September 4, 2009

Tim Darnell Advantage Conferences, LLC 1513 Home Park Dr.

Allen, TX 972-727-4995

Clerk of the 296th Judicial District Court PO Box 578 McKinney, TX 75070

Re: Zena Karelin vs. Advantage Conferences, LLC, Timothy S. Darnell, Individually, Jack M. Weinzierl, Individually, and James McHugh, Individually; Cause No. 296-04376-07

Dear Clerk:

Enclosed please find the original and one copy of Defendant's Response to Summary Judgment, conform the Fiat, and return a filed-marked copy to the undersigned in the enclosed self-addressed, stamped envelope. Thank you.

Blessings,

Timothy S. Darnell

ce: VIA CMMRRR#70083230000002511321

Thomas J. Foster Foster and Foster, P.C. 2701 N. Dallas Parkway, Suite 540 Plano, Texas 75093

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	§	IN THE DISTRICT COURT
ZENA KARELIN, PLAINTIFF	§	TH
	§	296 TH JUDICIAL COURT
VS.	§	
	§	
ADVANTAGE CONFERENCE, LLC	§	
Timothy S. Darnell, individually	§	
Jack M. Weinzierl, individually	§	
James McHugh, individually	§	
Defendants	§	COLLIN COUNTY, TEXAS

DEFENDANTS REQUEST FOR DENIAL OF PETITION FOR SUMMARY JUDGMENT

TO THE HONORABLE JUDGE OF SAID COURT:

Defendant, Tim Darnell ("Defendant"), acting in behalf of Advantage Conferences, LLC, and himself, moves for denial of petition for Summary Judgment - Cause No. 296-04376-07 filed by Plaintiff, Zena M. Karelin ("Plaintiff") in the District Court, 296th Judicial District.

Defendants also request that Dobrott, having no official connection with this case or Company, not be admitted into the hearing.

Defendant at this time is representing himself, Pro Se, and begs the leniency of the court for not knowing all legal details and intricacies as to strict form and procedure.

Plaintiff's Motion for Summary Judgment - Response

Defendant, Tim Darnell is founder of Advantage Conferences, LLC (Company), chartered in June, 2003. Advantage Conferences is a direct sales company that provides ongoing mentoring and training in a Christ-centered environment for both established and emerging entrepreneurs. Training format includes multiple weekly, live Teleconferences, webinars, and periodic live conferences featuring successful Christian businessmen and women. Recorded training products in audio and DVD formats are also available.

Training is designed to provide encouragement and edification for entrepreneurs in marketing and advertising methodologies, recognition and avoidance of potential risks SEP-4 PH 2: 23

and problem areas in business, and Mindset MentoringSM (personal development) through the examples of accomplished business people and Biblical truths.

Defendant Darnell has no arrest records and in addition to responsibilities of operating Advantage Conferences, LLC, is also President of the Collin County North Gideons International.

Defendant strongly denies accusations contained in this Cause as completely unmerited, frivolous, distorted, and categorically untrue. Motion and Plaintiff's affidavit contain blatant lies and inaccuracies throughout, which this affidavit will address. Plaintiff has purposely maligned, mischaracterized, distorted, and disparaged the nature of Defendant's character; the business model of Advantage Conferences, LLC (Company); Company's products; Company's promotional messages; Company's method of doing business; Representations/Communications of Company to Candidates and Representatives; Company's treatment of Plaintiff; Co-defendant, Weinzierl and McHugh, Company's Representatives as a group; along with several other items relating to Defendant for the sole purpose of harming Defendant, Company, Weinzierl, and Representatives. Plaintiff is obviously seeking unwarranted monetary gain by virtue of constant harassment over the past four years, blatant defamatory postings, and misuse of the judicial system and the District Court as evidenced in this fraudulent filing against Defendants.

Motion for Summary Judgment

Plaintiff's primary assumption (Section III-1) is the erroneous and insulting assertion that Company is an illegal pyramid scheme. Dobrott, whose affidavit has been included in this motion, has continuously posted this absurd allegation, and countless defamatory, incendiary, and gross distortions regarding every aspect of Defendant's life and enterprises in thousands of public postings on the Internet, including an attack website against Company. "Smear" e-mails to Defendants Representatives and candidates have been sent continuously for four years, and even as recently as the week of the composition and filing of this document (Sept. 4, 2009).

In all fact, Company is in no way an illegal pyramid scheme. Company is a fully compliant Direct Sales company that advertises and sells printed and digital (Compact Disc, Digital Video Disc) training modules; live Mindset Mentoring Tele-Conferences, Training Webinars, and live Conference events. Company has excellent customer service and immediate accessibility and availability for any and all customers and Representatives from 9:00 AM through 5:00 PM, Monday through Friday. Company has enjoyed substantial success in helping aspiring entrepreneurs in the areas of personal development and establishing and improving a variety of businesses in different industries, both related and non-related to Advantage Conferences. The atmosphere is positive and uplifting, helping entrepreneurs face the myriad challenges that businesspeople, regardless of industry type, typically and often unexpectedly encounter. That training occurs primarily in group settings, and often in one on mentoring sessions.

Regarding the "pyramid" question, Company has received full review and scrutiny from the Texas Attorney General's office, in particular the Texas Attorney General Pyramid Division, which upon full investigation gave Company a clean bill of health. Had the Company been in violation of pyramid laws, according to the State Official that called Darnell, his unit would have been required by law to shut down and prosecute accordingly. After a thorough investigation, their findings, in the words of the Officer in charge of the Pyramid Division, "Mr. Darnell, you have nothing to be concerned about. There is no way on this planet that your company is a pyramid." Clearly, there have been no arrests, nor has there been so much as a warning or mention of any problems by the AG's office to Defendant, or about the Company whatsoever.

Darnell asked the officer if he would put that statement in writing. The officer stated that the function of his branch of the Attorney General's office was not to publish statements or their opinions about companies, but rather to simply review and prosecute if they deemed necessary.

Outsiders to the Direct Sales industry often use the "pyramid" description as a default word to describe "Network Marketing" models; and there has been some confusion by a portion of the general public as to what constitutes a pyramid and what does not. Sometimes the term is used innocently, out of ignorance. Others use the term as derogatory and demeaning. Highly respected companies such as Avon, Alticor, Inc. (Amway), Mary Kay, Primerica, Tupperware, Vorwerk and Co KG (includes JAFRA Cosmetics), Herbalife, Ltd, Natura Cosmetics, Forever Living Products, Nu Skin Enterprises, Inc., newcomer, Mona Vie, and hundreds of other successful companies have all dealt with allegations by non-industry outsiders of being a "pyramid".

The fact of the matter is that Direct Sales companies are exemplary models of free enterprise and are now mainstream, exceptional business name brands. Each of the above companies are billion dollar annual revenue entities, and have enjoyed decades of success (with the exception of Mona Vie - \$854.9 million annual revenues in 2008 after only four years of operation).

Dobrott believes that a single characteristic of a Company that is similar to what she's read about "illegal pyramids" automatically proves that that particular company is, therefore, a pyramid, and she has attempted for years to frighten anyone associated with Company or who might be looking at Company, and to buy into her hypothesis. If one was somehow bent on destroying a company and the reputation of those involved, the "pyramid" allegation would be the knee-jerk, default accusation.

Professional business people, especially professionals in the Direct Sales industry know the difference in the Network Marketing industry and illegal business. They don't make the mistake of making rash "layman" castigations that a non-experienced business person is sometimes prone to make.

The "pyramid" allegation is one of a myriad of delusional fabrications emanating from the instigator of this law suit and one prior lawsuit, Heather Dobrott, whose

affidavit was included with Plaintiff's Motion for Summary Judgment. Due to no association or past involvement with the Company or Darnell, other than incessant written/posted attacks, Dobrott has resorted to using other individuals, particularly in this case, the Plaintiff, to attempt to prove a litany of self-fabricated hypotheses and validate her hobby of attacking businesses and individuals on the Internet.

In spite of numerous written, packaged and telephonic complaints over the past four years manufactured and delivered to various agencies by Dobrott, there are no legitimate grounds for any of the allegations or accusations whatsoever. Dobrott, has sent multiple packages of so-called evidence, and/or made multiple visits and phone calls to the Texas Department of Insurance, The Federal Trade Commission, The Texas Attorney General, The SEC, The Better Business Bureau, Defendant's Church, The Allen Police Department, Conference Hotels, Guest Business Mentors, and others – all of those actions bragged about in some 2,300 plus web postings containing vulgar, disparaging, and histrionic accusations and allegations primarily against Darnell and fellow Defendant, Weinzierl. Dobrott has, in similar despicable language libeled Darnell's father, a life-long Christian Pastor, and Weinzierl's, brother, also a life-long Christian pastor, and his church,. Dobrott, according to her own testimony is not a member of a church, nor does she attend a church.

Dobrott even bragged in postings that she was going to visit Defendant's two teen-aged daughters' High School in order to humiliate them in front of their classmates. Amazingly, Dobrott did indeed visit Darnell's daughters' High School, but thankfully only got as far as the principal's office.

This law suit has been instigated and at least in part, if not fully, paid for by Dobrott, who has no connection relating to Defendant(s) or Company in any way. She has never been a customer, Representative, or associate of any of the Defendants or Company, yet has made it her self-created mission to destroy Darnell and Weinzierl's reputation and put them out of business.

The erroneous and inaccurate nature of her incessant allegations have in fact been proven over and over again, including a legal decision in the first litigated case instigated by Dobrott, where Defendant's charitable foundation. The Treasures for the Kingdom Foundation was erroneously (and similar to this lawsuit), accused of being fraudulent. Dobrott and Plaintiff characterize all personal and business activities and companies owned by or associated with Darnell and Weinzierl as criminal and fraudulent. Dobrott has issued vile diatribes against several other Direct Sales companies other than Advantage Conferences as well and sees Direct Sales opportunities as "scams." She is entitled to that bias, but she is very wrong and has taken her bias to highly damaging and destructive lengths.

The fact of the matter is that "home-based business", "Direct Sales", aka "Network Marketing" is a \$30.80 Billion dollar (US) industry annually, with over Seven Million (7,000,000) Americans participating in the United States alone, and Sixty-Seven million (67,000,000) people worldwide, and growing rapidly. More than 300,000

participants in the U.S. are over the age of 65. More than 500,000 participants in the U.S. have some kind of disability.

In addition, some of the greatest names in American business are integrally involved in the Network Marketing, Home-based Business Industry. Billionaires, Donald Trump, Richard Branson, and Berkshire Hathaway's, Warren Buffett all own Network Marketing companies.

Direct Sales opportunities, such as offered by Advantage Conferences, LLC, are the only option for countless individuals, and the method of choice for income generation for millions of others. As stated by **former President Bill Clinton**, Direct Sales, in a video posted on March 25, 2009 on YouTube, Direct Sales (aka, Network Marketing) is the epitome of the American spirit. Clinton states, "...you strengthen the economy and our country by offering opportunity to others..."

Business opportunity is never a guarantee, rather it is an option that can save homes, pay bills, and replace lost income from lost jobs. In some cases, it can help a person become financially independent and be their sole source of income. Success requires hard work and can be hastened by Mentoring and Training on an ongoing basis, which is the crux of the Advantage Conferences product content and reason for the Company's existence. Advantage Conferences purpose is to help people clearly understand exactly how to achieve those important and worthwhile goals, while avoiding as many of the commonly made mistakes as possible.

In the initial lawsuit instigated by Dobrott, the **Judge ruled in Darnell's favor** due to the obvious non-meritorious and inaccurate premise of that suit, again in keeping with the inaccurate distortions of the multitude of allegations that Dobrott and Karelin have consistently alleged over the years. In spite of the judges' ruling in favor of Darnell, debunking Plaintiff's absurd allegation, Dobrott continues to smugly assert that the Foundation is fraudulent, as is evidenced in her recent affidavit and continuous postings on the Internet.

It is pertinent for this case to note that, according to Dobrott's sworn testimony in a defamation suit against Dobrott, <u>Dobrott is unemployed</u>. She is not only currently unemployed, Dobrott has <u>never had a job in her life – nor has she ever owned or participated in a business of any sort</u>. The allegations and accusations have been emanating incessantly for four years from this person who is ignorant of the nature of business due to lack of experience and even lack of any involvement in business. Dobrott is someone who, for mostly unexplainable reasons, has targeted Darnell, Weinzierl, and Company on virtually a daily basis for four full years.

Defendant will present signed documentation signed by Plaintiff, Karelin agreeing to principles and rules of conduct and operation of Advantage Conferences, LLC ("Company") Representatives in the original Company/Representative Agreement between Plaintiff and Company, as well as Policies and Procedures Manual applying to all Company Representatives utilized by Defendant, Company and Representatives as

mutually agreed-upon, legal rules and terms of involvement. These documents set forth the agreed-upon, signed (in writing) contracts regarding optional, voluntary and nonrequired purchase of any and all products offered by Company, including rules pertaining to refund.

Advantage Conferences, LLC makes certain that purchasers of all products understand and agree to the Texas Right of Rescission Law that gives a customer 72 hours (three business days) to request and receive a refund. Karelin was not only aware of the voluntary and optional nature of the purchase, she was also aware of Company's contractual refund policy.

Plaintiff has made multiple contradictory statements regarding her involvement with Company, specifically regarding the issue of her demand for a refund in spite of her signed, contractual agreement regarding refund policy. After initially proffering several other reasons why she was due a refund, Plaintiff finally claimed she was not aware that she would need to fly to the Conference, and was not able to fly for health reasons.

Company's condition of refund required a Conference purchaser's attendance at one of the Conferences, and if an Attendee genuinely felt that the value of the Conference represented by Company was not worth the price, they could then request a refund following attendance. Plaintiff was aware that many Attendees chose to drive to the Conferences from different locations all over the United States and Canada, and that flying was not her only option to go to the events.

Interestingly, upon meeting Dobrott, and at Dobrott's promptings and payment for the flight, Plaintiff was all of a sudden able to fly to Dallas in order to meet with Dobrott regarding Dobrott's plan to litigate and extort monies from the Defendant, Darnell and Weinzierl. Plaintiff, in complete contradiction to her statements about not being able to fly, was all of a sudden, amazingly, able to fly to Dallas to meet with Dobrott, a fact she conveniently leaves out of her affidavit – a fact that stands in clear contradiction to Plaintiff's affidavit.

Defendant's affidavit asserts that Company claims that Representative can "...make millions of dollars in a 'MATTER OF A FEW MONTHS'". (see III-3) This is an absolutely false assertion, again a fabrication by Plaintiff. As a matter of fact, Company consistently teaches the falsehood of "get rich quick" thinking. This verbiage never appeared in any Company produced nomenclature whatsoever and would never be allowed. Any Representative making any kind of statement remotely similar to this would be sternly instructed to strike such postings or printed materials immediately or **risk certain termination** as a Representative for the Company.

No trainer at Company has ever made any assertion that business or direct sales is "easy". The term, "easy" is literally prohibited from appearing in any Company nomenclature relating to making money in any business, including especially Company's business model. Plaintiff's affidavit goes on to recklessly and erroneously state, "Advantage Conferences promises recruits they can earn these huge incomes part-time

(10-15 hours/week) without selling anything or even talking to anybody." Again, this is a total mischaracterization of the Advantage Conferences sales process, and a statement taken out of context at best. The only way a commission is created is from the transaction of a Company product(s) sale. Anybody with any business, sales, or retail background understands this elementary business rule. It is only by the sale of a product that commissions are derived.

Plaintiff mischaracterizes Company's system, which is streamlined to deliver information to Representative Candidates regarding the Products, the Company, Product benefits, the Pay plan, the Marketing process, the Information system, and other appropriate subjects via printed and recorded information without the Representative having to attempt to deliver initial presentations on their own. Such systems are used by virtually all companies engaged in web commerce now, but Company was one of the first to implement a system such as this that was streamlined and beneficial for Representatives and Candidates. That same system not only delivers information about various aspects of the Company, it also enables a Representative to qualify those who were considering starting and running their own business as a Representative for the Company. The system, in effect, gave enough information to assure that only those who felt like they were truly qualified would continue through the process of review of the products and opportunity, thus freeing Company Representatives from cumbersome and time-consuming qualifying activities that other direct sales opportunities require, for example, multiple phone calls to and with all Candidates.

Another surprising distortion reported in Plaintiff's affidavit is, "Advantage Conferences teaches its representatives that if a recruit asks, "what is your product?" that recruit is "not a prospect." (Plaintiff's affidavit, page 4 - #6) This is, as we have learned to expect from Dobrott and Plaintiff, a truly outlandish assertion. Advantage Conferences is and always has been very proud of its unique and powerful products. This statement by Plaintiff is in no way accurate. In fact, the exact opposite of Plaintiff's absurd assertion is true. Any question regarding any of the Company's products is viewed by their Representative as a positive opportunity to discuss the product. As any business owner or sales person knows, a question about a product is a "buying signal," exactly what a sales person wants to see happen! Prospects or Candidates need to be fully informed of all aspects of the program, products, commission plan, etc. Knowledge derived from answers to questions about the products or any aspect of the program helps a Candidate make an informed and more confident decision. Should a "prospect" request product information, this is always considered an excellent question, and again, one that every Representative hopes will happen. For four years, we have constantly been surprised and reminded of the ignorance about business and in particular, Advantage Conferences on the part of the Plaintiff and Dobrott due to ridiculous and amateurish assertions such as this one.

Again, the affidavit asserts that "Advantage Conferences' Compensation Plan Rewards Recruitment of Representatives, not Retail Sales of the Conference to Non-Participants in the Income Opportunity." The fact is, all sales at Advantage Conferences are "Retail Sales". Commissions are only derived from the sale of the product – not the

sale of the opportunity. Plaintiff states that "no retail sales of the conferences have been made to person not participating in the income opportunity." That statement is patently false, as well as misleading.

Advantage Conferences Products and Training Contents' focus is on helping Christian Entrepreneurs operate business more effectively and thereby improve their bottom line profitability. The main change that a person needs to make in their life to increase their income is in their improved understanding about business, while dispelling common myths about the nature of money, business, leadership, productivity, profitability, and about people who are successful. Virtually all product purchasers choose to become a Representative, based on the relatively small extra charge of \$59.95, as well as for several other poignant reasons. That is not some nefarious plot, or unethical situation by any stretch of the imagination.

- a. The cost to enroll, at \$59.95 is relatively small, relative to a conference purchase, and gives the enroller access to Company training and communication to which conference or product purchasers (alone) would not have access.
- b. The \$59.95 enrollment fee added to a \$995.00 or \$9,995.00 purchase is a sensible purchase decision. Most purchasers feel that they would be better served by including the Representative enrollment option in addition to a conference purchase.
- c. Tax Deduction: The Conference, or any other Advantage Conferences product purchase, including the enrollment cost, may be tax deductible as a business and/or educational expense. As always, we defer from providing direct tax advice by telling purchasers to consult their tax attorney or CPA. From a dollars and cents perspective, a tax deductible purchase translates into an approximate 30% savings by the purchaser (more or less depending on the individual's tax bracket) versus that amount being taxable. If a person is not a Representative, that taxability or non-taxability status might or might not be claimed depending on their tax professional's opinion.
- d. Hundreds of Representatives (President's Interview, enrollment forms and \$59.95 required) have chosen <u>not</u> to purchase the conference. Others chose to purchase products other than the Conference, but not the Conference. Others chose to not purchase any product at all, but rather to enroll only. Those Representatives were and have been treated on an equal footing with anyone choosing to purchase any product or combination of products. Non-purchasers also had/have the opportunity to participate in earnings just as those who determined that the purchase option was right for them. To this day we have Representatives who have been with the Company since its inception (over six full years) that have never purchased a Conference dedicated and loyal Representatives that love the Company, the Products, and the opportunity. They've never purchased the conference, and while clearly

understanding that that purchase is an option, have never felt pressured to do so.

Congruence – the subject matter and content at Advantage Conferences is e. focused on being successful - creating greater independence, income and financial stature as an entrepreneur. The way to become successful is to offer excellent value to more and more people as time goes on. Virtually all the other training available on this subject of personal development and business training is New Age ("The Secret", "Law of Attraction", Eastern Mysticism, or secular, devoid of Christian and Biblical discussion, which makes Company's content unique in the marketplace, with few exceptions (especially in our earlier years). Many Christians don't want to mention or proclaim Christ in the marketplace, and similarly, don't want to discuss business or money (profits in particular) in Christian circles. We believe that genuine faith in Christ should be part and parcel to a person's life, including in the course of doing business in the marketplace. Money is not evil. The love of money leads to problems, as Scripture so well teaches. Many Christians have hang-ups with money and profits, and part of our training is to deal with fears and misgivings about profits, money, success, leadership, and business in general. The Christian Millionaires that we bring in are excellent examples of how one can often serve Christ to a greater degree due to access to greater financial resources, men and women who don't lose their faith, but strengthen it while experiencing uncommon financial success simultaneously.

Part of the point of this section is to say that it would be incongruent for a person to immerse themselves in the content, experiences, services, mentoring, and benefits provided by Advantage Conferences, and then not share the product(s), training impact, and their experience within Company with other people. We encourage the profits that results from sales, and don't have a problem with promoting products and services which are genuinely valuable to other people. In order to share this concept with someone else and be paid for it, one needs to be a Representative and have the Representative contract signed and accepted by Company in order to officially represent the product and opportunity, and be compensated for the referral. Even when a product purchaser is not intent on focusing on the business opportunity provided by Company, they will almost always become a Representative prior to, after, or at the time of purchase.

- f. We teach Christians to be aware of entrepreneurial opportunity and extensions from primary business endeavors that present themselves in the course of operating their primary business. A person desiring the product, but not wanting to be able to legally promote the Company's opportunity aspect, would not be a reality or common-sensical to most people.
- g. Advantage Conferences does not need a single new Representative in order to create sales. A pyramid requires new members constantly and if it

ever stops, and all pyramids do stop by virtue of being shut down by law enforcement agencies, the newest "members" that joined lose their money.

h. Advantage Conferences sells products that the public wants and needs. Pyramids do not have real products.

We are proud of many of our Conference Attendees who were inspired by their involvement with Advantage Conferences, and re-directed in their business approach in a positive way due to the Mentoring that they experienced on the ongoing Mindset Tele-Mentoring Calls and live Conferences. Mentoring provides a freshness and third-party stimulus that can truly help those who are stuck or frustrated with their business. The Tele-Mentoring Calls and the Conferences are both life-changing events to those who attend, listen, and are genuinely open to improvement. If a person is highly skeptical, derogatory, and belittling in their demeanors, mindset, language, and lifestyle as both Plaintiff and Ms. Dobrott have concretely demonstrated over the last four years, they would never be able to understand the value of our content and training, which is one of the reasons these two such a distorted view of the Company and Defendants.

(Page 6 of Plaintiff Affidavit -#8) Again, another erroneous statement: Affidavit states: "Advantage Conferences entices recruits with the prospect of earning over \$1,000,000.00 in just 28 weeks as a result of the "Miraculous Power of 2." While earnings can be significant, no Representative has ever been told that they would earn over a million dollars in 28 weeks. This is another, among many, purposed distortions by Plaintiff, as explained to her by Dobrott, and obviously Plaintiff's counsel. Affidavit purposely leaves out extensive information that was presented in writing and on recorded and live calls that explain the necessity of work, commitment, consistency, engagement in training, attendance on phone calls and training calls, and that earnings vary widely from Representative to Representative. Every single individual attempting any sales position or business endeavor is different with unique circumstances. Each has a different level of acumen and each will work at varying degrees of attention, duration, with differing levels of marketing and advertising budgets, and different levels of competence and effectiveness. Some Reps work full-time, but most work parttime; and some do very little, if any work at all - each degree of involvement and effort is a personal decision on the part of each Representative. While Reps are taught what to do and trained on an ongoing, weekly basis, Company can only provide the training. Company cannot do the work for each Representative. That is every Representative's voluntary choice and responsibility.

(page 7 of Plaintiff Affidavit - #9) Plaintiff again distorts Company's stance on product purchases and takes statements out of context all attempting to denigrate and discredit Defendants and Company. In a live call training entitled, "Commitment", one of literally hundreds of Training Calls since 2003, the

content discussed successful, long-term marriages versus those that ended in divorce. The training emphasized the concept of "Commitment" being key to successful relationships and marriages. Throughout all relationships, including marriage, couples will experience good times and bad times. Commitment means that couples will stay in a relationship, even amidst and especially in hard times, in order for the individuals to experience a successful marriage. Defendant Darnell, who conducted that training, noted that people who commit to their marriages are the ones who are more likely to stay married and report higher satisfaction levels. Those who don't fully commit to their marriage often end up divorced. The lesson to learn is that one should commit to their marriage at all costs and amidst any circumstance.

The training proceeded to talk about commitment as regards employment. In a job, if one is not committed to showing up to work over the long term, their employment status with that company would definitely be in jeopardy. In fact, if one doesn't show up for work, it is the equivalent of job suicide – that person would assuredly lose their job.

Other examples were used which led to the importance of commitment to one's business. Lack of commitment to a business is indeed business suicide. In Direct Sales, a person has an option to purchase the product, or not purchase the product. If an individual has the wherewithal to purchase a product, then they should make that positive decision. If they can't afford the product – any product, then they should not purchase that product – plain and simple. Regardless, the Company does not coerce a person into buying anything. In fact, the Company has turned down many people from becoming Representatives, based on their not being a good fit for that role (Representative) with the Company, even when it was clear that they had funding to purchase the conference and/or the enrollment.

With that being said, having, owning, and experiencing a product that a person represents will always be beneficial to their ability to represent the product and opportunity with more knowledge, expertise, effectiveness, and enthusiasm. There is no question that it is better to personally experience one's choice of products, than attempting to represent a product without personally experiencing firsthand the product's benefits. That fact is obvious to any business person. But even so, it is a business concept that should be discussed from time to time.

It is a business fact that, in order to successfully promote a product, regardless of whatever product it might be, first-hand, personal knowledge of that product will be beneficial to whoever chooses to promote that product. That simple concept applies to every company and every product, including Advantage Conferences product(s). If you are going to sell Buicks, then you would do a much better job of promoting and selling Buicks, by owning and driving a Buick versus some other brand or not owning a car at all.

If a person has the funds to purchase for example a \$100.00 product, or any product at any price point that they intend to represent, but shies away from making that commitment, then that lack of commitment will not bode well for the future success of that representative. Any business person or entrepreneur of any significant experience knows this fact, and would reasonably conjecture that, given other factors being equal, less success for that particular person would be likely. Less success would even be predictable.

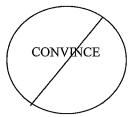
In the event that a Representative is not able to make a product purchase, if that Representative <u>can</u> somehow make a deep and genuine commitment to promoting their product, then they will predictably be successful. In either case, choosing to purchase is better, but "Commitment", with or without a purchase, is essential.

Lack of commitment regarding any aspect of life increases the likelihood of failure in that area. Commitment, on the other hand, increases the likelihood of greater success.

What would be disingenuous on the part of our training would be for us to not address this issue and simply ignore the fact that commitment to one's business and personal product knowledge wouldn't make a difference. The fact of the matter is, both commitment and personal product knowledge (gained by personal use) do increase the likelihood of success, while failure to commit to one's business, and failure to personally embrace a product on the part of a Representative would be predictably inhibitive to their success. These concepts are basic, simple business realities that Darnell did not invent. Most people, even non-business people understand this concept intuitively, and without need for much explanation. We unapologetically teach business principles such as these routinely, because they need to be discussed and understood.

To somehow create the allusion that we're guilting, inducing, or pressuring people into purchasing is absolute nonsense, and shows total ignorance of Company's business and sales modus operandi. Individuals that come into our business, especially those that have passed the President's Interview are all adults and are capable of making their own mature decisions. They know without exception that product purchase is optional and voluntary. Mentors at Advantage Conferences rarely ask which product, if any, a Candidate Representative is planning on purchasing. In fact, the Company's Candidates need to convince us that they are capable of being here, are qualified to be here, and that they are teachable, willing to learn, and genuinely desire to create more income, regardless of what product they do or don't purchase, and regardless of what business they desire to represent. For instance, if a Candidate can not effectively enunciate "why" they want to be a Representative for Company, and/or cannot properly enunciate "what they are looking to accomplish," that person would not be a match with Company philosophy and would therefore not be a good candidate for our mentoring/training, or for a Representative with Company.

Company training routinely talks about not convincing anybody of anything, especially a purchase decision here. "Those convinced against their will are of the same opinion still" is a phrase our Representatives hear constantly. We routinely use the graphic image of the word "convince" within a circle and a diagonal line — no convincing and certainly never anything close to "hard selling" at all is taught or tolerated.



A Millionaire Mindset is exactly what it implies – one must think in terms of changing their life financially in order for this to be a fit for them. They can eventually learn to think more like millionaires. They can eventually learn to think in terms of greater income amounts. If that is not their genuine desire, then they can simply stay with their former or current job or business along with their current income level. Part of our service is to bring in guest Christian Millionaire Mentors on Tele-mentoring Calls and live Conferences, thereby offering our Attendees an in-depth understanding of how those highly successful people think. As has been demonstrated time after, Millionaires do indeed think differently and process financial and business matters differently from those who think in terms of, say, \$40,000.00 a year. Grasping that difference (between the Attendee and and the successful entrepreneur) is of monumental value to someone who wants to emulate that person's success.

The Mindset of successful Entrepreneurs and Business Owners is virtually 180 degrees different from those who are employed - and light years different from those who have never even had a job – one of the main reasons Dobrott has levied her campaign against us for years. She thinks differently than business owners, entrepreneurs and certainly Millionaire entrepreneurs think. We don't put her down for thinking that way, but she has publically demonized and castigated our Company and Representatives for years because she doesn't understand what we stand for or how we think. She sees things in a totally different light from how entrepreneurs, business owners, genuine followers of Christ, and millionaires see things. She sees things completely different from Darnell and Weinzierl who operate as Christ-centered business men – another fact she has mocked, demonized and denigrated for years.

From the Company's perspective, we provide an environment that is frank and factual about business and success. Many, many people hold mythical ideas about money and distorted notions about people who have become more highly successful than average. One of those common, mistaken concepts held by the public sector that is discussed and taught at Company is "short-term thinking",

versus long-term thinking. In a "microwave", "pop-a-pill" society, long term thinking is somewhat uncommon — and actually more of a novel notion. The fact is, nobody who is in business that we are aware of uses the term, "get rich quick". That is a fallacy in thinking and terminology used and enunciated by non-business people, and by virtue of not understanding what business is all about and what is required to be successful, simply don't understand business. Long-term persistence is fully necessary for success as any and all entrepreneurs, and for an Advantage Conferences Representative as well. Amateurs see a home business and immediately enunciate knee-jerk terms, like "get rich quick scheme" and "pyramid' — very, very common and always by those who are ignorant of our industry.

The multiple dramas incessantly created and perpetuated by both the Plaintiff, and especially her associate, Dobrott, could only be concocted by someone unaware of how business works, how Company does business or how successful business people think operating a legitimate business. Their assumptions are delusional, highly dramatic, and simply not factual. That ignorance of business has been manifested in horrible, defamatory postings and accusations for some four full years at this point, with all kinds of names and crude, derogatory descriptions of Defendants and many others associate with Defendants, levied by Plaintiff and her handful of cohort(s).

(page 12 - section 12a): Advantage Conferences is in no way a pyramid scheme. That fact is known by industry professionals, including the determining and most important decision-making body, the Texas Attorney General's Office, specifically the Pyramid Division. At Advantage Conferences, Representatives make income by virtue of successfully creating transactions, period. One can pile people into a business, but if no sales are made, money will not be made.

12b: The product is offered to the public primarily on the Internet, as public a venue as exists.

12c: Advantage Conferences offers a product, a pay plan, and a commission whereby someone, regardless of who they were, has the opportunity to create sales that generated \$7,000.00. They could do it once, and they could do it over and over again. Also, at their volition, individuals could quit, and they could make no money at all. Their ability to make money or not make money was/is in their hands. The Company is culpable for providing its products and paying its sales people. At the same time, Representatives are culpable for their production. If they were predisposed to negative attitudes, drama-creation, and the blame game (it's anybody's fault but mine), then they would thereby be choosing to not be successful. All of these mindset options, both negative and positive, are options available to any and all people participating in business. Company teaches its clients to work on and avoid negative thinking, blaming others, and creating stories about other people or companies without full information, including getting to know and talking to those that they might be tempted to

demonize. These are basic principles – fundamentals taught at Company on a consistent basis.

Plaintiff Karelin came here to create income. She qualified at the MMC-I level as quickly, if not more quickly, than hundreds of people prior to, or after, her involvement. She was already verifiably successful, by virtue of relatively quickly earning her first commission. Rather than staying the course, she regrettably, and against our counsel through phone calls and multiple e-mails, unadvisedly quit. Quitting is never the answer. Quitting is, however, the sure way to lose money in any enterprise. We repeatedly urged her to regain her composure and not quit, but she refused to listen or engage in civil dialogue.

In any business, if a person were to purchase a restaurant, for example, and things didn't go exactly the way they imagined in the beginning (and they never do), they cannot walk away or choose to quit without losing some or all of their capital. Personal decisions must be honored by the person making the decision. If they dishonor their own decisions, then they are the ones culpable for their decisions and the predictable, consequential negative outcomes.

12d: Non-factual statement, lie, on the part of the Plaintiff once again. Nobody has ever stated or even thought/considered that anybody would make millions of dollars in "a matter of a few months." No guarantees of any sort, certainly none involving quick time frames have ever been made. Furthermore, the only guarantee in any business is that if one quits, they are guaranteed to lose. If they don't quit and work consistently, over several years not weeks or months, they will probably be successful. The Company offers a great opportunity with a tremendous upside, conceptualized and formatted to fairly benefit cooperative, engaged and involved Representatives. The potential at Advantage Conferences is better than many direct sales opportunities, but the statements and concepts included in Plaintiff's statements are simply not part of our nomenclature, discussions, or realities. This is once again a lie and fabrication on the part of the plaintiff and her counsel and totally negates their credibility.

12e: Again, our emphasis had always been on helping people engage in personal development (Mindset MentoringSM), which in turn enables them to learn how to develop greater income. If someone can't see themselves making greater income, the reality is that they certainly will <u>not</u> create greater income. On the other hand, what is another realistic option is that an individual can start a business, stay committed to it, and see the rewards of their persistency. Being committed, cooperating, and staying upbeat gives a person the opportunity to make money in any business of their own choosing. What is also realistic is that some people choose <u>not</u> to commit to their own business or the Company – a personal decision made by them of their own volition. What is also realistic is that some people choose to quit - of their own volition. In any business, including Company, when either of those things happen, not committing and/or quitting, against Company's counsel and training, then the outcome is that that particular individual will NOT make extra income in any amount, and is not entitled to any

income in any amount. Grade school athletics teaches, "Winners never quit, and quitters never win." We've found that some adults never quite grasped that truth. Regardless, it is not the Company's obligation to reward anybody anything when they voluntarily enroll, and then voluntarily quit. Quitting is not a wise financial decision, and it is in no way advised - yet the option of quitting is an adult Representative's prerogative.

12f: Our Information System does the initial work for our Representatives. That way they don't have to spend hours on the phone recruiting, convincing, and selling as with other systems. Company's system of delivering the initial information to Candidates is spelled out very clearly in the literature and in the trainings as to when and where the Rep comes into the picture. This section's premise, as with virtually every aspect of all of Plaintiff's assertions, is a mischaracterization of our process and Company, designed to denigrate, as usual.

12g: Our product is directed toward business owners and helps people think like business owners, not employees, and not think of themselves as people who are broke, desperate, or victims. The focus is consistently on success. The focus is placed on developing a Millionaire Mindset, not a \$50.00 or \$100.00 mindset. While some of our products provide commissions in lower denominations, a primary concept with our Company is to think in terms of bigger dollar amounts like successful entrepreneurs and millionaires do. It is a focus also on removing limitation thinking that average individuals grow up with, to which they have been conditioned – problematic, non-resourceful thinking that successful entrepreneurs have learn to eliminate.

12j: For a very brief period of time, and only after Company had submitted an application to join the BBB, paid the enrollment fee, and shook the BBB representative's hand after the transaction had been completed - upon receiving his words of welcome and congratulations, we assumed we were members. At that point, Darnell put a "BBB" phrase in the signature of his personal e-mail address. Nobody thought enough of that membership to even announce it. The only reason application was made was to not have to explain to one or two people each month why membership in the BBB wasn't important to the Company. To somehow characterize this event as a lie is a distortion, as usual, on the part of Plaintiff. Defendant had been a member of that organization in years past, and found it to be non-consequential either way. Company had chosen to not be a member for many years. Membership in the BBB was an insignificant detail of very little importance at all for the Company's operation, and indeed was, and is still seen as a negative by many, many independent business people - not the assumed positive view that the public generally maintains. Within moments of learning that there was an issue with membership, we simply deleted the BBB verbiage from Darnell's personal e-mail signature. If that designation appeared on any other documentation, that was deleted as well.

13: Trainings consisted of 6-8 training calls each week. One of hundreds of diverse subjects pertinent to generic business and the AC business would be "how to grow one's business." Unbeknownst to a non-business person is that business growth does have benefits – one of which is addition, eventually multiplication, and in some cases, exponential financial growth. Growth and profits are somehow demonized by some people, and particularly non-business people who think of business and money as not good, and even evil. We do not teach that money and business are evil. We do not teach that the concepts of "profit" or "income" are evil words or philosophies. Indeed, as Plaintiff has stated in her affidavit, creating income and improving her retirement were the reasons she enrolled in Company's business. Yet, by rejecting her involvement, which she or any Rep is fully at liberty to do, she, of her own volition rejected income that could have resulted. Due to her decision, she opted to lose the opportunity to create income that she was well on her way to accomplishing. As mentioned previously, Plaintiff had actually created income as fast or faster than some of top earning Reps of all time, yet rejected future income by virtue of quitting.

Furthermore, we were and are proud of the Company's federally registered compensation structure. Unlike other plans that are designed to pad the pockets of the Company, the Reverse Margin plan allows a person like the Plaintiff and other Company Representatives to create incomes that other plans simply do not. Income creation at Advantage Conferences is demonstrably more doable, has the potential to be larger, and therefore, in our opinion, more ethical than other arrangements.

- 14: The Company would not tell anybody that it is a pyramid when it is anything but a pyramid.
- 16. Points presented by Plaintiff are categorically inaccurate and completely untrue. Company relies on signed, legal contracts that assert our agreed upon obligations; and we will produce witnesses with first-hand knowledge of the inaccuracies contained within Plaintiff and Dobrott's affidavits sworn testimonies that controvert Plaintiff's concocted, negative observations and allegations against Defendants jointly and severally.

Affidavit of Zena Karelin

6. This assertion is absolutely false and a lie. Nobody can predict when another person is going to make a sale. Darnell has never stated this under any circumstance. No promises and no guarantees are made "when" somebody will create a transaction. Regarding the \$100,000.00 income "promise" – again a total fabrication and statement taken out of context. Should a Representative want to make that amount, they would want to visualize beforehand that amount or any amount they seriously desire. That does not translate into, "I promise you you will make that amount (or any amount)." Company's products and promotional efforts are designed to help

Representatives earn better than average incomes, but each individual Representative is very different. There are hundreds of other statements regarding details of marketing efforts made in a discussion such as this that describe with clarity what Representatives need to do as regards work and effort. Nobody walks into any business and is carte blanche told they're going to make any amount in a commissioned pay plan, especially without taking into account their personal level of involvement, marketing commitment, lead generation, ability to be persistent, and overall effort. This statement by Plaintiff is insulting, disingenuous, and bears absolutely no resemblance to Company's representations, intentions, and methodologies.

- 7. Insulting and disingenuous again. We do a **visualization exercise** that has people (adults) to imagine having a successful business with multiple sales and greater income. This is another childish statement on the part of Plaintiff. Athletic coaches, bariatric coaches, business coaches, and virtually all coaches/mentors use visualization exercises universally. They are designed to help people imagine higher performance and greater accomplishment, versus the constraining and limiting thoughts that keep people at a given performance and/or income plateau.
- 8. If a person wants to make a purchase, they rarely have money sitting in a bank account. Few entrepreneurs when desiring to start a business or making a purchase, ever have money lying around under a mattress. They have to be resourceful and the methods of finding funding vary, but certainly could and do include some of the sources mentioned in this section.
- 9. What "people" is the Plaintiff referring to? Nobody claimed to be millionaires other than the Mentor Entrepreneurs we have brought in to speak at the Millionaire Mindset Conferences (now Mindset Mentoring SM Conferences).
- 10. Advantage Conferences original model was to have smaller conferences with 30 or less Attendees. It became apparent by the reception of the market that more would want to attend, and from a logistical, expense, and preparation standpoint, it would be less costly and more prudent for the Company to have larger conferences with less frequency. Plaintiff's assertion that "All the speaker's names and the business they were in were withheld until one arrived at the conference. This information was withheld deliberately so people had to attend the Conference." This statement is truly too ridiculous to warrant a response. The speakers were in virtually every case and by design, unknown to the public, yet highly successful within their particular sectors. Other companies bring in "Brand" speakers who are usually highly accomplished presenters, usually skilled speakers and authors. Company's model was and is designed to find common, ordinary individuals who have had success in, for the most part, non-glamorous industries - industries such as plumbing, for example. Nobody was victimized by knowing or not knowing who the speakers were going to be. Attendees, in our experience, liked the idea of not

knowing, or it didn't make any difference knowing exactly who we chose to appear.

Years later, prior to the sixth MMC in 2007, Company posted names and backgrounds of the upcoming speakers to great detriment due to Dobrott's decision to call all of them to tell them that, among other incendiary and derogatory accusations, they might be sued if they appeared at our conference. At the last minute, three of the speakers declined to appear, which was exactly as designed by Dobrott - to cause damage and chaos to Company and the event. It is Defendant's opinion that this act and other similar acts on the part of Dobrott constitute tortious interference with contractual relations.

- 11. This assertion is another lie by Plaintiff. There were no provisions or special designations for "International Reps" at the time of Plaintiff's involvement. Although not surprising, this is the first the Defendant has heard of this angle of rationalization from Plaintiff. She never requested our product Wealth of Knowledge and her idea was not parcel to the refund agreement provisions at that time or ever.
- 12. TM marks were edited on a portion of the website at the advice of our attorneys. Marks are there to protect Company's intellectual property from competitor companies. Company relied on a former "common law" approach to placing marks that now requires application and lengthy processing periods.
- 13. See item 12j under first section responses.
- 14. See Weinzierl's response.
- 15. See McHugh's response (if any)
- 16. 20 Plaintiff paints herself as completely incompetent, as having no mental capacities, and as an utter victim, totally coerced with no culpability, control, or common sense whatsoever. In her personal President's Interview, she presented herself as smart, competent, and clear about all aspects of the program. Plaintiff was indeed successful here and could quite conceivably have created enough commission to recoup the cost of the conference in virtual record time relative to other Representatives had she not quit of her own volition. She should be thankful that her sponsor, McHugh, worked diligently to help her earn qualified status at the MMC-I level with "his" prospect contacts and not hers. Few Representatives, if any, have received that level of support and help.
- 21. We stand by the statement that these commissions were/are possible, realistic and were made by multiple individuals who didn't quit their business. The System was powerfully constructed, Representative-friendly, and effective. Had Plaintiff not quit and become so belligerent toward Defendants, she too

could have experienced income with her home business. Plaintiff's cohort, Dobrott, began doing everything in her power to convince many Company Representatives to quit, and if Plaintiff is a victim of anything, it is falling prey to such an incredibly negative and damaging an influence as Dobrott. Dobrott has been prodigious in her postings, telephone calls, and perennial complaints, self-promotion and meddling with business to which she has no connection. Again, she had/has no legitimate connection to Company, Defendant, Weinzierl, McHugh, or any other Representative or Company staff members in any way, whatsoever, other than her contacting them by solicitation. Those postings by Dobrott, including a defamatory, derogatory, highly speculative website were designed to malign and damage our reputations collectively and individually, and she indeed did tangibly damage Company's ability to provide product effectively and conduct business effectively.

- 22. In stark contrast to what Plaintiff asserts, she did attend several trainings and we have a very positive, happy, unsolicited, and voluntary testimonial from Plaintiff, stating that she loved the training, and was receiving great value and support from Darnell, Weinzierl, and several other Representatives, which was her public statement. Darnell was and has always been available for email exchange, personal telephone dialogue, three-way calls with her, and any of her Candidates, and any kind of help she requested. He has trained regularly on multiple calls every week. Additionally, Darnell did indeed speak personally with Plaintiff on several occasions, as did Weinzierl prior to Karelin's unfortunate meltdown and reversal of attitude. Weinzierl is the consummate professional who is kind, soft-spoken, and always willing to bend over backwards for anyone who has needed or asked for help, including Plaintiff, a fact that has been demonstrated for years of professional business involvement.
- 23. This statement is absurd, shifting all the blame to anybody and everybody but the person who caused the loss of income, Plaintiff herself. Plaintiff's strategy is to demonize Darnell, Weinzierl, and McHugh as monsters who have no compassion and no business scruples. That is a complete mischaracterization designed only for her to attempt to extort hundreds of thousands of dollars from those who did nothing but try to help her. Had Plaintiff heeded the pleas of Darnell, Weinzierl, and several top leaders at AC, she would have listened, regained her composure and been able to succeed after an excellent start. Her defamatory, vile, and profane e-mails to Darnell and Weinzierl are indicative of behavior that served to harm everyone concerned, but most of all, herself.

Affidavit of Heather Dobrott

Ms. Dobrott has no connection to the Company from the standpoint of being a past customer, vendor, employee, romantic relationship, friend, acquaintance — or

anything that constitutes her right to attach herself to Defendants. She is an unusual individual in that she delights in brutalizing and maligning others consistently – in particular Darnell and Weinzierl; and Defendants will produce boxes of postings to the court that show this to be true - the shocking, demeaning and inaccurate language that comprises angry, almost daily assaults on so many people. It is truly hard to imagine anyone that lives their life and treats others in the malicious and consistently derogatory way that she has for years and still does.

As with the case that she instigated with Judy Sterling against Defendant's Foundation, **Defendant(s) request the Judge and Court that Dobrott not be allowed in these proceedings**. She was not allowed (asked to leave) in the courtroom by the Judge in the previous case. Dobrott is an outsider, unconnected to Advantage Conferences other than being a belligerent that simply seeks to destroy reputations and intrude on the lives and businesses of well-meaning, law-abiding, high integrity business people. She has hurt hundreds of existing Representatives who have been dependent on and hopeful in Advantage Conferences to produce income for their families, but because of the plethora of negative postings found in Google and Yahoo searches, they found it next to impossible to attract business. She has stopped hundreds of Representatives from proceeding forward with the products and services that Advantage Conferences offers to the public.

Dobrott has metaphorically yelled "fire" in the movie theater in close enough proximity (public, high-ranking Internet postings in the search engines in particular) that everyone considering going to the theater or who is in the theater hears and is alarmed and frightened. Unlike her, they don't see or smell a fire, but just to play it safe, they stay away from Darnell, Company, Weinzierl and all Advantage Conferences Representatives, a fact in which she absolutely delights and has boasted about regularly.

In publically accessible documents, Dobrott has called Darnell names such as: Charles Manson, Hitler, David Koresh, the Anti-Christ, a criminal, a bumbling buffoon, incompetent, no Christian, a scam artist, a Con Man, a blathering idiot, a child molester, and the list goes on and on. She has stated on multiple occasions beginning in 2005 that "Darnell is going out of business." "Darnell operates out of his bathroom." See document, "(Tiny sampling of) Dobrott quotes posted on the Internet and available to the public) This type of language and much worse has appeared in over 2,300 posts and counting. See also box of postings (partial).

On page 2 of Dobrott's affidavit, she states, "As time went on a number of representatives from Advantage Conferences contacted me."

Dobrott has solicited and encouraged contact from Advantage Conferences Representatives on her blogs and by phone for years. She has constantly spoken of the Company's imminent closing and failure, constantly denigrated Defendant's character, evil intentions, fraudulent business structures, and lack of intelligence which created fear among many Representatives. Eventually Candidate and Prospects were able to see Dobrott's filth whenever Googling Defendants' names, and Company name. Her wild

conjectures and histrionic interpretations of everything involving Darnell, Weinzierl, and Company as being evil and fraudulent created a cloud around an otherwise excellent business and social environment.

"They had been terribly harmed financially and emotionally by this venture and I had a number of them sending me what they had related to their involvement in Advantage Conferences." Company's Treasures for the Kingdom Foundation (TFK) was established to help any of our Representatives who were in dire need and/or had fallen on hard times. We were able to help many Reps avert eviction, who needed rent or food money, and we helped multiple "in need" individuals and families by way of the Treasures for the Kingdom Foundation, including ironically, the very person who sued the Foundation. She was able to find an apartment due to help from TFK. Later she was contacted by Dobrott, or vice-versa, and fell for Dobrott's endless accusations. By the time Dobrott had posted hundreds of postings about the Foundation, accusing the entity of being illegal and fraudulent, donations dropped and the very people that Dobrott seems so concerned about according to her affidavit about were not given much needed funds in their time of need, that we had been able to collect and distribute in prior years. This inability to give on our part is directly attributable to Dobrott's constant, voracious attacks on every aspect of our Company and Representatives.

Dobrott states, "an impressive article..." written by Craig Malisow, of the Houston Press. The article was laced with profanity and vulgarity, including the "F..." word – not at all impressive, but rather filled with anti-business, anti-corporation slurs and smug, demeaning, belittling comments about Darnell, our distinguished Millionaire Mentor panel, who are truly some of the top respected Christian businesspeople in the country, and whose names we'll leave out of this affidavit for their protection. Malisow made fun of Darnell ruthlessly, as well as Darnell's Pastor Father, Dr. David Darnell, along with rude remarks about Dr. Darnell's powerful presentation, and literally mocked the Holy Scripture that Dr. Darnell was teaching on in his 40 minute devotional and Scriptural study prior to the start of the conference. Dr. Darnell has a PhD from Duke University Divinity School and is an internationally published and recognized author and commentator. He is not a businessman. According to Dobrott, Dr. Darnell is a "conniving scammer," among many, many other derogatory names.

Impressive? Access the Houston Press's Twitter site and here is their current bio:

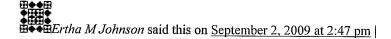
• Bio Houston's premiere alternative weekly. We might f**k with you. Katharine Shilcutt (@she_eats) tweeting.

Pull up another top five Google listing (September 4, 2009) and we see: The *Houston Press* gives readers something they don't get anywhere else around here -- a close-up, behind-the-scenes look at what's really going on where they live. From the irreverent "Hair Balls" column to in-depth investigative and feature stories and entertainment coverage that includes probing of Houston's late-night club haunts by the "Nightfly," the Press looks to scratch whatever itch its readers have. And now it's added its own blog, Hou*Stoned*, available 24/7 at www.houstonpress.com.

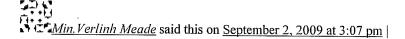
This is a counter-culture, drug and sex laced rag that could never appreciate what Company and Defendant stand for and promulgate. There was not a single word of praise or report of any good that Company or Defendants have done, and we are certain that that kind of "journalism," in solid stead with Dobrott, never will. The more lewd and negative the articles are in this publication, the more papers they sell.

In stark contrast, here are unsolicited responses Company received today (Sept. 2, 2009) alone. This is not fabricated. They are unsolicited and unedited, and not a single comment was asked for or encouraged. The date and time stamps are on the postings. This is typical of the thousands of responses we receive constantly – many are multiple pages about the impact of what Company has done for and in peoples' lives. These particular postings are in response to Darnell's weekly publication, The Footsteps of Faith Messenger:

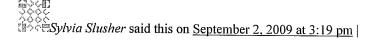
1. This message was right on time for me. Thanks and may God bless and keep you and yours.



2. Thank you God bless

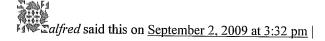


3. Tim Awesome what I needed to hear, God Bless.



4. Kindly continue to send the Footsteps of Faith Messager. It has been a great blessings.

God bless you



5. YES! I want to keep receiving the Footsteps devotionals! I've missed them coming to my in-box and didn't know where they'd gone. Please do keep sending them.



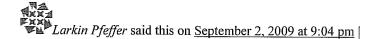
6. thank you so much brother Tim for untiring work sharing the word of God into my life, the word has been blessing me with tremendous blessings. GOD BLESS YOU

RODRIGO LIMPOT said this on September 2, 2009 at 5:00 pm |

7. beautiful blog, mine's terrible, but got the info out Nowrichman.blogspot.com 2 min. video



8. This was so uplifting Tim.



Page 3: The BBB shows one consumer complaint against Advantage Conferences. In late 2005, coinciding with Dobrott's postings that were beginning to appear, they did "question" and scrutinize Company, yet never reached a conclusion from what they termed, their "ongoing investigation" of Advantage Conferences. It has been four years, and Company has not been contacted by or in communication with the BBB in years, nor is Company aware of any real, tangible investigation whatsoever. The Texas Attorney General's office, experts in pyramid law, was able to conduct their investigation and render a favorable conclusion for the Company from their investigation in less than a week's time.

It is important to note that the BBB has shown a bias against Network Marketing and Direct Sales Companies in case after case. After incorrectly posting that Darnell was the current president of a company he had officially resigned from more than two years prior to their posting, verifiable with a simple search of the Texas Secretary of State's website, Company had no choice but to litigate in order for them to correct their statement. Prior to litigation, Company had repeatedly requested the corrections, while showing full, 'available to the public' documentation to the contrary of their erroneous post. BBB finally mitigated their language sufficiently.

Page 4: We will be glad to bring a representative of the BBB into the courtroom to refute what Dobrott asserts: "From the Better Business Bureau case court documents Advantage Conferences as adjudicated to be a pyramid scheme." Again, this is a distorted outcome of that litigation. The statement merely says, they "asked the question" about whether or not Company might be a pyramid.

Dobrott "calculate(s) a 98% loss rate for the representatives." Ms. Dobrott makes herself out to be an expert in so many areas, and we see now that accounting is another one of her strengths. Since she views Company as a money making "scheme" only, she

constantly leaves out the central premise of a PRODUCT. Company has delivered powerful products and services into our seventh year now. The value of those products and services have constantly been described in nothing less than glowing terms by those using them. Since neither Plaintiff, nor Dobrott have used the product, their mention of the product is predictably and always, blatantly missing.

Since she views the Company as "a get rich scheme," Company is a failure because people don't get wealthy immediately. The fact is, hundreds of Company Representatives have received commission checks. In 2006 more than half of Company roster received at least one check. Company has several superstars, and also a list of people who did virtually nothing productive to build their businesses. Some quit on the five yard line, just as they were about to reap the rewards of their efforts. Business requires time, a point of training discussed constantly in our trainings and by our Mentors But all experienced an extremely debilitating factor, and that was the voluminous postings by Dobrott, which, like a cancer inhibited Representatives from being able to market and sell effectively. We will bring case study after case study to the trial that will testify to that fact. If Ms. Dobrott is concerned with a percentage of Reps making money to be inadequate, she can look in the mirror and at the boxes of postings that made their way into the public sector and poisoned the futures of hundreds of Company Representatives as reason for the failure and/or quitting of many of our Representatives. Fear is a powerful tool in the hands of one who wants to do damage.

Page 4: "...stranger owned life insurance program of Advantage Conferences, that had no policies written and representatives out thousands and tens of thousands in expected commissions that never materialized." According to Dobrott, everything she looks at is fraud, victimization and loss. Advantage Conferences was approached by one of the very top insurance agents in the world about Premium Financed Life Insurance. Nobody, unless they purposely feel the need to denigrate a person, group of people, and all companies associated with them would call the product, "stranger owned." The product represented one of the largest asset classes in the economy, insurability of senior citizens. This was our first introduction to life insurance and we were impressed with the product. There were more than 132 companies nationwide that offered the product at the time. Several of our Representatives, including Darnell and Weinzierl, went through training and licensing.

One of our agents, again, the same person later who sued Company's TFK Foundation, a former employee and subsequent accomplice to Dobrott, Judy Sterling, somehow believed that she was due a large amount of commissions - even though she made no sales. The premise is so ludicrous, it simply doesn't deserve comment.

As a Company, we eventually found that we would do better to broaden our range of insurance products rather than carry a single product/concept. Accordingly, we sought training from several professional insurance trainers for more universally sold products across a wider demographic and age span, including Permanent Life, Term, and Annuities.

Page 5: Treasures for the Kingdom Foundation (TFK) – Dobrott neglects to mention that she called the church where Darnell is a member on so many occasions that the Pastors made it policy to quit taking her calls. She also neglects to mention that she threatened to name the church in the lawsuit of Sterling's against the Treasures for the Kingdom Foundation. Their affidavit stating that they were not part of my Company(ies) was the right move to make by the church, and a move with which I fully agreed and encouraged.

The only thing bogus regarding the Foundation is Dobrott's accusations about the entity type and the legal provisions created by the State of Texas for an Auxiliary organization like TFK. There are hundreds of thousands of organizations such as TFK. These organizations do not require permission of the church in order to be established. They also are not required to report taxes, as they are indeed legally tax exempt, and they are considered a 501(c) 3. Dobrott colluded with Judy Sterling (yes, the same one) and coerced her to file a lawsuit. She did so. The case was tried in court in Plano, Texas, and the finding was for the defendant, Treasures for the Kingdom Foundation. A tax-exempt entity (Auxiliary) such as TFK is not well-known by many people, including many professional tax people and even by IRS employees, but that does not mean it is not a viable and legal entity. Defense will provide expert witness(es) if the court feels it is appropriate or necessary in light of the constant drama-creation and false and groundless accusations consistently levied by Dobrott, and publicly displayed on the Internet as presumed truth in order to damage Defendants' reputations and damage their individual and collective abilities to conduct business.

Defendant Darnell is a leader at his church and serves in various capacities from year to year, including Bible study leader and a singer in the Worship and Arts Ministry. He is a personal friend of the Pastor and many of the specialty Pastors that serve there. Dobrott has conducted the same smear campaigns against Weinzierl's brother who serves as Pastor of a large, growing church in Michigan.

Darnell is also President of the Collin County North Gideons International and a leader in their ministry activities.

Page 5: This is the first Defendant was aware of "a concerted campaign to frighten me into silence." We did not even know who Dobrott was for the first two years of her smear campaign as she posted all of her messages under the pseudonym of "Soapboxmom." I responded in a single published e-mail, naming her (when her identity was finally discovered) and exposing some of the vile language and ridiculous accusations she was pumping into the public. Compare one message versus literally thousands upon thousands of posts that we have copied and will present as evidence versus "one" post in defense of Defendant's reputation and name.

Page 5: "He had threatened fellow church members to which the McKinney police responded and he was told to quit threatening people." Again, full of drama and inaccuracies, partly because Dobrott has never bothered to engage in conversation with the center of her accusations, Darnell to hear about his side of the incident on any of these

issues, there was a single incident with a single person, not "members." Having paid a graphics artist \$2,000.00 for work that did not arrive under a crucial deadline, the date of which was conveyed in the very first meeting and virtually daily to the artist, Darnell was forced to use another artist - and refused to pay anymore for work that did not come in under that extremely important deadline, and was thereby useless to the Company. When the first graphics artist continued to demand to be paid in full or he would sue. Darnell was finally forced to use stronger language that, after multiple conversations, mentioned that the last, and only lawsuit that had been adjudicated in Darnell's entire life, the other party lost and the ruling required the other party to pay monthly payments to Darnell, the Plaintiff, for 20 plus years, affecting not only him but his family, wife, and children's financial situation. The graphics artist contorted that statement to be a physical threat, and called the police. Darnell received a surprising call from the Allen police requesting that he not "threaten" the graphic artist anymore. There was in no way a physical threat. only a mention that a lawsuit could be much more involved than he might have thought, and it could affect his entire family, including his children, if a lawsuit was required for resolution and he lost. Communication with this particular person was, throughout our relationship, difficult, and we have knowledge that other clients felt the same way. That artist was later let go of his contract with another large client for similar reasons. With all of that being said, this incident has absolutely nothing to do with Dobrott or Karelin, whatsoever.

In Darnell's 35 years as a business owner, in the role of President and Fiduciary of his company, has had to write a total of five "Cease and Desist" letters to people who refused to cooperate in a civil and respectful manner. A "Cease and Desist" letter unfortunately requires stronger language than preferred, and is usually the last correspondence prior to further action such as litigation. Thankfully, most people are fair, civil, and cooperative, both in their business and personal relationships, allowing for an enjoyable and productive business and social environment.

- 1. Dobrott has used Karelin, alleviating her from having to put her own name on the lawsuit, because she has no relationship with Defendants and Company other than a four year campaign to smear and denigrate every aspect of Defendant's lives, business, families, and professional activities.
- 2. Company has a signed contract with Karelin that stipulates exactly the terms of involvement and the terms of her voluntary purchase. This contract protects both the purchaser and the vendor, Advantage Conferences. Company has honored their role in the contracts and expects the Plaintiff to honor her contracts as well.
- 3. Company is not an illegal pyramid. We respectfully request that appropriate law enforcement agencies make those determinations, not an unemployed blogger who does Google searches.
- 4.Treasures for the Kingdom is indeed a viable and legal entity, as has been proven so in a court case instigated by Dobrott already.

- 5. Businesses are in desperate need of some form of regulation and protection from individuals who flaunt their "free speech rights" to mercilessly wage smear campaigns in the name of consumer protection, using faulty research, to which Dobrott admitted to under oath, with no recourse available to the business.
- 6. Company and Defendants have conducted honorable and indeed, exemplary business in the Direct Sales industry, including their initial promotional materials and the way they treat individuals. Statements taken out of context do not accurately represent thoughts and messages conveyed in the same and accompanying documents.
- 7. The Plaintiff's lawsuit is meritless and is simply an attempt to extort money for the Plaintiff, Plaintiff's counsel and Dobrott.
- 8. While Darnell and Weinzierl have compassion for anyone doing business with them, even if they choose to quit, when a Representative or former Representative shows no regard for their advice about what to do, but rather chooses to go in the opposite direction, that is not to his/her advantage. If they disregard their advice and counsel, yet still blame Defendants, Defendants cannot be held liable for their poor choice. Defendants cannot "make" a Representative make the right decisions. Associates/Representatives who quit must be culpable for their actions, and the results of those actions.

Further, affiant sayeth naught.

Tim Darnell

Subscribed and sworn to before me this ______ day of September, 2009 to which witness my hand and official seal.

JUDY McCULLOUGH

Notary Public
STATE OF TEXAS
My Comm. Exp. 09/04/2011

State of Texas

Notary Public, in and for the