 merchant accounts to further Defendants' online subscription scam, Defendants have engaged in
12 credit card laundering by:

- 13 a) Falsely representing, directly or through agents acting on their behalf and for
14 their benefit, that the shell companies listed as the applicants on the merchant
15 applications were the actual merchants who were applying for merchant
16 accounts; or
17 b) Falsely representing, directly or through agents acting on their behalf and for
18 their benefit, that the individual signors listed as the principal owners on the
19 merchant applications were the bona fide principal owners applying for
20 merchant accounts.

21 92. The Defendants' actions cause or are likely to cause substantial injury to
22 consumers that was not reasonably avoidable by consumers themselves and that is not
23 outweighed by countervailing benefits to consumers or competition.

24 93. Therefore, Defendants' acts or practices as described in Paragraph 91 constitute
25 unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), (n).

Count VI

Unfairly Injuring Consumers by Submitting Fraudulent Chargeback Documentation

94. In numerous instances, in connection with responding to consumer chargeback requests, Defendants have submitted fraudulent documentation. To dispute consumer chargeback requests, Defendants provided credit card companies with copies of websites, which were not in fact the actual websites from which the consumer completed the transaction in dispute.

95. Due to Defendants' actions, some consumers were unable to obtain a refund of the cost of the disputed transaction. Defendants' actions cause or are likely to cause substantial injury to consumers that consumers cannot reasonably avoid themselves and that is not outweighed by countervailing benefits to consumers or competition.

96. Therefore, Defendants' acts or practices as described in Paragraph 94 constitute unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), (n).

VIOLATIONS OF THE RESTORE ONLINE SHOPPERS' CONFIDENCE ACT

97. In 2010, Congress passed the Restore Online Shoppers' Confidence Act, 15 U.S.C. §§ 8401-8405, which became effective on December 29, 2010. Congress passed ROSCA because "[c]onsumer confidence is essential to the growth of online commerce. To continue its development as a marketplace, the Internet must provide consumers with clear, accurate information and give sellers an opportunity to fairly compete with one another for consumers' business." 15 U.S.C. § 8401(2).

98. Section 4 of ROSCA, 15 U.S.C. § 8403, generally prohibits charging consumers for goods or services sold in transactions effected on the Internet through a negative option feature, as that term is defined in the Commission's Telemarketing Sales Rule ("TSR"), 16 C.F.R. § 310.2(w), unless the seller: (a) clearly and conspicuously discloses all material terms of the transaction before obtaining the consumer's billing information; (b) obtains the consumer's express informed consent before making the charge; and (c) provides a simple mechanism to stop recurring charges. See 15 U.S.C. § 8403.

1 99. The TSR defines a negative option feature as: “in an offer or agreement to sell or
2 provide any goods or services, a provision under which the consumer’s silence or failure to take
3 an affirmative action to reject goods or services or to cancel the agreement is interpreted by the
4 seller as acceptance of the offer.” 16 C.F.R. § 310.2(w).

5 100. As described above, Defendants advertise and sell their personal care products to
6 consumers through a negative option feature as defined by the TSR. *See* 16 C.F.R. § 310.2(w).

7 101. Under Section 5 of ROSCA, 15 U.S.C. § 8404, a violation of ROSCA is treated as
8 a violation of a rule promulgated under Section 18 of the FTC Act, 15 U.S.C. § 57a, and
9 therefore constitutes an unfair or deceptive act or practice in or affecting commerce in violation
10 of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

11 **Count VII**

12 **Violation of ROSCA—Auto-Renewal Continuity Plan**

13 102. In numerous instances, in connection with the selling of their products on the
14 Internet through a negative option feature, Defendants have failed to:

- 15 a) Clearly and conspicuously disclose all material terms of the negative option
16 feature of the product transaction before obtaining the consumer’s billing
17 information;
- 18 b) Obtain the consumer’s express informed consent to the negative option feature
19 before charging the consumer’s credit card, debit card, bank account, or other
20 financial account for the transaction; or
- 21 c) Provide simple mechanisms for a consumer to stop recurring charges for
22 products to the consumer’s credit card, debit card, bank account, or other
23 financial account.

24 103. Defendants’ acts or practices as set forth in Paragraph 102 are a violation of
25 Section 4 of ROSCA, 15 U.S.C. § 8403, and are therefore treated as a violation of a rule
26 promulgated under Section 18 of the FTC Act, 15 U.S.C. § 57a, 15 U.S.C. § 8404(a), and
27 therefore constitute an unfair or deceptive act or practice in or affecting commerce in violation of
28 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

1 **VIOLATIONS OF THE ELECTRONIC FUND TRANSFER ACT AND REGULATION E**

2 104. Section 907(a) of EFTA, 15 U.S.C. § 1693e(a), provides that a “preauthorized”
3 electronic fund transfer from a consumer’s account may be “authorized by the consumer only in
4 writing, and a copy of such authorization shall be provided to the consumer when made.”

5 105. Section 903(10) of EFTA, 15 U.S.C. § 1693a(10), provides that the term
6 “preauthorized electronic fund transfer” means “an electronic fund transfer authorized in
7 advance to recur at substantially regular intervals.”

8 106. Section 1005.10(b) of Regulation E, 12 C.F.R. § 1005.10(b), provides that
9 “[p]reauthorized electronic fund transfers from a consumer’s account may be authorized only by
10 a writing signed or similarly authenticated by the consumer. The person that obtains the
11 authorization shall provide a copy to the consumer.”

12 107. Section 1005.10 of the Consumer Financial Protection Bureau’s Official Staff
13 Commentary to Regulation E, 12 C.F.R. § 1005.10(b), cmt. 5, Supp. I, provides that “[t]he
14 authorization process should evidence the consumer’s identity and assent to the authorization.”
15 The Official Staff Commentary to Regulation E further provides that “[a]n authorization is valid
16 if it is readily identifiable as such and the terms of the preauthorized transfer are clear and readily
17 understandable.” 12 C.F.R. § 1005.10(b), cmt. 6, Supp. I.

18 **Count VIII**

19 **Unauthorized Debiting from Consumers’ Accounts**

20 108. In numerous instances, Defendants debit consumers’ bank accounts on a recurring
21 basis without obtaining a written authorization signed or similarly authenticated from consumers
22 for preauthorized electronic fund transfers from their accounts, thereby violating Section 907(a)
23 of EFTA, 15 U.S.C. § 1693e(a), and Section 1005.10(b) of Regulation E, 12 C.F.R.
24 § 1005.10(b).

25 109. Further, in numerous instances, Defendants debit consumers’ bank accounts on a
26 recurring basis without providing a copy of written authorization signed or similarly
27 authenticated by the consumer for preauthorized electronic fund transfers from the consumer’s
28

1 account, thereby violating Section 907(a) of EFTA, 15 U.S.C. § 1693e(a), and Section
2 1005.10(b) of Regulation E, 12 C.F.R. § 1005.10(b).

3 110. Under Section 918(c) of EFTA, 15 U.S.C. § 1693o(c), a violation of EFTA and
4 Regulation E constitutes a violation of the FTC Act.

5 111. Accordingly, by engaging in violations of EFTA and Regulation E as alleged in
6 Paragraphs 108 through 109 of this Complaint, Defendants have engaged in violations of the
7 FTC Act. 15 U.S.C. § 1693o(c).

8 **Count IX**

9 **Relief Defendant**

10 112. Relief Defendant Zanelo has received, directly or indirectly, funds, other assets,
11 or both from Defendants that are traceable to funds obtained from Defendants' customers
12 through the deceptive, unfair, and unlawful acts or practices described herein.

13 113. Relief Defendant Zanelo is not a bona fide purchaser with legal and equitable title
14 to Defendants' customers' funds, other assets, or both, and Relief Defendant Zanelo will be
15 unjustly enriched if it is not required to disgorge the funds or the value of the benefit it received
16 as a result of Defendants' deceptive, unfair, and unlawful acts or practices.

17 114. By reason of the foregoing, Relief Defendant Zanelo holds funds and assets in
18 constructive trust for the benefit of Defendants' customers.

19 **CONSUMER INJURY**

20 115. Consumers are suffering, have suffered, and will continue to suffer substantial
21 injury as a result of Defendants' violations of the FTC Act, ROSCA, and EFTA. In addition,
22 Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent
23 injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust
24 enrichment, and harm the public interest.

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

26 116. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant
27 injunctive and such other relief as the Court may deem appropriate to halt and redress violations
28 of any provision of law enforced by the FTC. The Court, in the exercise of its equitable

1 jurisdiction, may award ancillary relief, including rescission or reformation of contracts,
2 restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and
3 remedy any violation of any provision of law enforced by the FTC.

4 117. Section 19 of the FTC Act, 15 U.S.C. § 57b, Section 5 of ROSCA, 15 U.S.C.
5 § 8404, and Section 917(c) of EFTA, 15 U.S.C. § 1693o(c), authorize this Court to grant such
6 relief as the Court finds necessary to redress injury to consumers resulting from Defendants'
7 violations of the FTC Act, ROSCA, and EFTA, including the rescission or reformation of
8 contracts and the refund of money.

9 **PRAYER FOR RELIEF**

10 Wherefore, Plaintiff FTC, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C.
11 § 53(b) and 57b, Section 5 of ROSCA, 15 U.S.C. § 8404, Section 917 of EFTA, 15 U.S.C.
12 § 1693o(c), and the Court's own equitable powers, requests that the Court:

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

17 B. Enter a permanent injunction to prevent future violations of the FTC Act,
18 ROSCA, and EFTA by Defendants;

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

23 D. Enter an order requiring Relief Defendant Zanelo to disgorge all funds and assets,
24 or the value of the benefit received from the funds and assets, which are traceable to Defendants'
25 deceptive, unfair, and unlawful acts or practices; and

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

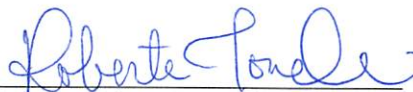
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Dated: July 10, 2019

Respectfully submitted,

ALDEN F. ABBOTT
General Counsel

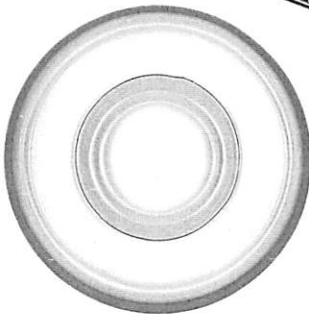


Roberta Diane Tonelli
Emily Cope Burton
Colin A. Hector
Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

EXHIBIT A

**(filed in native format;
partially redacted)**

UNDER SEAL
FTC v. AH MEDIA GROUP, LLC, ET AL.



Complaint Exhibit A

EXHIBIT B

COMPANY	DATE OF INITIAL FILING WITH WYOMING SECRETARY OF STATE
KA Ketterlin, LLC	3/7/2016
AE Hart, LLC	3/25/2016
Understated Investments, LLC	4/7/2016
JBE Investments, LLC	4/11/2016
ANS Investments, LLC	4/22/2016
SAM Investments, LLC	5/11/2016
ESM Investments, LLC	6/8/2016
Mood Investments, LLC	6/8/2016
EEG Investments, LLC	6/14/2016
AMES Investments, LLC	7/12/2016
Lab Investments, LLC	8/3/2016
ELANN Investments, LLC	8/15/2016
KDUR Investments, LLC	9/20/2016
Bean Investments, LLC	10/28/2016
Piaz Investments, LLC	11/28/2016
AMB Investments, LLC	12/20/2016
KMD Investments, LLC	12/20/2016
CCB Investment, LLC	1/19/2017
LE Limited, LLC	1/19/2017
GALB Investments, LLC	1/30/2017
Pyper Investments, LLC	2/16/2017
Peeps Investments, LLC	4/4/2017
SES Investments, LLC	4/6/2017
Maddy Investments, LLC	4/28/2017
Chaz Investments, LLC	5/15/2017
LWA Investments, LLC	6/5/2017
SCW Investments, LLC	6/6/2017
KJA Investments, LLC	6/14/2017
MCH Investments, LLC	6/14/2017
TWP Investments, LLC	6/28/2017
Colette Limited, LLC	6/29/2017
MPM Health, LLC	7/28/2017
GRL Health, LLC	8/21/2017

COMPANY	DATE OF INITIAL FILING WITH WYOMING SECRETARY OF STATE
SW Health, LLC	8/29/2017
KGW Health, LLC	9/26/2017
HSK Health, LLC	10/5/2017
AAM Health, LLC	10/9/2017
BJM Health, LLC	10/10/2017
KJL Health, LLC	10/20/2017
AAH Health, LLC	10/25/2017
RWM Health, LLC	10/27/2017
LJL Health, LLC	11/2/2017
SMW Health, LLC	11/10/2017
BAS Health, LLC	2/9/2018
NMG Health, LLC	2/16/2018
GWV Health, LLC	3/1/2018
SWC Health, LLC	3/15/2018
TCO Health, LLC	3/28/2018
MBR Health, LLC	4/25/2018
MAG Health, LLC	4/27/2018
EMB Health, LLC	5/1/2018
JMD Health, LLC	5/30/2018
CBC Health, LLC	6/18/2018
CLM Health, LLC	6/21/2018
LAZ Health, LLC	7/12/2018
JMO Health, LLC	8/8/2018
ZB Health, LLC	8/9/2018
BS Health, LLC	8/27/2018
IJG Health, LLC	9/4/2018
BSB Health, LLC	9/17/2018
RAZ Health, LLC	10/11/2018
TCM Health, LLC	10/15/2018
KJW Health, LLC	11/5/2018
CAG Health, LLC	11/7/2018